

At the time of Confederation government involvement in health was very small. People relied on their own resources and those of the family. Initially provinces were responsible for the minimal role of government in health care. As Canada developed more as a country and the government began to assert a greater role in health care, the federal role increased substantially.

In 1919, the idea of a national health insurance plan first emerged at a federal Liberal Party convention. In 1959, the Hospital Insurance and Diagnostic Services Act established a national program of hospital insurance. In 1966, the National Medical Care Insurance Act provided for public medical insurance.

The Canadian commitment to its system of medicare has come to be one of the first things Canadians point to in defining what their country stands for. The importance of this cannot be minimized. The cutback in Established Programs Financing grants will radically change the medicare system which in so many ways has come to symbolize the Canadian principles of fairness and equality.

Those on both sides of this House will recall that in the 1988 election both the opponents and proponents of free trade judged the effects of the agreement on Canadian sovereignty in the context of medicare. Although both sides came to a different conclusion about the future of medicare under free trade, each in essence was acknowledging the incredible symbolic nature of medicare to the Canadian identity.

The cuts in EPF transfers between 1990 and 1996 will represent a drop in federal funding of over \$40 billion. There can be no question that this will have a serious effect on the Canadian health care system.

At a time when hospital beds are being closed across Canada, I find it impossible to see how this can be justified. The logic behind this is difficult to understand when the aging population, AIDS, drug addiction and other serious illnesses are increasing the burden on the health care system. If the government will not believe me, perhaps it should listen to the following persons directly affected by health care cutbacks. Lionel Savoie, president of the Canadian Medical Association, representing 46,000 doctors across the country, said the following about federal cuts in health care funding:

Supply

The Government of Canada is financially strangling medicare. It has systematically reduced the planned level of federal support for provincial health care five times since 1982. This budget will speed up that process—Health care will suffer, especially those in less affluent provinces.

At the recent task force on the economy in a recession, in Hamilton, David Watts, vice-president of the Hamilton Civic Hospitals, offered the following analysis:

The province has had to restrict its transfers to the hospitals to the point where we feel that the amount of money received is less than the inflationary requirements to keep things going at the level they were the previous year.

Things have to be shuffled around and priorities have to be reset, and things that we used to do we cannot do.

The last crisis in health care in Canada occurred in the late seventies and early eighties. At that time large numbers of doctors were extra billing patients. In response, in 1984, the Canada Health Act came into being. For every dollar the provinces received in extra billing and hospital user fees, the federal government withheld a dollar in health grants. By 1987 extra billing and user fees disappeared across Canada, as all provinces complied with the Canada Health Act.

Because of cash contributions under EPF, the federal government was able to enforce the basic principles of Canada medicare. With the ever-decreasing cash contributions by the federal government under EPF, this enforcement mechanism will no longer exist.

It is estimated by the National Council of Welfare that federal cash payments to Quebec for medicare and post-secondary education, could be gone in 1996-97. Payments to Ontario could disappear by 2002 or 2003. For the other provinces and territories, they could disappear by 2007 or 2008. How will this government enforce medicare standards then?

The government no longer has the financial clout to enforce national health standards. In the near future the provinces will no longer have the means to provide universal, portable and accessible health care if the government does not reverse its course.

Certain provinces may be able to raise provincial tax revenues to maintain a semblance of medicare, but rest assured that the poorer provinces will end up being left with second-class health care.