

Supply—Health and Welfare

In so far as resolving this problem is concerned there has been no consideration for the viewpoint expressed by the province of Alberta. For the past six or seven years they have repeatedly made representations to the federal government and so far, as I said, there has been a stubborn refusal on the part of the Department of National Health and Welfare to acknowledge the right of the province of Alberta, which is responsible for the administration of the act, to run its affairs in the way it chooses.

The federal government has not interfered with some of the other provinces which choose to levy an insurance premium. They do not deduct this from the approved costs of operating hospital wards. They do not take any objection to some provinces choosing to collect a part or in some cases all of their share of hospitalization costs through a retail sales tax or something of that nature. Officials of the province of Alberta have objected to the federal department very forcefully. I have here a letter dated November 23, 1962, addressed to the former minister from Hon. J. Donovan Ross, minister of health of Alberta, in which he says in part:

Co-insurance charges in Alberta are considered by us to be equivalent of premium payments made in certain of the other provinces and should be accorded the same treatment.

I do not want to belabour this point, Mr. Chairman, but I must say to the minister that if some consideration is not going to be given to these very valid representations we are going to have to continue to belabour the point every time an opportunity arises.

I am not going to take the time now to go back into some of the other discriminatory measures contained in the new federal-provincial fiscal arrangements. However, this discriminatory action is not confined to the Hospitalization and Diagnostic Services Act. There are many other areas. This discrimination has been going on for a very long time. The argument, in so far as the government of Alberta is concerned, is valid and they have a right to administer this measure in the way they see fit without any interpretation of the regulations by the federal government to discriminate against Alberta and thus cause Alberta to pay a proportionately higher share of the cost of hospitalization all over Canada.

In case anyone is interested, Mr. Chairman, the collection of federal taxes in Alberta in the year 1962 was divided as follows: individual income tax, \$126 million; corporations, \$66 million; non-residents tax, \$2

[Mr. Olson.]

million, for a total of \$194,758,000. Then, there was \$5 million from the estate tax. On the basis of a population division, there was about \$136 million from sales tax, excise tax, customs duties and so on. In total, the residents of Alberta paid \$335,815,000 into the federal treasury. There were direct grants of \$29 million in one form or another paid back to the province of Alberta. These were for a number of things including hospitalization grants. There was about \$57 million paid under the tax agreements, and a share of a public utility amounting to \$1 million. In any event, the total repayments to the government of the province amounted to some \$90,794,000.

The injustice, Mr. Chairman, is that the residents of Alberta are paying into the federal treasury their share, and then some, on a per capita basis of the funds that go into the federal treasury. Then when it comes to a redistribution of those federal moneys, we find there is a discriminatory action against the province. I hope the minister and the officials of her department will take another look at this action to see if they cannot interpret the regulations in keeping with the spirit that has been expressed by the Prime Minister and the Minister of Finance on a number of occasions, that all provinces have the right to administer their affairs in the way they choose and that all provinces shall be treated equally.

The Deputy Chairman: Shall vote 15 carry?

Mr. Olson: No answer?

Miss LaMarsh: I shall be glad to answer and tell the hon. member what he already knows. I have said a number of times, as my hon. friend is aware, that perhaps the most persuasive member of his party, the premier of Alberta, came to Ottawa and discussed this matter with the Prime Minister, the Minister of Finance, myself and our officials. The province of Alberta signed an agreement in writing, then knowing what the results would be. It now seeks to persuade the federal government to change this agreement. These representations were urged upon my predecessor as they have been urged upon me. It is simply a fact that we do not agree the deterrent fee is anything comparable to an insurance fee. We do not agree that it is a good principle to require an individual who is seeking a bed to pay a per diem charge. It is that fundamental a disagreement.

My hon. friend has said that I just finished saying I agreed in principle with the user