

*Medical Care Act*

those schemes as we normally do, obviously on a reasonable actuarial basis. A certain amount of each payment would be set aside in what we would call the social fund to look after those who are chronically ill, chronically unemployed, or unable to cope with their social responsibility. The remainder would be placed in an individual fund for each individual.

If at the end of a worker's life, using the ages 20 to 65, the worker had not been unemployed too often, was not in hospital too often, was not sick too often but had just the normal amount, the excess of his payments into this fund, with interest applied at the normal rate, could be added, when he retired at any age he liked, to his old age pension. At that time it was calculated on the basis of 1958 figures. The calculation was that if a person was sick the average amount, unemployed the average amount, and had the average number of accidents, he could add \$125 to his old age pension, which was then receivable at age 65. The amount added would be for the normal 60 per cent or 80 per cent of us who are not sick chronically. This would act as an incentive for people not to be coaxed into hospital or coaxed into a doctor's office too often. We know the percentage of people who use these schemes.

I recall the hon. member for Prince Edward-Hastings speaking on that proposal. I also spoke on it. All the people to whom we spoke about it were enthused. They said they would respond to such a proposal.

I for one am sorry that 12 or 13 years later nothing has been done. Here we are in this House facing the penalty for nothing having been done. If one would take a chart showing the amount of money spent in the last 15 years on these open-ended statutory items such as medicare, one would see the growing upward curve and one would understand what is terrifying the Treasury Board and the men who look at the finances of the nation. That is why the government says that we cannot cut government expenses, or that all that is left for us to cut is 20 per cent because the other 80 per cent is fixed.

I shall make a statement which I may not be able to qualify quantitatively. However, I suggest that on unemployment insurance, hospitalization, and medicare, without taking away a single necessary service to people needing them, the cost could be reduced on this type of package proposal by between 50 per cent and 60 per cent because what we have in this proposal is an individual incentive not to abuse this universal program. We would not get into the situation we are in now of having a negative deterrent.

In Saskatchewan when the hospitalization costs rose a new government was elected under the premiership of Mr. Thatcher. He put in a negative deterrent. I believe it was a few cents, or perhaps \$1.50 or something of that nature, that was charged when a person went for a service. When we look at that individual negative deterrent introduced by the Liberal government of Saskatchewan we see that it was the sick person who suffered. That government was defeated. That was part of the reason for its defeat.

I give this warning to the government. I know that the members of the government have abdicated their responsibility as politicians and representatives of the people, and have turned the question over to the mandarins in the civil service. When the mandarins say "jump", members of the government do not say "which way", but rather "how

high?" In effect the mandarins are not told that, for survival purposes, in the mix the government would like them to consider some sort of proposal like this.

I know the figures I quoted for 1958 are many years obsolete. I also know that if you take the rate we calculated in 1958, together with the present figures, and take unemployment insurance which I think was 36 cents and is now \$3.30, almost ten times higher, I would think at age 65 a worker would have \$400 or \$500 to add to his pension if those figures were interpolated forward. I do not have the machinery to do this calculation.

I would say to the government, particularly to its members who have backgrounds in this House before 1972, that they should remember the past, and that if they want to be reminded of the past there is a book written by an ex-cabinet minister by the name of Miss LaMarsh, called "A Bird in a Gilded Cage". I suggest they read this book written by the ex-minister of health and social welfare and see how she started out with great sincerity and idealism to bring in programs such as medicare, and then see what happened to her and who ran the show. They should read that history again and read who it was in the cabinet at that time who opposed medicare. Where are they today?

I ask this House not to forget the simple elementary rule that any nation that does not learn from its mistakes of the past has no future. This is the truth I am trying to put forward. We have made horrible blunders, and not with any lack of sincerity. Perhaps we thought we would win an election or two by using these things as promises. I say we must not let this program be endangered by the type of negative deterrent this bill represents. It is not an individual negative deterrent but rather the worst deterrent of all.

The provinces were pushed into this scheme in a brutal manner in 1968 with no controls on their expenditures, then a ceiling was put on, the government backed off, and when there is a problem in respect of hospitalization it will back off further. Before you back off and throw the load on to the provinces who have to face people because it is their responsibility, give a thought to alternative proposals which are constructive, I believe, which are worthy of consideration, and which get away from these negative deterrents.

● (1740)

In speaking on second reading of this bill I should like to say that those of us who are conscious that progress continues at different speeds at different times should realize that we should not be ashamed as members of legislatures and members of parliament of the progress we have made in the last 30 years. The progress we have made should not be endangered by our refusal to challenge the orthodox economics of people who can only think in terms of restrictions and negative controls. The human mind can produce ideas that can harness the positive and the good in people, and I think that the great majority of people in any nation—60 per cent or 80 per cent, I do not know—will respond to positive individual incentive to get these programs to work and to stay within their economic capacity.

The only person who has reason to fear it is a person who is so tied up with the idea that he wants the maximum pension when he quits work at the age of 65 that he would