

The economic condition of this country demands men and women of foresight, courage and sensitivity in the highest of offices. It demands of political parties the highest level of unity, commitment and purpose. The courage to reduce government expenditures has never been more necessary.

Referring to medicare, the Conservative Premier of Ontario went on to say:

In the area of health care, a matter of national concern, we in Ontario have taken the view that no province, no careful and thoughtful society, can afford a system that expands more quickly in terms of cost than that society's ability to pay.

In simple terms, that means that if we allow the health care system, the system providing health services for the needy, for the population as a whole, for the old, the feeble and those who cannot help themselves, to become more expensive than taxpayers can afford, the system will collapse. If it does, only the rich and advantaged will obtain care. We must seek to streamline the system, not because we want to but because concern for the welfare of all served by the system says that we must.

Without doubt, we must restrain the rate of growth of the health care system. Interest groups affected have agreed that the proposed participation rate of 13 per cent, or 14.5 per cent, depending on the figures you take, for the coming fiscal year is reasonable. They do not oppose second-year figures. As for the third year, the minister said he would discuss this matter when this bill is referred to committee which, hopefully, will be today.

I also want to deal with the accusation made by several hon. members that the government is trying to destroy the federal-provincial partnership in medicare through an alleged unilateral action in imposing ceilings under Bill C-68. When the proposed ceilings on medicare were announced in the June budget, the minister reassured provincial colleagues that the federal government intended to remain full a partner in medicare. We are not asserting that we want the provincial half of this partnership to bear any proportionate increase in costs; we are asking the provinces also to restrain costs so that both sides can remain within the ceiling proposed. A true federal-provincial partnership in the health care field in Canada is essential, and that includes sharing in the consultation and planning process as well as in the costs of implementing programs.

As far as the federal-provincial partnership is concerned, it is evident that the federal government has been an equal partner with the provinces where sharing costs is concerned; but the federal government has not had an equal say in decisions affecting the costs of these programs. For example, the federal government has rarely, if ever, been consulted on the number and distribution of hospital beds which a province intended to build into its health care systems; nor were we, in Ottawa, usually informed if a new hospital was to be built, although we were expected to cost-share the ongoing operational costs the moment the doors were opened.

Similarly, Ottawa has not been consulted about wage and salary settlements or fee increases granted in recent years by provincial hospital and medical care programs, although it would certainly have been a courtesy to consult an equal partner about such important actions which would be bound to make ripples extending far beyond the single province engaged in negotiations at a particular time.

Medical Care Act

The communiqué issued at the last conference of provincial ministers' meeting in August stated:

A fair sharing of costs is fundamental to the maintenance and improvement of health services in Canada.

With that statement no one can disagree. But I do not subscribe to the view that whatever decisions they make should automatically entail federal sharing. That would simply be the equivalent of saying that provincial legislatures, rather than the national parliament, should control the level of taxes to be paid by Canadians no matter where they live. I do not believe—nor, I am sure, do you—that decisions made by one provincial legislature should automatically decide the level of taxes which must be paid by residents of another province, whether or not they subscribe to or participate in the action. Only the federal government has responsibility on behalf of all Canadians. This is the only level of government which has responsibility for all.

The introduction of ceilings under the Medical Care Act is a responsible action to help to check inflation which, if allowed to continue unchecked, would jeopardize the country's ability to maintain these essential programs and thus would have done more to damage the federal-provincial partnership than any annoyance the provinces may have felt when the budgetary measures were introduced. I completely agree with hon. members opposite, that this partnership is essential to ensure a national minimum standard of service for all Canadians regardless of the province in which they live.

In the Ontario budget announced before the anti-inflation program it was estimated that medicare costs would rise in the three fiscal year 1976-77, 1977-78 and 1978-79 by 22.6 per cent, 20.7 per cent and 18.6 per cent respectively. Surely the Ontario government could not have been complacent at such a prospect. Quite clearly, if similar trends were to occur at the national level they could only be met at the expense of other sectors in the economy and to the serious detriment of other essential priorities. Such a rate of growth in costs would be irresponsible. Think of the effect in less affluent provinces.

When the hon. member for Athabasca (Mr. Yewchuk) was reading from replies he had received from provincial health ministers, he did not mention complaints that we have received from many of the ministers regarding the major problems which result when one province unilaterally gives large wage and salary increases. The other provinces often have problems meeting their share of increased costs under the present arrangement. The federal government is proposing the ceilings both on behalf of the provinces and the federal treasury so that there can be some prediction of cost behaviour to protect the poorer provinces.

If a precedent is set, the "domino" effect carries it across the country. The very large wage and salary increases recently given to the hospital sector in Ontario and British Columbia—for example, in Ontario the 50 per cent increase in nurses' salaries over 18 months in 1974-75, with another substantial increase to come in 1976—put great pressure on the other provinces for matching increases which they cannot afford. No wonder health costs in Ontario and Canada started to rise very rapidly. The wealthier provinces must accept a heavy responsibility. Positive restrain-