

On behalf of the New Democratic Party, I argued then and I repeat now that the level should have been 3 per cent and not 4 per cent as the government decided. Although the government produced no evidence for 4 per cent being seen as "the long term average", and I challenge it now to do so, the crucial point is that it is now in this budget abandoning entirely any notion of a fixed point, and thus any commitment to finance out of general revenue unemployment beyond a certain level. There is to be no norm; there is to be no concept of full employment. Most basically, there is to be no incentive to the government to keep unemployment down.

Mr. Stanfield: That's restraint.

Mr. Broadbent: That is right. As the Leader of the Opposition (Mr. Stanfield) says, that is the government's view of restraint. In the most literal sense, the working people of Canada are to be asked to pay through constantly increasing premiums virtually the total bill for cyclical unemployment, something for which they have no responsibility.

This is a profoundly regressive move, one which not only changes in detail the present act but radically undermines the basic philosophy. It is a revolting proposal. I hope the former Minister of Labour, currently the Postmaster General, who walked out of the House when the Minister of Finance began to speak about unemployment insurance, will take part in this debate and tell us what he thinks of a government which has abandoned any regulatory commitment to keep unemployment down.

Certainly the present Minister of Manpower and Immigration (Mr. Andras), under whose responsibility the act now falls, must justify this new regressive tax which all working people must pay to cover the cost of the scheme. He must tell the people of Canada why working men and women will have to pay more for every year in the foreseeable future, more because high unemployment in recent years will mean that the point at which the scheme will be financed out of general tax revenues will rise. He will have to explain why it is just that a scheme that currently has a ceiling of approximately \$8,300 on insurable earnings, and therefore has a ceiling on levels of contribution, which means that all those who earn beyond \$8,300 pay proportionately less of the tax than those whose earnings fall below that; he will have to explain why in heaven's name such a scheme should provide the financing of unemployment over which ordinary Canadians have no control. He will have to justify that for which there is no justification!

Let me now turn to health care. Like the proposed changes in the financing of unemployment insurance, those the budget makes on the federal share of medical services represent a radical change in national policy. The Minister of Finance has said that the federal-provincial sharing of hospital and medical services has as its purpose the provision of comprehensive benefits to all Canadians regardless of income. While I do not agree with his other assertion that this objective has "long since been met", I want to stress as strenuously as I can that his budget proposals will undermine whatever real progress has been made in the recent past, and will virtually cripple future improvements in all but the wealthiest provinces.

The Budget—Mr. Broadbent

Although the minister himself acknowledged that the federal share in financing hospital and medical care last year rose by 19.8 per cent over 1973, he has arbitrarily stated in the budget that during the next three years the federal government will pay no more than an annual increase of 13 per cent, 10.5 per cent and 8.5 per cent in sequence.

Where did these figures come from? Were they drawn out of a hat? Why are they being imposed on the provinces unilaterally? I do not know their rationale, and the Minister of National Health and Welfare (Mr. Lalonde) had better explain it during the budget debate. I understand he is not particularly interested in taking part in the debate. I can well understand his reluctance to have to justify the unjustifiable. I do know what they mean for the provinces and for national health standards and national unity.

They mean simply that the poorer provinces will not be able to cope. They mean simply that some provinces will cut back on existing health services. They mean simply that innovative programs in dentistry and nursing homes will be reduced or eliminated entirely. They mean simply that the provinces will have to resort to new taxes and deterrent fees. They mean simply and sadly that inequality of health treatment within Canada will increase. They mean that this Liberal government is turning the social history of our country upside down. I say that in all seriousness.

An hon. Member: Why do you say that?

Mr. Broadbent: A Liberal backbencher asks why I say that. It should be obvious. If he did not listen to the argument he should have listened to what the provincial premiers right across the country have been saying in the past 24 hours.

● (1640)

The position of the majority of the provinces is that the cost of all health services should be shared equally between themselves and the federal government. The federal government is not alone in wanting to remove unwarranted cost increases. To cut back arbitrarily on its commitment to pay for inevitable cost increases in health services represents a callous disregard not only for the legitimate desires of the provinces to reach mutually agreed objectives but, more important, it means that this Liberal government is prepared, quite deliberately, to sacrifice the health of Canadians—for what purpose, God only knows.

An hon. Member: Baloney.

Mr. Broadbent: It is not baloney. When a Liberal does not like the facts he resorts to abuse. I hope the hon. member will enter the debate later and contribute to the discussion rather than inject the kind of rhetoric in which he now indulges.

I turn now to housing. Everyone recognizes there is a national crisis in Canadian housing. The Prime Minister himself said there was a crisis in housing—in Vancouver, I think it was, just four days before the election. Mortgage rates are out of sight. Urban land is beyond reach. The supply of housing is short and the crisis appallingly high. If ever there was an area of concern that demanded gov-