proclaim the national standards for medicare, established by the 1984 Canada Health Act, will not change.

On this point Léo–Paul Landry, the secretary general of the Canadian Medical Association, said: "That is a joke. Less means less, and less also means less for health care".

The Prime Minister has made contradictory statements on the effects of the proposed social transfers which will cut social program transfers by $7 billion and give the provinces more say on how to spend the money. The Prime Minister said he is confident the provinces will not abuse the new powers by violating the principles of medicare. However, over a period of 10 to 15 years the federal government will gradually give more social program transfers to the provinces in the form of tax points and less in the form of cash.

It is the cash portion that the federal government has always used to ensure the provinces stick to the five principles of medicare: universality, portability, comprehensiveness, public funding and public administration.

The negative effect of funding medicare through tax points instead of cash has been explained by the Prime Minister. In the "Morningside" interview he said: "When you transfer tax points you lose all leverage after that because you do not collect the money, they collect the money". The Prime Minister continued to explain that in the past federal governments have used the threat of cutting cash transfers to the provinces to maintain the five conditions of medicare: "The day you do not have any more cash you cannot use the leverage you had before". I could not agree more with that statement.

Ken Battle, president of Ottawa's Caledon Institute, a social policy think tank, estimates that by about the year 2017 cash transfers to fund medicare will be completely eliminated, removing the only lever the federal government has to enforce the Canada Health Act.

We are facing the beginning of the end of medicare as we know it. The Prime Minister has virtually admitted that without the threat of withholding cash transfers to the provinces future prime ministers will not be able to enforce the five principles of the Canada Health Act.

How can the Prime Minister possibly tell the House medicare will not change?

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, we are not facing the end of medicare. The guiding principle of health care in Canada since our system began in the 1950s has been that our citizens' health and access to quality care should not depend on their financial means.

In 1984 the Canada Health Act was unanimously passed by Parliament to reaffirm its commitment to the guiding principles of medicare and to provide a mechanism to promote provincial and territorial compliance with federal criteria.

Since 1972 every Canadian has had the assurance their need for necessary hospital and medical care would be met without risking financial disaster.

Liberal governments have given them this assurance. This Liberal government is not about to take that away. The Canada Health Act sets out, as the member rightfully said, the five guiding principles: public administration, comprehensiveness, universality, portability and accessibility.

The Prime Minister has said it, the finance minister has said it, the health minister has said it and I am saying it again, these principles are not negotiable. The Canadian people believe in those principles and so does the government.

There are challenges, technological advancement, an aging population and new diseases that directly affect our ability to continue to provide necessary health care services at a cost both the nation and individual Canadians can afford.

To ensure we can continue to provide quality care at a reasonable cost some adjustments must be made. This system is not underfunded but the time has come to reassess the way in which health care is organized and delivered. Reorganization and reallocation of health care resources is the order of the day as more affordable options are sought to meet the health needs of Canadians. Appropriateness of care, utilization management and quality assurance are the watchwords of government.

Health care professionals and all stakeholders attempt to verify the usefulness of the current ways of delivering care. The Canada Health Act allows these adjustments to be made. It does not pose a barrier to provincial and territorial government efforts to renew their health systems and to make them more effective and efficient.

The variations that already exist between clients in different parts of the country demonstrate the flexibility which is both desirable and necessary to respond to the needs of Canadians in different regions of the country.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.37 p.m.)