job offer or other device from the province in which they intended to locate. This measure has given the provinces a great measure of control in determining how many and what type of physicians they are prepared to admit from abroad, and also in what localities to permit practice. This is certainly not taking away from the co-operation between the federal government and the provinces in giving the provinces good and almost complete control in the development of the physicians in their provinces.

We have evidence of a substantial decline in the immigration of physicians from abroad during the latter half of 1975, and undoubtedly this trend will continue throughout the years to come, although it is obvious that any province which feels it needs additional physicians is free to permit their entry. This substantially reduced immigration of physicians, which immigration, at times had exceeded 50 per cent of the total increase in the Canadian supply since medicare, should have a substantial moderating effect on the rate of cost increase of physicians' services from now on. Because of this, and in view of the fact that proposed ceilings are by no means out of line with the actual historical experience in recent years when there was no ceiling on the federal contribution, the ceilings should not cause any particular problems to provinces in relation to meeting the necessary costs of physicians' services. This is particularly so because of the superimposition of the federal anti-inflation program which not only limits the rate of increase indirectly in fee schedules and other forms of physician remuneration, but also should have an ameliorating effect on the cost of overheads on the one hand and cost to consumers on the other which figure in fee settlements.

Fears have been expressed that the proposed ceilings will reduce the quality of medical care, but there is absolutely no reason why this should occur. As a matter of fact, the ceilings proposed for medical care are not as unrealistic as some critics have alleged, since the allowable percentage increase proposed for the fiscal years 1976-77 through 1977-78 is actually greater than the increase experienced from fiscal year 1971-72 through 1974-75. The ceilings will actually permit continuation of the present high level of medical care and even reasonable increases in doctors' incomes.

I would remind hon. members opposite that the estimated reduction in the federal contribution to the provinces under the first year of the ceilings proposed under Bill C-68 would amount to less than 2 per cent of the provincial estimates received prior to the anti-inflation program and, consequently, may well turn out to be somewhat less than that. It may well be that the federal share will still equal 50 per cent of the program costs. In any event, many opposition speakers have taken a rather remarkable turn in advocating that instead of attempting to restrain the cost of physicians' services, and indirectly of hospital services, the federal government should forge ahead in cost-sharing any health expenditure that any province is currently making. This is, surely, one of the most bizarre suggestions that I have encountered, considering all the cries for cuts we have heard and all the promises to reduce budgets by billions and billions of dollars, when we all know that in this area we cannot reduce beyond the point of no return. Even when we put it in a way that gives this House some manner in which we would have some say, some manner in which we would be able to predict what might happen, members opposite cry for us to forge ahead in an irresponsible manner.

If taken literally, this would mean that the legislature of each individual province would have the prerogative of determining what taxes would be paid by the residents of every other province, since the federal government would be automatically drawn into cost-sharing any health expenditure that each province decided to make. This would be so even if the particular health expenditure was simply unique to the tastes of that particular province, whether it dovetailed in any way, shape or form with similar programs in other provinces, no matter whether it was available to all residents on uniform terms and conditions or whether it was something provided through subsidized private insurance arrangements on a restricted basis and with all sorts of deductibles or other limitations.

Quite obviously, only this Chamber can legislate taxes that apply to all Canadians or lay down conditions that will govern the payment of taxes by all Canadians. To follow this advice would not only be to create an open-ended program of totally unpredictable magnitude, but also to create a great, crazy patchwork quilt of arrangements in Canada with no guarantee of portability, interchangeability, accessibility or common cost experience which enable any type of sensible federal-provincial cost-sharing arrangement to be arrived at. As an alternative, we are proposing a logical extension of coverage, using the existing health insurance acts which guarantee universal accessibility, comprehensiveness, portability and non-profit administration within the areas which are determined. The government has already had numerous discussions with the provinces and determined those areas in which there is a high degree of consensus.

Advancing coverage in these areas will certainly maintain the national aspects of our program which are so essential for a mobile population. What is required is the firm commitment on the part of the provincial governments to adhere to the targets in respect of hospital, medical and other important services which they have outlined to departmental officials during the discussions that have occurred during the past year. With such commitments the federal government can foresee, to a large extent, its essential obligations. So can provinces whose costs are directly or indirectly influenced by the expenditures made by other provinces. If the federal-provincial partnership in health care, which in my view is so essential to Canada, is to survive there must be more than lip service paid on both sides to understanding and agreement as to the course which must be taken. This has not always been the case in the past, and I suggest that many of the sins have also been on the provincial side.

I sincerely hope that as a result of the renewed negotiations which we expect to occur in the near future, a more effective federal-provincial partnership will emerge which will safeguard the interests of the provinces and the federal government, as a result of which the health care system in Canada will make further progress to the advantage of all Canadians.

An hon. Member: Ha!

Mr. MacFarlane: And it is important to remember, rather than saying "Ha!" three times in a row, that this