

Minority government commits \$20.2 billion to health

In a minority federal government it's all about survival, so Finance Minister Ralph Goodale's fiscal blueprint for 2005–06 provided a little bit of something for everyone, while reserving the biggest increases for retooling the military and cutting taxes in hope of appeasing the opposition Conservatives into voting for the budget.

Within the \$196.4-billion blueprint lay a grab bag of health, environmental and international development initiatives.

Among the health initiatives was \$170 million over 5 years for Health Canada to bolster its oversight of the drug approval process (see page 864) and develop a new regulatory regime to govern the use of biological materials.

Other initiatives included \$34 million over 5 years to develop and test a mock vaccine for an influenza pandemic (CMAJ 2005;172[5]:623).

Goodale's budget also took the first step toward implementing the agreement signed at last September's First Ministers' meeting. Under it, the Canada Health Transfer rises nearly \$4 billion this year to \$19 billion, while \$625 million (of a \$4.25 billion commitment) will flow for clearing backlogs and reduc-

ing wait times. The latter will be topped up by \$15 million over 4 years for provincial wait-time reduction projects.

Other health initiatives included \$75 million over 5 years to hasten assessment of foreign-trained health professionals, \$110 million over 5 years for the Canadian Institute for Health Information, and \$210 million over 5 years for health promotion. It doubled the maximum amount of medical- and disability-related expenses that can be claimed by caregivers and extended the 83% GST rebate now offered only to hospitals to include other health care facilities.

"All of these additional things are very helpful," said Canadian Healthcare Association president Sharon Sholzberg-Grey. "Things like the GST rebate are all little things that fester."

Environmental groups were equally enthusiastic about programs offered under a \$3-billion green umbrella, including \$90 million over 5 years for assessment of health effects of toxic substances, and a \$1 billion, 5-year "Clean Fund" that will see the government buy back greenhouse gas emission reductions, on a dollars per tonne basis, for

new domestic and international projects. For example, a company investing \$150 million to introduce new clean coal technology could recoup \$25 million through emission credits.

Final details haven't been fixed. Still, "it's one of the most innovative things in the world," says Sierra Club of Canada senior policy advisor John Bennett. "It's saying: show me the reductions and we'll pay you, which unleashes the creative minds of the business community."

But Environment Canada concedes the new fund will make only a small dent on Canada's commitment under the Kyoto Protocol to cut greenhouse gas emissions to 6% less than 1990 levels by 2012.

The government also inched toward honouring its 2002 commitment to double international assistance by 2010–11 by providing \$3.4 billion over 5 years for foreign aid and security. To honour previous international health commitments, the budget also provided \$140 million for the global AIDS fund, \$160 million for the global vaccines fund and \$42 million for the global polio eradication initiative. — *Wayne Kondro, Ottawa*

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HEALTH CANADA

Bureaucrat is new head of drug approvals

Health Canada has replaced the physician who headed the department's Therapeutic Products Directorate (TPD) with a political scientist and career bureaucrat.

Dr. Robert Peterson, who headed the directorate for the last 5 years, left Feb. 23 to become a Professor and Associate Head of Pediatrics, Community Child Health at the University of British Columbia, and Director of BC's Provincial Child Health Network.

Peterson's replacement, Omer Boudreau, has spent most of his career in program management and human resources. Within Health Canada, he was associate director general in the therapeutic products division. Boudreau, who holds a degree in political science, was also a senior manager in Transport Canada, and Veterans Affairs Canada.

The Therapeutic Products Directorate regulates drugs and medical devices, serving as the Canadian equivalent to the US

Food and Drugs Administration.

The change in director general came as Health Minister Ujjal Dosanjh announced a major overhaul of the drug approval system to permit more public input into both pre-approval and post-marketing surveillance of drugs, and to create a more open and transparent process (see page 864). — *Laura Eggertson, CMAJ*



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