

● (1720)

As these matters have become clearer, the provincial governments have become more adamant in their opposition to the proposals outlined by the federal government in this bill, as well as in other bills that have either been introduced or proposed. Just this last week the premiers of the ten provinces met with the Prime Minister (Mr. Trudeau) and in public and in private expressed their complete opposition to the course being followed. I am told by reliable sources that the Prime Minister admitted to them in private conversations that the cutbacks outlined in this bill were part of a deliberate, arbitrary and unilateral decision on the part of the federal government directed toward reducing the financial participation of the federal government in shared-cost programs as part of its restraint program which restrains expenditures in certain major fields.

These are programs which to a large extent were initiated and promoted by the federal government. Indeed, as I have said on other occasions, they were forced as a result of blackmail on the provinces. What are these programs? We have hospital insurance, a tremendous program of post-secondary education, the Canada Assistance Plan, regional economic expansion, a fantastic increase in expenditure on behalf of the native people, and this medical care insurance program.

All these programs were made national in scope as a result of generous funding on the part of the federal government. The hospital insurance plan and the medical insurance plan did not become national in scope but were restricted almost entirely to within the province of Saskatchewan until the federal government, first a Liberal government and then a Conservative government headed by the right hon. member for Prince Albert (Mr. Diefenbaker), said to the provinces that they would pay 50 per cent of the cost of the programs if the provinces would implement such programs.

In many cases the provinces were reluctant to implement these programs. I remember when the Liberal government of Manitoba accepted the idea of hospital insurance, but then the leader of the Conservative party, later premier of Manitoba, Duff Roblin, opposed a universal hospital insurance plan that would cover everyone. At that time he said, as many people both in politics and in the professions said, "We already have voluntary plans such as Blue Cross covering most people. We do not need a bureaucratic government plan that will grow in size. All we need is a government program that will meet the premiums of people who cannot afford to join a voluntary program".

However, each province succumbed to some good arguments, and time has proven this to be an excellent program, as a result of which every person in Canada is now insured against large hospital bills. I am sure all members of this House know of families in their constituencies that have had major illness, with a hospital bill running into thousands of dollars. For years this has not been a worry for the people of Canada in the ten provinces and two territories.

What is happening now, Mr. Speaker? The federal government has given notice to the provinces that in 1980, which is the earliest it can do it, it will no longer be willing to pay 50 per cent of the cost of hospital insurance. After

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that time the increase that the federal government will be prepared to pay in any one year will be tied to the increase in the gross national product.

Unfortunately, Mr. Speaker, the amount of illness in the country, the number of people who fall sick, the kinds of sicknesses they are subject to, and the time they have to spend in hospital, does not depend in any way on what is happening to the gross national product. If the federal government is not prepared to pay 50 per cent of the cost, the provinces will have to choose from among a number of pretty unhappy methods of meeting the increased cost. For example, they will have to cut back on services, they will have to implement some kind of deterrent charge of so much a day spent in hospital, or they will have to meet the increased cost that will not be paid by the federal government through a subsidy out of general revenue.

The provinces are hoping, just as much as the federal government, that the increased costs in the year 1980 will not be in the neighbourhood of 20 percent, as they have in recent years, but that they will be half that. Nevertheless, each province is looking at ways in which the increased costs can be reduced, if not eliminated. Some have had considerable success in new programs, though they have no assurance that they can succeed entirely. They do not know what the rate of inflation will be, any more than they know what the rate of illness will be. Indeed, the federal government has a great deal more responsibility, authority and ability for dealing with inflation increases every year than any provincial government, yet the federal government has already given notice that beginning in 1980 it is going to restrict the amount it will pay to cover any increase in the cost of hospital insurance.

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At the same time, as I say, they insist on sticking pretty closely to a policy under which they are prepared to pay 50 per cent of the cost of hospitalization in acute-bed hospitals, while they are not prepared to pay for any of the costs, or virtually none of the costs for alternate methods of caring for ill people, which involves such things as nursing homes, convalescent homes and visiting nurses, any one of which is substantially less in cost than the intensive care hospital bed for which the federal government has been paying 50 per cent of the cost.

There is a similar situation in the field of post-secondary education. The federal government has given notice that it will limit the amount it will pay for post-secondary education. At least, it will limit the increase in the amount it will pay for post-secondary education to 15 per cent in any year. Post-secondary education costs have been going up substantially more than 15 per cent in each year. In the 30 years since the end of World War II we have done a fantastic job of improving the educational facilities and the educational opportunities provided the people of this country.

This is not the time to discuss it, but a recent report prepared by an examining committee appointed by the OECD authorities detailed what the provinces and the territories in Canada have done to improve the educational facilities in this country. The number of young students attending high school has more than doubled, percentage-wise, over what it was in the years up to and including