

The Budget—Mr. W. D. Howe

This vicious circle can carry on for generations, and the link of illness must be broken before financial status can improve. These people not only fail to contribute to productivity but in many cases must be supported by welfare arrangements.

A study prepared by the Department of National Health and Welfare in 1950 and 1951 showed that families with annual incomes under \$1,500 spent \$47 per family per year on medical care, while families with incomes over \$5,000 spent \$158 per family, over three times as much. It is ludicrous to suppose that poor families are three times as healthy as richer families, so we are left with the conclusion that poor families get only one-third of the care they need. Needless to say, these 1951 dollar figures are no longer valid, but 1959 studies indicate that the medical spending gap is growing. I regret that the government has not kept such studies up to date.

We should perhaps examine why low income Canadians do not get adequate medical care. First, quite obviously, is the financial barrier. The poor are unwilling to incur medical expenses and simply fail to seek medical attention. Even if a low income patient wants to seek free help, it means losing valuable wages waiting interminable hours in hospital outpatient departments or special clinics.

If an illness is severe, he may seek attention at a time when the disease is much harder to control or cure. The 1951 study cited earlier shows that the poor spent much more time in hospital than the better-off. If they are not hospitalized, prescription drug treatment is often ignored because of the cost. Alternatively, the doctor must prescribe a second-best treatment that his patient can afford.

Several recent studies indicate the extent of this failure to obtain health services. A 1965 study prepared by the social planning council of Hamilton and district showed that 37 per cent of Hamilton's senior citizens found their incomes inadequate for necessary medical expenses. If this is extrapolated to the rest of Canada, we find some 352,000 senior citizens without adequate medical resources.

The recently published Report of the Senate Committee on Aging includes the following statement:

We heard a great deal also in the course of our inquiry about the concern of old people out in the community regarding doctor and drug bills, which they can ill afford to meet on their meagre incomes. Indeed, we were told that many of them

out of pride and feelings of independence neglect their health rather than seek help on the basis of "charity" or "welfare".

We in this party regret particularly the failure of the government to remove the 11 per cent sales tax on drugs, and although I shall in part be repeating the statement made by the hon. member for Simcoe East (Mr. Rynard) I should like to say that when considering the cost of prescriptions we must bear in mind that more than 20 per cent is represented by taxes. The reason is that the 11 per cent is added to the cost at the wholesale or manufacturing level. The various profits are added subsequently, so the gross amount of taxation actually represents more than 20 per cent of the price. The result is that more than a dollar out of every five dollars paid for a prescription goes in tax or double the 11 per cent which shows up in our present system. Bearing in mind the fact that many people cannot afford to buy necessary medications, it seems ludicrous that this area should have been chosen by the government as one from which to raise taxes, particularly since the Hall Commission recommended that it should be a part of the medicare program.

Again I may seem to be repeating a point which the hon. member for Simcoe East has made, but I should like to remind hon. members that earlier this month I asked whether the government had received representations from the Canadian Pharmaceutical Association and, if so, what had been the reply. The answer I received quoted a section of the Budget speech which I had already heard, saying that if the considerations of the special committee of the house on food and drugs led it to recommend that drugs should be exempt from sales tax as part of a comprehensive and effective program to reduce the prices of drugs, then the government would be prepared to recommend such action by means of a special statute covering all the measures required to give effect to such a program.

There is supposed to have been a special committee on food and drugs. This parliament has been in session for over three months, since January 18. By virtue of a question I asked in the house on February a meeting of this special committee was called. However, approximately half an hour before the organization meeting was due to begin it was cancelled. That is more than a month ago and nothing has been said about the matter since. So it looks as though we are not even to have a meeting of the Committee on Food