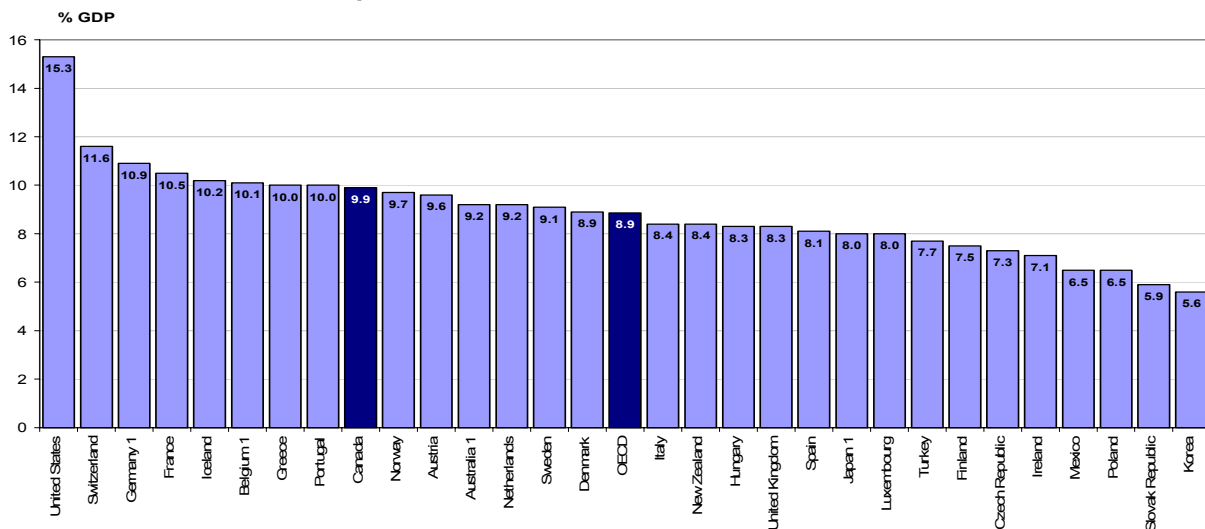


OECD Health Data 2006 How Does Canada Compare

Total health spending accounted for 9.9% of GDP in **Canada** in 2004, one percentage point higher than the average of 8.9% in OECD countries. Health spending as a share of GDP is lower in **Canada** than in the United States (which spent 15.3% of its GDP on health in 2004) and in a number of European countries such as Switzerland, Germany and France (which allocated 10.5% or more of their GDP on health).

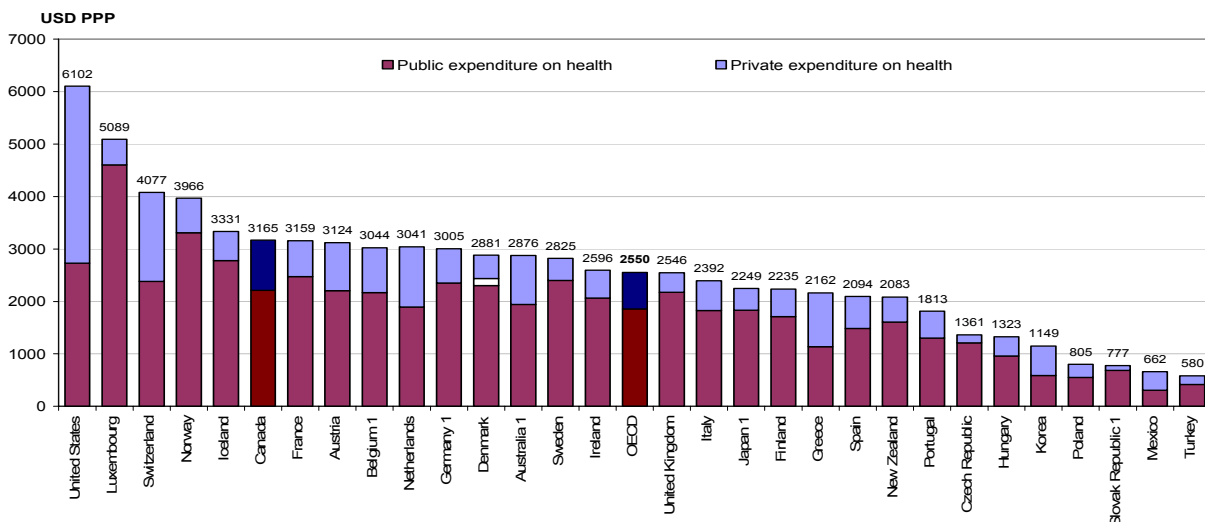
Canada also ranks above the OECD average in terms of total health spending per capita, with spending of 3165 USD in 2004 (adjusted for purchasing power parity), compared with an OECD average of 2550 USD. Health spending per capita in **Canada** remains nonetheless much lower than in the United States (which spent 6100 USD per capita in 2004) and in Luxembourg, Switzerland and Norway.

Health expenditure as a share of GDP, OECD countries, 2004



1. 2003. Source: OECD Health Data 2006, June 2006.

Health expenditure per capita, public and private expenditure, OECD countries, 2004



1. 2003. Source: OECD Health Data 2006, June 2006.

Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given 'basket' of goods and services in different countries.

Between 1999 and 2004, health spending per capita in **Canada** increased in real terms by 5.0% per year on average, a growth rate comparable to the OECD average of 5.2% per year. Following a period of strict cost containment measures in the mid-1990s, health expenditures in **Canada** has risen steadily since then, reflecting improvements in the budgetary situation of governments and deliberate policies to relieve pressures which arose from earlier restraint measures.

The rise in pharmaceutical spending has been one of the factors behind the rise in total health spending in **Canada** as well as in many other OECD countries. In 2004, spending on pharmaceuticals accounted for 17.7% of total health spending in **Canada**, up from 15.5% in 1999 and 13.1% in 1994.

The public sector is the main source of health funding in all OECD countries, except the United States and Mexico. In **Canada**, 70% of health spending was funded by public sources in 2004, slightly below the average of 73% in OECD countries. The share of public spending in **Canada** decreased from 74.5% in 1990. In 2004, the share of public spending among OECD countries was the lowest in the United States (45%) and Mexico (46%), and relatively high (over 80%) in several Nordic countries (Denmark, Norway and Sweden), the United Kingdom and Japan.

Resources in the health sector (human, physical, technological)

Despite the relatively high level of health expenditure in **Canada**, there are fewer physicians per capita than in most other OECD countries. In 2004, Canada had 2.1 practising physicians per 1 000 population, well below the OECD average of 3.0. Between 1990 and 2004, the number of doctors per capita remained stable in **Canada**, while it continued to increase at least slightly in most OECD countries.

There were 9.9 qualified nurses per 1 000 population in **Canada** in 2004, a higher figure than the average of 8.3 in OECD countries. However, the number of nurses per capita *decreased* in **Canada** since 1990, while it increased in most other countries. The reduction in the number of nurses per capita during the 1990s in **Canada** was linked to a reduction in enrolment and graduation from nursing schools, together with a reduction in the number of hospital beds. This trend decline has been halted however in recent years, and the number of nurses per capita has started to rise since 2002.

The number of acute care hospital beds in **Canada** was 3.0 per 1 000 population in 2003, a higher number than in the United States (2.8 in 2004), but lower than the OECD average of 4.1 beds per 1 000 population. As in most OECD countries, the number of hospital beds per capita in **Canada** has fallen over time. This decline has coincided with a reduction of average length of stays in hospitals and an increase in the number of surgical procedures performed on a same-day (or ambulatory) basis.

During the past decade, there has been rapid growth in the availability of diagnostic technologies such as computed tomography (CT) scanners and magnetic resonance imaging (MRI) units in most OECD countries. In **Canada**, the number of MRIs also increased over time, to reach 4.9 per million population in 2004. Despite this increase, Canada was still lagging behind the OECD average of 8.0 MRI units per million population. Similarly, the number of CT scanners in Canada stood at 10.8 per million population in 2004, below the OECD average of 18.0.

Health status and risk factors

Most OECD countries have enjoyed large gains in life expectancy over the past 40 years, thanks to improvements in living conditions, public health interventions and progress in medical care. In 2003, life expectancy at birth in **Canada** stood at 79.9 years, almost two years higher than the OECD average. Still, a number of countries (e.g., Japan, Switzerland, Sweden and Australia) registered a higher life expectancy than **Canada**.

The infant mortality rate in **Canada**, as in other OECD countries, has fallen greatly over the past decades. It stood at 5.3 deaths per 1 000 live births in 2003, lower than in the United States and the OECD average. Infant mortality is the lowest in Japan and in Nordic countries (Iceland, Sweden, Norway and Finland)¹.

The proportion of daily smokers among adults has shown a marked decline over the past twenty-five years in most OECD countries. **Canada** provides an example of a country that has achieved remarkable progress in reducing tobacco consumption, with current rates of daily smokers among adults down from 34% in 1980 to 15% in 2004, the lowest rate among all OECD countries. Much of this decline in **Canada** and in other countries can be attributed to policies aimed at reducing tobacco consumption through public awareness campaigns, advertising bans and increased taxation.

At the same time, obesity rates have increased in recent decades in all OECD countries, although there remain notable differences across countries. In **Canada**, the obesity rate among adults, based on actual measures of height and weight, was 22.4% in 2004. It remains lower than in the United States (30.6% in 2002) and about equal to the obesity rate in the United Kingdom (23.0% in 2004)². Given the time lag between the onset of obesity and related health problems (such as diabetes, cardiovascular diseases and asthma), the growing prevalence of obesity in most OECD countries, including **Canada**, will mean higher health care costs in the future.

More information on *OECD Health Data 2006* is available at www.oecd.org/health/healthdata.

For more information on OECD's work on Canada, please visit www.oecd.org/canada.



¹ Some of the international variation in infant mortality rates is due to variations among countries in how premature infants are registered. In Canada, the United States and the Nordic countries, very premature babies (with low odds of survival) are registered as live births, thereby *increasing* mortality rates compared with other countries that do not register them as live births.

² It should be noted that the data for Canada, the United States, the United Kingdom, Australia and New Zealand are more accurate than those from other countries since they are based on *actual measures* of people's height and weight, while estimates for other countries are based on *self-reported* data, which generally underestimate the real prevalence of obesity.