

When universal programs are undermined, none of us are safe

By Lynda Somerville

Who can argue with the wealthy paying their fair share? Certainly not me. That is why we have a progressive income-tax system in Canada.

But not in Alberta. Here we have a flat tax system, a system that disproportionately benefits the truly wealthy at the expense of the middle class, and a system that costs the Alberta government billions in lost tax revenues.

Now, however, Health Minister Ron Liepert wants to do away with universality of drug coverage for Alberta's seniors whose incomes fall above \$21,325 a year and introduce a kind of progressive tax system on the rest -- a sliding scale ranging from a \$149 deductible for someone just over \$21,325 a year and rising to a maximum deductible of \$7,500 on an income of \$150,000. At this point, Liepert reverts to a flat tax so that if a senior has \$150,000 in income or \$2 million or \$10 million, he has the same deductible.

The deductible tax, remember, is paid out of after-tax dollars. And the deductible is less about taxing wealthy seniors than it is about taxing the sick, particularly those with extensive medical needs requiring high on-going drug costs.

The ostensible reason for this move is so that drugs can be fully covered for low-income seniors (those below \$21,325), a desirable end, but paid for with \$30 million saved from the current coverage of essentially middle-income seniors. (At present, all seniors pay a 30-per-cent deductible, to a maximum of \$25 per prescription.)

Surely income disparities should be addressed through taxation, not through the health-care system.

In addition, Liepert has frozen the number of long-term care beds in a province where at present there are over 1,100 Albertans on an urgent waiting list. Instead, he plans to abandon the regulated fee system for long-term care to encourage for-profit operators to build the needed capacity.

That is, desperately ill, cognitively impaired, or frail seniors -- or their families -- will have to pay whatever the market will bear.

The only alternative is an already deregulated assisted-living facility, where limited nursing care is available; where every service, from toileting to feeding, carries a fee; and where, apparently, the Canada Health Act does not apply. Liepert claims these changes offer "choice" -- code for the end of universality.

Liepert claims that seniors should not have a sense of "entitlement" simply because they have turned 65. Would he also say that school children (and

their "wealthy" parents) should not have a sense of entitlement to public education simply because they turned six? Should "wealthy" citizens not have a sense of entitlement to police service simply because they are robbed? Should they not have a sense of entitlement to fire service simply because their house burns down? Most of us will never be robbed and never lose our houses to fire. But all of us pay taxes as a kind of insurance against these eventualities. When such costs are shared by everyone, they are affordable.

The same is true of health care. When we are healthy, we pay taxes all our lives to help care for other people so that when we are ill or frail, those other people will care for us. Pharmaceutical coverage is perhaps the most significant component of health care for a majority of seniors -- and certainly the fastest growing in terms of cost. Suddenly, however, Liepert, instead of negotiating lower drug prices through central purchasing, has pushed all those costs onto a narrow group -- the 40 per cent of the seniors population with incomes above \$21,325. And he is doing the same to the most vulnerable of all citizens, those requiring long-term care. Mid-game, he has changed the rules, throwing seniors' retirement planning into a cocked hat.

Does he plan to extend this sort of deductible to health care more broadly?

Liepert seems to view public services paid for by tax dollars as some sort of charity doled out, at government whim, to the needy. Means testing is demeaning and divisive -- and coming to a local pharmacy near you.

Liepert does not seem to understand that citizens pay taxes based on income as part of a social contract. Workers and retirees, for example, pay taxes to support public and post-secondary education for other people's children; in turn, those children will become workers who then help sustain the retirees who once supported them.

As a retired senior, I continue to pay taxes on both my income and my property, and those taxes continue to support public education and public health care -- and I am happy to do so. In fact, I would be willing to pay higher taxes, taxes equal to Liepert's proposed deductible, to see such public services extended and made truly universal -- a drug plan for all Albertans, long-term care beds for those who need them -- because when we all protect each other, all of us are protected. When some of us are excluded from the burden of taxation or from the protection of universal programs, whether we are wealthy or poor, the social fabric unravels and none of us is safe. As citizens, young or old, rich or poor, we are all in this together.

That is why the universality principle is so important. When those of middle income and the wealthy no longer have a vested interest in the system, the system will collapse. But perhaps that is what Minister Liepert hopes.

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