July 29, 2022

Honourable Sylvia Jones, Minister of Health
Hepburn Block, 10th Floor
80 Grosvenor Street
Toronto, ON M7A 2C4

Dear Minister Jones,

Re: ADDRESSING PUBLIC HEALTH FUNDING SHORTFALLS IN NIAGARA

I am writing to you on behalf of Niagara Regional Council who, on July 12, 2022, received and approved the enclosed report concerning the growing gap in current provincial funding for Public Health and Emergency Medical Services.

As you know, the majority of Public Health services provided by local public health agencies to the public are funded jointly by the Province and municipal governments, an arrangement that allows for stable, predictable delivery of critical public health services to residents. However, the recent reduction in the Province’s share of funding for cost-shared Public Heath services, coupled with the change of several 100% provincially funded programs to cost-shared programs, has placed a new financial burden on municipal governments. Beyond public health, where these changes have led to significant budget challenges in critical areas including supports for newborn infants and their parents, the effects are also being felt in the delivery of mental health programming and Emergency Medical Services (EMS) dispatch.

Niagara’s mental health program is 100% funded through provincial funds, allocated via Ontario Health (OH). While OH provides an annual lump sum of $39,500 to cover indirect allocations, the actual expenses incurred by the Region greatly exceed this. In fact, local taxpayers have had to cover a total deficit of nearly $2 million over the past five fiscal years.

Furthermore, the annual budget submission process to OH has been paused over the past three years due to the COVID-19 pandemic, resulting in no further increase in the Mental
Health budget despite inflation and the pandemic’s impact on the cost of health care delivery.

As alluded to in my previous letter in May of 2022, Niagara’s EMS service continues to face significant challenges due to the COVID-19 pandemic. In addition to the budget implications of increased offload delays, Niagara EMS’s dispatch program is underfunded for its operations, with a deficit of $1,241,912 over the past five fiscal years. This reflects a three-fold increase in call volume with no increase in funding to increase capacity, leading to staffing challenges to maintain operations, and increased costs through additional sick time of overburdened emergency responders, WSIB payments, and overtime payment for backfill. The current situation is already concerning, and the ability of the service to respond to calls may be affected unless additional funding is available to increase the staffing complement to match this new call volume.

These shortfalls are also affecting the delivery of our Healthy Babies Healthy Children (HBHC) and Infant Child Development Service (ICDS), both funded 100% through the Ministry of Children, Youth and Social Services. ICDS has not had a base budget increase to account for inflation or population growth since 2001, and in 2010 had its base budget decreased. HBHC has not seen a base budget increase since 2008. This has required these programs needing to reduce their staffing levels to reduce costs by $201,828 to absorb the impact of inflation over that time. These staffing reductions have resulted in a reduction in service delivery, with the impacts still to be evaluated.

Unfortunately, these challenges are compounded by the lack of increases in base Public Health funding to account for inflation. We very much appreciate the 1% increase in base budget for 2022. However, salaries continue to increase through collective bargaining and the cost of fuel, materials and supplies continue to increase with inflation estimated to be 8.1%. Stable and predictable funding with inflationary increases year-to-year is needed to plan and deliver the stable and predictable services that our residents need.

As I’m sure you can appreciate, these funding shortfalls not only make long-term program planning difficult; they form a risk that our residents will not have access to critical public health services when they need them, especially during this critical juncture for the health of our residents. In addition to the continued impact of COVID-19, there is significant catch-up work to be done (e.g. missed grade 7 vaccinations) to recover from the effects of the pandemic, and to ensure the population continues to receive necessary health services. These funding shortfalls endanger that work.
It is my hope that this letter will open a dialogue between the Niagara Region and your respective offices as we search for remedies to these funding shortfalls and leverage our positive working partnerships to ensure that Niagara’s residents continue to receive the high-quality public health services they have come to rely on.

Yours sincerely,

Jim Bradley, Chair
Niagara Region

cc: Hon. Merrilee Fullerton, Minister of Children, Youth and Social Services
    Hon. Peter Bethlenfalvy, Minister of Finance
    S. Oosterhoff, MPP, Niagara West
    W. Gates, MPP, Niagara Falls
    J. Burch, MPP, Niagara Centre
    J. Stevens, MPP, St. Catharines
    Association of Municipalities of Ontario (AMO)
    Local Area Municipalities
    Ontario Board of Health
    Association of Local Public Health Agencies (alpha)
    Dr. M. M. Hirji, Acting Medical Officer of Health
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