

REVIEW & OUTLOOK

Unsocialized Medicine

Let's hope Hillary Clinton and Ted Kennedy were sitting down when they heard the news of the latest bombshell Supreme Court ruling.

From the Supreme Court of Canada, that is. That high court issued an opinion last Thursday saying, in effect, that Canada's vaunted public health-care system produces intolerable inequality.

Call it the hip that changed health-care history. When George Zeliotis of Quebec was told in 1997 that he would have to wait a year for a replacement for his painful, arthritic hip, he did what every Canadian who's been put on a waiting list does: He got mad. He got even madder when he learned it was against the law to pay for a replacement privately. But instead of heading south to a hospital in Boston or Cleveland, as many Canadians already do, he teamed up to file a lawsuit with Jacques Chaulli, a Montreal doctor. The duo lost in two provincial courts before their win last week.

The court's decision strikes down a Quebec law banning private medical insurance and is bound to upend similar laws in other provinces. Canada is the only nation other than Cuba and North Korea that bans private health insurance, according to Sally Pipes, head of the Pacific Research Institute in San Francisco and author of a recent book on Canada's health-care system.

"Access to a waiting list is not access to health care," wrote Chief Justice Beverly McLachlin for the 4-3 Court last week. Canadians wait an average of 17.9 weeks for surgery and other therapeutic treatments, according to the Vancouver-based Fraser Institute. The waits would be even longer if Canadians didn't have access to the U.S. as a medical-care safety valve. Or, in the case of fortunate elites such as Prime Minister Paul Martin, if they didn't have access to a small private market in some non-core medical services. Mr. Martin's use of a private clinic for his annual checkup set off a political firestorm last year.

The ruling stops short of declaring the national health-care system unconstitutional; only three of the seven judges wanted to go all the way.

But it does say in effect: Deliver better care or permit the development of a private system. "The prohibition on obtaining private health insurance might be constitutional in circumstances where health-care services are reasonable as to both quality and timeliness," the ruling reads, but it "is not constitutional where the public system fails to deliver reasonable services." The Justices who sit on Canada's Supreme Court, by the way, aren't a bunch of Scalias of the North. This is the same court that last year unanimously declared gay marriage constitutional.

The Canadian ruling ought to be an eye-opener for the U.S., where "single-payer," government-run health care is still a holy grail on the political left and even for some in business (such as the automakers). This month the California Senate passed a bill that would create a state-run system of single-payer universal health care. The Assembly is expected to follow suit. Someone should make sure the Canadian Supreme Court's ruling is on Governor Arnold Schwarzenegger's reading list before he makes a veto decision.

The larger lesson here is that health care isn't immune from the laws of economics. Politicians can't wave a wand and provide equal coverage for all merely by declaring medical care to be a "right," in the word that is currently popular on the American left.

There are only two ways to allocate any good or service: through prices, as is done in a market economy, or lines dictated by government, as in Canada's system. The socialist claim is that a single-payer system is more equal than one based on prices, but last week's court decision reveals that as an illusion. Or, to put it another way, Canadian health care is equal only in its shared scarcity.

When asked whether he was worried about being known as the man who helped bring down his country's universal health-care system, Mr. Zeliotis told the Toronto Star, "No way. I'm the guy saving it." If the Canadian ruling can open American eyes to the limitations of government-run health care, Mr. Zeliotis's hip just might end up saving the U.S. system too.

[[*A landmark ruling exposes
Canada's health-care inequality.*]]