Federal-Provincial Fiscal Arrangements

that. Indeed, if any one part of Canada, including Quebec, were to leave Confederation, it is highly unlikely that the rest of Canada would continue to exist as a country.

We face tremendous problems, not the least of which is the question of language and culture. But we are not the only country facing that kind of difficulty. In virtually every other democratic country in which more than one language is spoken, the same kind of difficulty has arisen. I am sure hon. members know of the tremendous difficulties which have arisen in recent years in Belgium, where two languages are spoken. I am sure hon. members know that in Spain, which has been a country a lot longer than Canada, there are various regions; in one region, the Basque region, the people not only talk a different language but are sometimes prepared to fight violently for a separate state. Great Britain has been a united country for hundreds of years, but there is now talk of Scotland separating.

The difficulties we face are difficulties other countries have faced. If we are to survive as a country, as I believe we can and must, we shall have to address ourselves to those problems which have exacerbated the difficulties, the differences as between languages and cultures.

This is no time to be introducing a bill of the kind before us. We ought to examine the facts. What is the main fact? The bill we are considering can only exacerbate the differences between the provinces and the federal government, can only exacerbate the differences between the government of Quebec—no matter which party is in power—and the federal government, and by extension, the people of Canada as a whole. It is for that reason, as our leader indicated last Friday, that we in the New Democratic Party oppose this bill. That is why we express our surprise that the official opposition is going along with it, reluctantly but nevertheless supporting it. If every provincial government—Liberal, Conservative, NDP, Social Credit and Parti Québécois—expressed opposition to the federal government's proposals as embodied in this bill, we feel we ought to as well, and in fact will be voting against it.

• (2140)

We have been told by the government that this bill embodies the agreement reached between the provinces and the federal government. In fact it embodies an agreement imposed on the provinces by the federal government. The provincial governments oppose the major provisions of this bill. We challenge the government to table the transcript of the proceedings and discussions that took place between the federal government and the provincial governments at the first ministers' meeting. That would prove, as has been indicated by members of this party and the official opposition, and as government members know, that the provinces did not voluntarily agree to the proposals included in this bill.

This bill destroys important fundamental principles and rights which Canadians from one end of Canada to the other have had for almost 20 years. A basic foundation was available to all Canadians, regardless of the province in which they live, for post-secondary education. There was a basic provision for

the payment of medical and hospital care. Under the old arrangement, Ottawa paid 50 per cent of the cost of post-secondary education, medical care, and hospital insurance.

Let me stop for a moment to give credit to the former Conservative prime minister of this country for the tremendously important role he played in establishing our hospital and medical insurance plans. Hon, members will recall that it was a Liberal government which brought in the first legislation for hospital insurance. However, that legislation required that more than 50 per cent of the provinces with more than 50 per cent of the people had to agree to the program before the federal government would participate in the 50/50 cost-sharing aspects of it. It was a Conservative government which in 1958 removed that requirement, permitting each province, when ready, to choose to enter the hospital insurance plan with the federal government paying half the cost.

Similarly, it was the Conservative government which appointed Mr. Justice Hall to look at the whole problem of medical insurance. It was his report which led to the implementation of a medical insurance plan whereby, as each province instituted a universal medical insurance plan, the federal government would pay 50 per cent of the cost. That was implemented by a Liberal government, but it was urged, if not forced, on that government by the Hall commission recommendation.

Under the provisions of those two plans, it did not much matter to Canadian citizens from the Atlantic to the Pacific, from the American border to the Arctic ocean where they lived. There were some advantages or disadvantages between provinces and territories depending on how the provincial share of each plan was financed. Essentially, however, the people of Canada no longer had to worry about the tremendous costs of medical and hospital care.

One need only look to the United States. It is not only the poor people there who suffer because they do not have our kind of medical or hospital insurance. People in the middle income bracket may have to use their entire income and be forced to sell their homes because they have hospital and medical bills in the thousands of dollars. That fear has disappeared for Canadians because of the medical and hospital insurance plans which we have.

That 50/50 cost-sharing, as well as the extra which the federal government has paid to the have-not provinces, will disappear under the provisions of this bill. As the cost goes up for hospital care, medical care and post-secondary education, and as the federal government reduces its share of the payments for these programs, as it will have the right to do under this and other legislation, the provinces will be faced with some very difficult, unpopular, and unpalatable choices.

The provinces will have to reduce the level of service they have been providing. Fewer young people will be able to attend our universities and community colleges. There will be less of a guarantee of payment for hospital care. People will not receive the same kind of service from their doctors. Either all that will happen or the provinces will have to increase their fees. University fees will have to be increased substantially. It will