



# Advocacy Alert

## The CHAC calls on the federal government to adopt a 100% GST rebate for all publicly funded not-for-profit hospitals, health institutions and facilities

January 23, 2008



### Issue

Not all publicly funded, not-for-profit healthcare institutions across Canada are treated the same in terms of the GST's impact on their finances. Hospitals and homes in Alberta and New Brunswick effectively receive 100% rebate on the GST they pay for all of the inputs they purchase to provide health services in their communities. However, hospitals in eight provinces receive only an 83% rebate, while long-term care, home care and community institutions receive only a 50% rebate.

The CHAC supports the GST rebate recommendation brought to Finance Minister Flaherty's attention on Nov. 14, 2007 by the Canadian Health Care Association (CHA) and the Association of Canadian Academic Health Care Organizations (ACAHO).

### Next Steps

CHA, ACAHO, CHAC mapping 2008 short to long-term advocacy strategy.

### CHAC Letter to the Finance Minister (Dec. 21, 2007)

The letter raised 3 key issues:

#### 1. Equity

- Eight provinces are negatively affected by the current policy.
- Two provinces enjoy 100% GST rebate: Alberta & New Brunswick.
- This policy violates the spirit of equity in the Canada Health Act.

#### 2. Sustainability

Closing the GST gap of 17% for hospitals and 50% for homes in eight provinces would represent a fair and significant contribution to the sustainability of those health care organizations.

#### 3. The policy undermines the generosity of Canadians

Contrast the generosity and dedication of Canadians who voluntarily raise funds for the foundations affiliated with local healthcare facilities, with a government policy that siphons back 17% and 50% on the purchase of goods and services.

### Chronology

#### • November 14, 2007

Press Releases issued by:

The Canadian Healthcare Association (CHA)

The Association of Canadian Academic Health Care Organizations (ACAHO)

- **December 21, 2007**

CHAC wrote to Finance Minister endorsing the CHA and ACAHO positions.

- **January 21, 2008**

Joint ad placed in a special healthcare edition of the Hill Times (See ad below and attached PDF file.)

- **January 28, 2008**

39th Parliament resumes

- **February - March 2008**

The federal budget is normally tabled in the House of Commons between the third week of February and the end of March.

### Next Steps

- We encourage you to distribute this Advocacy Alert and Backgrounder to the Chairs of your organization and foundation boards, and to initiate discussion at your local level.
- CHAC will be developing a short- to long-term advocacy strategy in partnership with the CHA and ACAHO, at which point you will be apprised of next steps.

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## Resources

**For additional resources (CHAC letter, backgrounder, press releases, joint ad) please visit the CHAC website at [www.chac.ca](http://www.chac.ca)**

The **GST drains \$300 million** out of our health system... **Every year!**  
Is this good public policy?

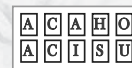
The federal government should adopt a 100% GST rebate for all publicly funded not-for-profit hospitals, health institutions and facilities.

**84% of Canadians agree with us\***

\* Nanos Research Public Opinion Poll Results - 2007.



[www.cha.ca](http://www.cha.ca)



[www.acaho.org](http://www.acaho.org)



[www.chac.ca](http://www.chac.ca)

A message from the Canadian Healthcare Association, Association of Canadian Academic Healthcare Organizations, and the Catholic Health Association of Canada on behalf of Canada's publicly-funded, not-for-profit hospitals, research hospitals, long-term care facilities, home and community care agencies.



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*Aussi disponible en anglais.*