

*Disabled Persons Act*

what is now being done under the bill now before the house. Health grants, including hospital construction grants, have increased from \$36.3 million to \$49 million.

I shall now deal with hospital insurance. As I said a moment ago, it was placed on the statute books before and we have had to raise the money since. My figures were far too low a moment ago when I mentioned the cost. There was no hospital insurance in 1956-57, in the days of the surpluses of which they boast. After having promised it for a generation and a half they placed the legislation on the statute books in a haphazard manner, to be applicable under certain circumstances and we have had to secure the money to make it possible.

With regard to hospital insurance, the first year was 1958-59. The increase has been from \$54.7 million to \$284.2 million. You begin to see where the deficits came from. I am asking hon. gentlemen opposite to enlighten the house and the country as to which items we were wrong in bringing in, because hon. members will recall that they supported them.

I have already mentioned social justice payments. What about veterans pensions? Veterans pensions in 1956-57 amounted to \$175 million. Increases have been made since, and for 1961-62 the amount is \$80 million more, bringing the figure to \$255 million. Retired civil servants received \$21 million in 1956-57; in 1961-62, \$41 million. I could go on through the record in this way showing the increases that have taken place, increases that have been accepted by hon. members in all parts of this house. I give hon. gentlemen the opportunity, and I again issue that challenge, to tell me which of these items they would not have brought in. Or do they still have the view they had in 1957, that \$6 was enough?

Now I come to the assistance of the provinces. I will deal first with unconditional grants. I will be interested to know whether the Leader of the Opposition is still opposed to shared programs. In other words, does he still believe what he said along this line when he spoke recently in the city of Quebec? Is he opposed to shared programs? If he is, the provinces across this country will have to impose very high taxation in order to maintain the present level of security.

What about the expenditures? Unconditional grants to the provinces in 1956-57 amounted to \$552,653,000. I will take the next year because some changes were made. In 1957-58 the amount was \$658,199,000. The estimated figure this year is \$875,987,000. That represents an increase over 1956-57 of \$323 million. When they say we do not act to

[Mr. Diefenbaker.]

carry out our promise to the provinces, those statistics, which are unchallengeable, give the answer.

Now conditional grants, which represent federal contributions to programs shared with and administered by them. I again give the Leader of the Opposition the opportunity of saying whether or not what he enunciated in Quebec is the policy of the new Liberal party. Or is it the policy enunciated in January, 1961 at the convention here in Ottawa, of increasing the amount of shared programs? Conditional grants, as I said, have greatly increased. In 1956-57 they amounted to \$110,974,000. I want these figures understood because these grants, according to the Leader of the Opposition, are now to be frowned upon; these shared programs are no longer to exist; they are to be allowed to phase out. If they are phased out, what will happen to the individual in these provinces cannot be described as a phase-out.

What are the figures? They are \$111 million, in round figures, in 1956-57 and \$550 million in 1961-62. Now I deal with payments for the benefit of provincial institutions. In 1956-57 the figure was \$25,725,000; for 1961-62 it is \$44,048,000. In other words, in the few years we have been in office, in unconditional grants, in conditional grants and payments for the benefit of provincial institutions there has been an increase from \$689,352,000 to \$1,470,139,000, an increase of some \$780 million. Will the opposition say that they will do away with these? All of these changes have been made and these extra benefits secured with no increase in income taxation.

Now I come to the shared programs. I thought the Leader of the Opposition must have been misreported in his speech in Quebec.

**An hon. Member:** Like you.

**Mr. Diefenbaker:** I had read with interest the views expressed at the meeting of the grass dominated by the brass in January, 1961, and I was very much interested in the changes that have taken place.

Now let us see what will happen if these shared programs are done away with. Here is the proportion of total federal contributions to the provinces accounted for by shared programs. Again I repeat, it is the proportion of total federal contributions to the provinces. In 1956-57, taking Newfoundland as an example, the percentage was 26.5; in 1961-62 the estimate is 37.7 per cent. Prince Edward Island, from 22.3 per cent to 34.3 per cent; Nova Scotia, from 15.4 per cent to 32.9 per cent; New Brunswick, from 29.6 per cent to 36.8 per cent; Quebec, from 13.3 per cent in 1956-57 to 37.4 per cent in 1961-62;