

The Address—Mr. Epp

I would also like to ask him about this regressive payroll tax which the NDP have in Manitoba. The hospital administrators have stated that the 1.5 per cent payroll tax is killing them. Would the Hon. Member recommend that the Minister take a look at this disastrous situation in Manitoba and have her recommend to the NDP government that it remove this regressive payroll tax and launch an investigation to see if all health care funds are being allocated for health care in the Province of Manitoba?

Mr. Epp: Mr. Speaker, in reply to the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie), I think all members are aware of the transfer from the federal Government to the provincial government. I have had a number of representations from veterans' organizations, both collectively and individually, who would like Deer Lodge to be utilized more for their use. There is a special concern for people who have had a long wait to get into Deer Lodge, and that obviously should be discussed as well as the whole matter of transfers of federal veterans' hospitals to the provinces.

With regard to the payroll tax, there is no doubt that hospital administrators and others in similar institutions, for instance university presidents, feel that this tax has created a very serious difficulty not only in cash flow but also regarding their ability to hire people. That is one reason some hospital administrators give for certain positions not being filled. They just do not have the money from the funding of the provincial government and the 1.5 per cent payroll tax is possibly hurting more than the revenue gained. The impression is left that the government is anti-jobs. It is also pointed out very clearly by investors and others that the 1.5 per cent payroll tax is a tax which people cannot understand. Why do they have to pay a tax when they create a job? They have to pay 1.5 per cent of the gross payroll of any company. Every hospital, every university and every school board has to do that. Mr. Speaker, this has seriously affected job creation in the provinces.

• (1150)

The last point the Member for Winnipeg-Assiniboine (Mr. McKenzie) made was on the question of whether health care funds from the federal Government to the provinces were being diverted to purposes other than health care. The best evidence I have there, Mr. Speaker, is the report of Mr. Justice Emmett Hall. He was asked to investigate that question, among others, and he said he had found absolutely no evidence that there was diversion of those funds.

Mr. Evans: Mr. Speaker, I listened with care to the Hon. Member's comments. I have great respect for his compassion on the subject. There are two questions I would like to raise with him. When he talks about the money that the Hon. Minister of National Health and Welfare (Miss Bégin) indicated would be available to the provinces over and above the standard block funding because of the way the calculations were made in the past, is it his contention that the provinces had budgeted this money already because they knew it was coming, and that therefore when the provinces talk about underfunding by the federal Government they had already

calculated receiving this money and the underfunding was with that in mind? Where does the Member personally stand on the question of user fees and extra billing?

Mr. Epp: Mr. Speaker, I appreciate that those questions were asked and the manner in which they were asked by the Hon. Member for Ottawa Centre (Mr. Evans). It is now established that we are talking about \$769 million. The \$769 million flows directly from what is known as the Established Programs Financing formula. There has been debate for some period of time between the provinces and the federal Government. The provinces said they were not receiving the money which the formula should be giving to them, even the formula that they had not agreed to, as you recall, in the negotiations that took place in 1981. They thought that the formula itself was giving them more money.

I obviously cannot speak for every province, but I can speak from some discussions I have had with them. They will obviously have spoken for themselves when they were in Montreal last week with the Minister of Finance. There is no question that they thought more money was coming from the formula. Their concern is that while the federal Government says it is supporting 50 per cent of medicare, that is acute care hospital costs and medical costs, so many other programs, which are both needed and can take people out of high cost, acute care hospital beds, are not being cost shared. Their argument is, why can we not look at those areas? Why is the federal Government so narrow on its 50 per cent? Should we not look at those areas and see if we cannot target some of the additional money for those areas to remove people from acute care hospital beds? Our Leader has been saying very directly that that is what this Party would do. I would like to speak more on that when the Canada Health Act is before us.

On the point of user fees and extra billing, our Party has come out quite strongly federally saying that we do not support user fees. I will also indicate very quickly that there are various kinds of user fees. I do not have time to discuss that.

The Member for Kitchener (Mr. Lang) smiles. He is a doctor. I guess I will have to discuss that because I do not want him to misinterpret again. For instance, there are people in chronic care hospitals, as he should know, most of whose pension money goes for the maintenance of that facility and the services provided. I take it when we talk about user fees that that is not what we are talking about, unless the Member for Kitchener sees it otherwise as a medical doctor. I take it what we are talking about when we speak of user fees is people coming into acute care hospitals and emergency wards, for example. We said we do not support that. If the Member for Kitchener has any other thoughts he can enlighten us.

I would like to wait for the introduction of the Canada Health Act to determine how the matter of extra billing is going to be determined. We will have to have a very serious discussion of a number of points on extra billing, such as professional freedom, services, people with specialties who have opted out and whether in areas in northern Ontario, if all the doctors opt out, people can still get services under OHIP.