

Oil and Gas

Then, he goes on to make some predictions. He says:

Only six months after a task force had been established, the federal government abruptly announced in its June, 1975 budget that it was going to impose arbitrary ceilings on the rate of growth of its medicare contributions. With allowance for population growth, the ceilings are 14.5 per cent in 1976-77, 12 per cent in 1977-78 and 10 per cent in years thereafter.

Ontario projects that its medicare costs for the corresponding years will grow by 23 per cent, 21 per cent and 19 per cent respectively. In dollar terms, the federal ceilings are expected to cost Ontario more than \$200 million in lost sharing before 1980.

And who is going to make up these amounts? The people of Ontario in increased provincial taxation or through some kind of deterrent fees. Then, the minister goes on to say:

When the Hospital Insurance and Diagnostic Services Act was introduced in 1957, it provided for sharing on a fairly wide base. Since that time, the provinces have introduced many new services which have been judged by Ottawa to be non-sharable. In Ontario, these non-shared programs account for 23 per cent of the total health care package.

Here we come to the real figures.

● (1210)

The major non-shared programs, with their 1975-76 costs, are: psychiatric services (\$195 million), nursing home care (\$123 million), drug benefits (\$35 million), insurance related to optometry, osteopathy, podiatry, and chiropody (\$33 million), ambulance services (\$31 million) and home care (\$13 million).

Those kinds of services were supposed to be discussed with the federal government by the joint committee. Ways to reduce the rapid increase in costs every year were to be studied by the joint committee. The provinces are just as interested in reducing the rate of increase as the federal government. After all, they are paying more than 50 per cent of the cost of health services and they want to put a limit on the cost if they can. They are interested in all of the things the Minister of National Health and Welfare talked about and which the Minister of Finance spent about two minutes talking about today.

However, Mr. Speaker, they cannot do this with a gun held to their heads or if Ottawa announces unilaterally limits on the amount it will pay. Therefore, it is not surprising, as I said at the beginning, that all ten provinces are telling Ottawa that the proposals the Minister of Finance has made regarding putting a lid on Ottawa's contributions to the shared-cost programs, which I emphasize again were in the main implemented at the demand of federal Liberal governments, are unacceptable.

In conclusion, the minister's budget speech and the bills that will come before this parliament as a result of the proposals made in his budget speech have completely transformed the whole question of federal-provincial cost-sharing. We are now in a different ball game than we were when this bill was introduced and debated on second reading. All of the provinces reject the proposals made by the federal government. The people of Canada are unhappy with the proposals. This being the situation, we intend to oppose this bill and the other bills which will be brought forward to implement what the minister enunciated in his budget speech. I therefore move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

[Mr. Orlikow.]

That Bill C-57 be not now read the third time but that it be read a third time this day six months hence.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, before the question is put on the amendment just moved by my colleague, the hon. member for Winnipeg North (Mr. Orlikow), I should like in a few words to support very strongly the position he has taken. Bill C-57 may deal with only one major aspect of federal-provincial fiscal arrangements, but the fact is that the whole scene as between Ottawa and the provinces has been changed, and changed radically, by the statements made by the Minister of Finance (Mr. Turner) in his budget speech or June 23. It is because of this total change in the picture that we think this bill, even though it has had second reading and committee stage consideration, should not be passed at this time but should be looked at in the light of the broad question of federal-provincial fiscal relations.

The Leader of the Opposition (Mr. Stanfield) made this same point very clearly and forcefully in his speech this morning. He indicated that he had not taken a strong stand against this bill on second reading but that things have changed since that time and that the bill has to be looked at again. Not only is there the situation created by the statements made by the Minister of Finance in his budget speech on June 23, but there is the situation created by the mini-budget that was presented in the Ontario legislature yesterday and the threats, if I may call them that, made by Premier Davis of Ontario.

I am not happy about the threats Premier Davis is making, but they are prompted by a situation in which the whole ball game has been changed. Premier Davis' threat to take Ontario out of all shared-cost programs only underlines what the Minister of Finance in the federal government is doing in making things very difficult for the provinces.

As my colleague for Winnipeg North has pointed out, for several decades Liberal governments in this country shouted loudly about their desire for national unity and about their desire to implement that unity by creating certain standards that would be of the same level right across the country. I do not think at this stage of the game it is out of place for me to relate a private conversation I remember very well with the late Right Honourable Louis St. Laurent which took place in London, England, when we were both in that city for the first session of the general assembly of the United Nations in 1946. I remember his words to me, namely that the federal government could not allow the different viewpoints of the provinces to prevent the federal government from pushing ahead with its program for national standards, particularly in the fields of health and social security.

The background to this, of course, was the Rowell-Sirois experience in which many politicians and parties in this country committed themselves to the idea of one Canada. This meant more than words; it meant national standards particularly in the fields of health and social security. Those standards have been built up through such programs as Old Age Security, the Canada Pension Plan and other legislation in the pension field, and they have been strengthened very effectively by our hospitalization and medical care legislation which have been based roughly on the principle of Ottawa paying half the cost. I say "rough-