

Medical Care Act

As we heard earlier, doctors in Ontario are asking for an eight per cent wage increase. They are making the argument, as is any other working person in Canada, that they face rising costs and want a salary increase. I was very interested to hear a judgment rendered by the Chairman of the Anti-Inflation Board, Mr. Pepin, that doctors will be able to exceed the wage guidelines as set out in the federal anti-inflation program. An eight per cent increase on the salaries I have mentioned certainly will be in excess, for most doctors, of the \$2,400 a year maximum increase that professionals are allowed under the anti-inflation guidelines.

When Mr. Pepin was in Manitoba he stated to doctors there that the \$2,400 maximum would only be an average, that it would be averaged out among all doctors in the province. Therefore there can be doctors who will get a salary increase in excess of the \$2,400. I think that when we compare that eight per cent increase on a salary of \$71,000, one has to admit there is quite a difference between the 10 per cent maximum salary that a nurse's aide or a cook will get in any hospital and the increase that a doctor would get.

The other factor that causes rising health costs is rising laboratory costs. In Ontario alone in 1975 it cost \$60 million under the Ontario Hospital Insurance Plan to pay for laboratory costs. Much of this increased cost, I believe is due to overservicing, and there are indications that in some of the private laboratories in the province there has been phoney billing taking place and even some kickbacks among the 282 private medical laboratories. The provincial government is in the process of conducting an investigation of the charge that some doctors in the province have ownership interests in private laboratories, are referring patients to them and having unnecessary diagnosis taking place in order to enhance their personal income. We hope to see the results of that provincial investigation very soon to make sure that that is not going on and, if it is, that it will be rectified.

The fifth reason for rising health costs is the fact that throughout Canada we are keeping too many chronic care patients in regular active treatment hospitals because of the lack of extended care units for these people.

I did some research and I found that it costs as much as \$200 a day to keep a chronic care patient in an active treatment hospital. If we were to provide more extended care units, that cost could be reduced to \$42 or \$52 a day. We can realize what tremendous savings this would provide to our national medicare plan.

The federal government seeks to handle these factors contributing to rising health costs by forcing the provinces to carry the heavier burden of these costs. What will be the result? First of all it seems inevitable if this bill passes that the provincial governments will have to cut back on services. They just will not be able to maintain the present level of health care services, or even expand to meet growing population needs. We can see this beginning under an austerity program in the province of Ontario with the closing down of hospitals and, as I said earlier, if this bill passes we will see hospital closures and cut back of services carried out throughout the country.

Another possible result if this bill passes is that the provinces will have to raise their taxes in order to finance

the existing medicare schemes. We would have an increase in the sales tax, although this is one of the most regressive kinds of taxes there is because it hits the rich and poor within the same amount. The tax in Ontario is already 7 per cent. I cannot see the general population being able to afford an increase beyond that. We could have another kind of tax, a per capita medical tax on every family in the province. That is another way that the province would gain revenue to meet rising costs. Again that is a very discriminatory kind of tax because it would be levied on high and low income people most likely at the same rate.

The third result of this program could be for the provinces to impose deterrent fees. This means that every time a patient visits a doctor or has an X-ray, he or she will be charged a fee for that service. It could be \$5 a visit, or \$10 a visit, or \$50 a day for having a hospital bed. If that takes place, what we are doing is taxing the sick, the ill, and the infirm. That kind of principle of a deterrent fee seems to me fundamentally contrary to the principle of universal free medical care, and again we would be going backward in our health care in this country if we impose a deterrent fee.

Let us not forget that deterrent fees discriminate against low income people and they will not deter the wealthy hypochondriac from visiting the doctor. But it will be a real discouraging factor for the poor. Let us remember that in Canada today there are over 5 million people living in poverty. In 1972, the last year for which we have statistics, 20 per cent of the families in this country were living on incomes of less than \$5,500 a year. I ask you, how can those families afford deterrent fees? Those are the families that are most likely to have illness and other ailments among their children because of the poor living conditions in which they find themselves. That will be the effect of deterrent fees. It will hit those in the low income areas the hardest and it will not deter the more wealthy from going to a doctor. Besides, many studies have shown that deterrent fees really are not very effective, and that the rate of abuse of our health scheme is very minor indeed.

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Another option open to the provinces if this bill passes is to reduce doctors' salaries. This might be especially in the maritimes. However, if that is done, what would happen is that there would be a temptation on the part of those doctors to move out of those provinces to other provinces where doctors' salaries have not been reduced. Again that would destroy another primary concept of the plan, to provide equality of health services from coast to coast in Canada.

A fifth course the provinces might take if this bill passes would be to increase premiums for medicare. There are some provinces—and I am happy to say provinces where New Democratic governments are in power—which do not have hospital premiums. That is, individual people do not pay a set fee each year for the privilege of medicare. That kind of revenue is raised through the general income tax system, which is a much fairer way of levying fees, because if there is a set fee for every person, of course low income people are hit harder than high income people. When the provincial income tax scheme is used it involves a sliding scale, and it is much fairer. However, for prov-