

This article is from the Saturday May 10, 2025 edition of the Canada Health Alliance Weekly Report

The Real Price Of ‘Rationing’ Canadian Health Care Is YOUR Pain And Suffering



In this newsletter we often talk about how medical wait times are increasing across Canada to the detriment of thousands of people in need of both emergency treatment and chronic care. It has gotten to the point where more and more people are actually dying in the line up, or are getting seen to so late that their condition becomes much more dangerous and sometimes terminal.

Clearly this is a sign that our current healthcare system is unable to deal with the level of demand, and given how chronic conditions are increasing so dramatically since the roll-out of the Covid (and all other mRNA) vaccines we know the situation is only going to get worse, and likely quickly.

This means that we need to start considering a whole new approach to healthcare, especially with regards to preventative health so we can stabilize and hopefully start to reduce demand on the legacy system. This must include things like better integration of public and private

services, allowing private paid services to subsidize the old government funded system for those who choose to pay for it and an overhaul of how government funds are distributed (which Alberta is currently introducing).

This issue of costs and cost-subsidies is a major contributor to driving demand due to the perception of Canadian healthcare being ‘free.’ Sadly nothing is free, and although you don’t pay for the services directly you are paying for them through either your taxes (which would theoretically be less if it didn’t have to cover so much healthcare), or you pay for it through your pain and suffering.

Neither are really acceptable, and even with high taxes and lots of unnecessary pain and suffering, wait times for specialists and surgeries have more than doubled (and in some places have increased four fold) across ALL Canadian provinces over the last 12 years.

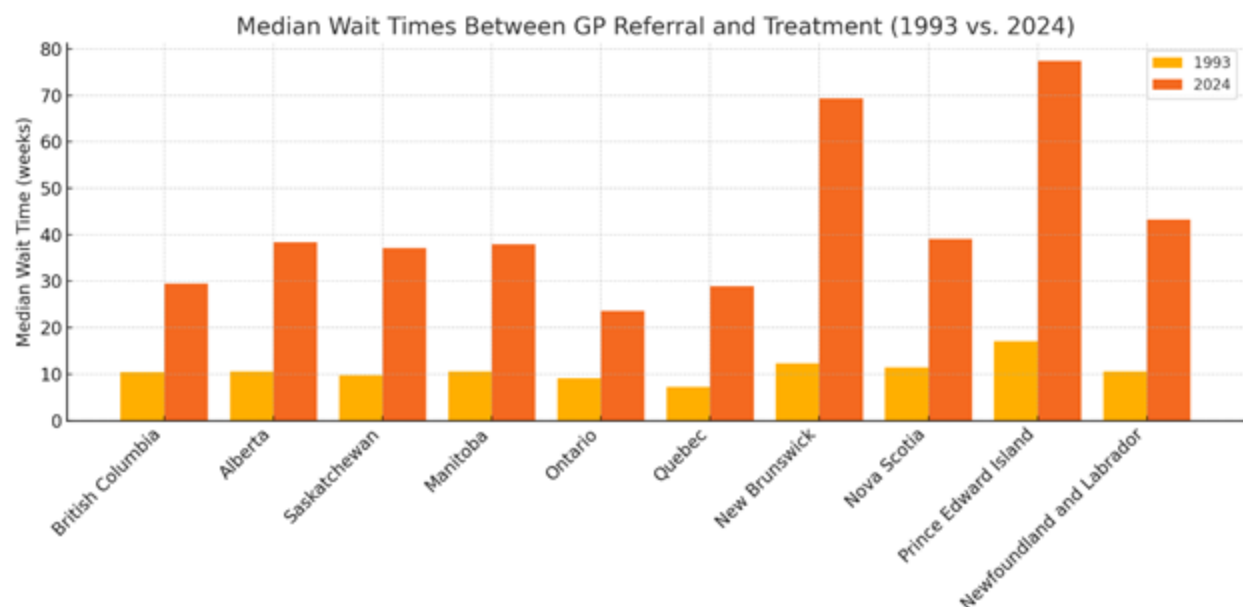
Last month Vincent Geloso wrote an excellent article published in The Daily Economy detailing this issue of the real cost that YOU are paying for our, clearly struggling, public healthcare system and how limited services are now being ‘rationed’ to spread it across even more thinly. He writes that:

“Canadian health care is not free and it has two prices: the taxes Canadians pay for it and the wait times that make Canadians pay in the form of service rationing.

Canada’s publicly provided health care system actually requires rationing in order to contain costs. Because services are offered at no monetary price, demand exceeds the available supply of doctors, equipment, and facilities. If the different provinces (which operate most health care services) wanted to meet the full demand, each would have to raise taxes significantly to fund services. To keep expenditures down (managing the imbalance from public provision) and thus taxes as well, the system relies on rationing through wait times rather than prices.

The rationing keeps many patients away from care facilities or encourages them to avoid dealing with minor but nevertheless problematic ailments. These costs are not visible in taxes paid for health care, but they are true costs that matter to people.

All this may sound like an economist forcing everything into the “econ box,” but the point has also been acknowledged by key architects of public health care systems themselves. Claude Castonguay, who served as Quebec’s Minister of Health during the expansion



of publicly provided care, conceded as much in his self-laudatory autobiography. The reality, he explains, is that eliminating rationing would imply significantly higher costs — costs that politicians are generally unwilling to justify through the necessary tax increases.

Multiple government reports also take this as an inseparable feature of public provision — even though they do not say it as candidly as I am saying it here.

To illustrate the magnitude of rationing (and the trend), one can examine the evolution of the median number of weeks between referral by a general practitioner and receipt of treatment from 1993 to 2024, as seen in the above bar graph. In most provinces (except one), the median wait time in 1993 was less than 12 weeks. Today, all provinces are close or exceed 30 weeks. In two provinces, New Brunswick and Prince Edward Island, the median wait times exceed 69 weeks. For some procedures, such as neurosurgery, the wait time (for all provinces) exceeds 46 weeks."

And there have been numerous studies done over the last decade to determine the true cost of these escalating wait times:

- In 2008, the Canadian Medical Association (CMA) released a study estimating the economic cost of wait times. For the year 2007, the CMA estimated that the cost of waiting amounted to \$14.8 billion.
- In 2013, the Conference Board of Canada found that adding an extra two additional ailments boosted the cost from \$14.8 billion to \$20.1 billion.
- Another study used a similar method, but considered the cost in terms of lost wages and leisure. It arrived at a figure, for 2023, of \$10.6 billion or \$8,730 per patient waiting.

- Another study attempted to estimate the cost of rationing in terms of lives lost. This found that one extra week of delay in the period between meeting with a GP and a surgical procedure increased death rates for female patients by 3 per 100,000 population. Given that the loss of an otherwise productive life is estimated at \$6.5 million, this is not a negligible cost, never mind all the pain, suffering and trauma for the family.

And all of this for what?

One could argue that these wait times come with good care once obtained. That is not true either. Canada is the highest spender on public healthcare among a group of 30 comparable developed countries, yet out of these 30 we are one of the lowest performers: Canada ranks:

- 28th out of 30 for doctors,
- 26th out of 30 for CT Scanners,
- 25th out of 30 for MRI units, and
- 24th out of 30 for in-care beds

The reality is that, whatever nuances one wishes to introduce — whether in good faith, pedantically, or simply to troll — the core message is that Canadian health care works well for those who can afford to wait, but that is not the nature of healthcare. When we need care, we need it quickly to prevent further degradation and the development of much more expensive and complex (potentially life-threatening) health issues.

Our current over-stretched and highly 'rationed' system is no longer serving the needs of not just the very sick, but now of average citizens who want – and expect – to receive the treatment and care they have spend their lives

paying taxes for, as they were so glibly promised back in the day.

We would like to thank The Daily Economy for this excellent article, and credit Vincent Geloso who is a senior fellow at AIER and an assistant professor of economics at George Mason University who researched and wrote the original article. You can read the full article at: <https://thedailyeconomy.org/article/the-wait-is-the-price-quiet-rationing-in-canadian-health-care/> We would recommend subscribing to the The Daily Economy and following Vincent Geloso.

Other sources for this article include:

<https://www.fraserinstitute.org/sites/default/files/reducing-wait-times-for-health-care.pdf>

<https://www.fraserinstitute.org/sites/default/files/effect-of-wait-times-on-mortality-in-canada.pdf>

<https://www.theepochtimes.com/opinion/the-wait-is-the-price-quiet-rationing-plagues-canadian-health-care-5848867>

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