

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—DISAPPROVAL OF GOVERNMENT'S PROPOSED HEALTH CARE COST-SHARING ARRANGEMENTS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands) moved:

That this House disapproves the government's proposal to retreat by stages from the present cost-sharing arrangements with respect to hospital and medical care programs and calls upon the government to fund all health services on a 50-50 basis and to expand the health resources fund to enable the provincial governments to improve their health services.

He said: Mr. Speaker, last Tuesday, May 8, the Minister of Finance (Mr. Turner) presented certain tax proposals to the conference of provincial ministers of finance with respect to the contributions of the federal government to the health services provided in this country. These proposals are of such a complex nature that I am sure most people in Canada are totally unaware of their implications and what effect they will have upon future health services in this country.

It is significant that the provincial ministers of health gave a somewhat hostile reception to the proposals. I intend to examine them and propose the motion now before the House. In my opinion, the tax proposals advanced by the federal government represent an insidious and cynical attempt by the federal government to limit its financial contributions to hospital and medicare programs. I think it would be advisable to take a few minutes to review the fact that there are those in the Liberal party and in the present government who, throughout the years, have been somewhat hostile to the idea of a comprehensive national health program.

● (1200)

The first deliberate commitment by a government for a national health insurance scheme came in the 1945 Green Book proposals. At that time the federal government, having promised during the war that it would make Canada a better place for people to live in, and stimulated by the fact that just a few months before it had had a serious setback in the election when its majority in the House had been reduced to seven members, brought down the Green Book proposals. It is significant that the Liberal party's interest in health insurance has always had a direct relationship to the unsatisfactory state of its majority in the House of Commons.

One of those Green Book proposals was that a national health insurance program be shared jointly by the federal and provincial governments. However, nothing was done about it, and in 1946 the government of the province of Saskatchewan introduced the first comprehensive hospital insurance plan on the North American continent. In 1948, the province of British Columbia did the same, and these two provinces financed hospital insurance entirely on their own from then until 1958.

It is true that in 1956 the Liberal government of Mr. St. Laurent, when the Hon. Paul Martin was minister of national health and welfare, introduced the Hospital

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Insurance and Diagnostic Services Act, but it had a joker in it. The federal government would only contribute to hospital insurance if the majority of the provinces, representing a majority of the people of Canada, entered the plan, of course knowing that at that time the two central provinces were not interested in setting up hospital or medical care insurance. The result was that not one dollar was ever contributed to the hospital insurance plans of the provincial governments until 1958 when the government of the right hon. member for Prince Albert (Mr. Diefenbaker) took the joker out of the Hospital Insurance and Diagnostic Services Act, and made a contribution to hospital insurance.

That government also set up the Hall commission on medical care. It brought in its report during the Pearson regime, and it is to the credit of the present President of the Privy Council (Mr. MacEachen), who was then minister of national health and welfare, that the medicare act was drafted and placed on the statute books. May I say that that act sets forth a comprehensive national health insurance program. It recognized that hospital insurance and medicare were only one phase. That legislation provides that, by order in council, the federal government may extend health insurance to cover additional services such as dental care, optometric care, prescription drugs and other health services. May I also say that most of the opposition to that legislation came from inside the Liberal party, particularly from the financial mandarins. As a matter of fact, after the legislation was passed the then minister of finance, now Secretary of State for External Affairs (Mr. Sharp), imposed a five year limit on the agreement which was entered into with the provinces, and that five years will expire in a few weeks.

Instead of expanding the national health insurance proposals as contained in the legislation, the present government has been seeking ways to abdicate some of its responsibilities in this field. Last year the present Minister of Labour (Mr. Munro), who was then minister of national health and welfare, put a proposal before the provinces which they rejected. Last January 19 the present Minister of National Health and Welfare (Mr. Lalonde) put forth a modified version of those proposals. I must say that I was disappointed with that, Mr. Speaker, because personally I have been impressed with the innovations and the energy which the Minister of National Health and Welfare has displayed with respect to the whole question of social security. I thought he would bring the same imagination and aggressiveness to tackle this problem of health insurance. But he did not. He brought down the same proposal which last Tuesday the Minister of Finance put into more concrete terms.

What the Minister of Finance proposed was that, first, the provinces must accept the formula presented to them last January by the Minister of National Health and Welfare. That proposal is that over the next five years the federal government will restrict its contribution to hospital and medical care to its present contribution, plus an escalation based on the Gross National Product, with some slight cushioning in the first few years of the five year period. Last Tuesday the Minister of Finance also offered the provincial governments six percentage points of the personal income tax, and the revenues from the excise tax on the sale of alcohol and tobacco, and if the revenues