

*Medicare*

**The Acting Speaker (Mr. Rinfret):** Is it agreed that the remaining private members' business be deferred?

**Some hon. Members:** Agreed.

**HEALTH AND WELFARE****MEDICARE—AUTHORIZATION OF CONTRIBUTIONS TOWARD COST OF INSURED MEDICAL CARE**

The house resumed consideration in committee of Bill No. C-227, to authorize the payment of contributions by Canada toward the cost of insured medical care services incurred by provinces pursuant to provincial medical care insurance plans—Mr. MacEachen—Mr. Rinfret in the chair.

**The Deputy Chairman:** Is it agreed that the sitting be suspended until eight o'clock?

**Some hon. Members:** Agreed.

SITTING SUSPENDED

SITTING RESUMED

The committee resumed at 8 p.m.

**The Chairman:** Order. The hon. member for Simcoe East.

**Mr. Rynard:** Mr. Chairman, I should like to make some remarks on the speech made by the Minister of Finance before the dinner hour. I understood him to say that medicare was being postponed because of Canada's financial position. I find that very difficult to accept, even though I have a high regard for the minister. This country has been in a period of boom since 1960; we have had prosperity such as we have never known before. Yet the Minister of Finance stands up and says that we cannot afford medicare. He says this in respect of a country with more natural resources per capita than any country in the world.

I should like to mention a few of our resources. In the field of agriculture alone, last year the government had a billion dollars poured into its coffers because of wheat sales. Then we must consider our great forest resources. In this connection we must remember that 50 per cent of the world's newspapers are printed on newsprint made from Canadian pulp.

In spite of these facts the Minister of Finance says we cannot afford this plan at the

[Mr. Howard.]

moment. What is wrong? Has there been mismanagement somewhere? I ask the minister whether he will not admit that there has been pretty bad housekeeping in this country. Never before have we had such high taxes. Income tax has been increased. The Canada Pension Plan has been instituted; almost 4 per cent comes out of the wages of Canadians and from industry every month to pay for this plan. This money is collected from industrial and individual workers. The sales tax has been instituted under this government.

**An hon. Member:** And wages are up.

**Mr. Rynard:** Yes, wages have gone up, but taxes go up every time wages increase. The minister says he has not the money to put the medicare program into operation until July 1, 1968. He says we must have priorities in these matters. What are those priorities? The minister says that the old age pension should be increased. I do not think anybody in the house would disagree with that. The old age pension should have been increased a long time ago.

**Some hon. Members:** Hear, hear.

**Mr. Knowles:** And without a means test.

**Mr. Rynard:** Without a means test, that is correct. When the minister says we must find the money to implement these programs, I wonder whether he will tell us where the \$400 million in the old age pension fund has gone? I should like an answer to these questions because the senior citizens of Canada are asking for answers.

I should like to know why the Minister of Finance is so sure that the medicare program can be put into effect on July 1, 1968. He has made a firm commitment that we will have medicare by that date. The minister says that the government is faced with a lot of priorities but there will be enough money to institute medicare. Perhaps he will have second thoughts about medicare. Is he sure the economy will keep on rolling despite the commitments that are made? I think the minister will agree that \$145 million—I read last night that this was the amount—went out of this country to be invested in securities in the United States in the last ten months. This amount is three times—the minister can correct me if I am wrong—the amount invested in the United States last year. If this pattern continues, perhaps the minister will have to have second thoughts about medicare. That is what bothers me. He was so sure that July 1, 1967, would be the effective date and now he says he is equally sure that it will be July 1,