services, welfare and education than other parts of this country. Nothing will tear this country apart faster than to destroy the concept of having a comprehensive national insurance program by which all citizens of Canada, no matter where they may live, will be entitled to all the health services they need, irrespective of their ability to pay.

The federal government's rationale for introducing this tax proposal is that they want to do two things. They want to provide the provinces with flexibility and they want to do something to curb escalating costs of hospital and medical care. I think there is much to be said for flexibility. I support the minister in attempting to do that, but I suggest that flexibility should not be used as a smokescreen for opting out of the federal government's legitimate responsibilities. The federal government can give to the provinces adequate flexibility with regard to which particular health services they will add to those that are now in existence with federal support without the kind of tax proposal which the Minister of Finance has presented.

The other reason they say they have introduced this is in order to curb rising costs. Of course, we need to curb rising costs, but you cannot curb rising costs by throwing the responsibility back on the provincial governments. Does anyone think the provincial governments are spending money like drunken sailors just because the federal governmment puts up 50 per cent? As a matter of fact, for every dollar which they get from the federal government for medicare and health insurance, the provinces have to put up a dollar. I submit, Mr. Speaker, that the dollars they have put up are much harder to come by than the dollars the federal government puts up. The greatest restraint is that the provincial governments have to match federal expenditures in the matter of health services. If we want to curb the escalating cost of health services, we shall not achieve this result by passing the ball back to the provinces. We can only do it if we are prepared to modernize our health delivery system.

• (1220)

There is no doubt money is wasted under our present health program. We are caring for many people in acute treatment hospitals where the cost is \$50 or \$60 a day who could be cared for in nursing homes for half that amount. There are many people in nursing homes who could be cared for under a home nursing program. The method of paying doctors may need to be completely revised. Then again, we could reduce much of the cost of medical care by setting up community health clinics where major emphasis would be placed on preventive health care, thereby reducing much of the cost of acute medical treatment.

Thus, I have suggested in this motion that in addition to the federal government funding health programs on a 50-50 basis, it should be prepared to expand the health resources fund and make money available on a continuing basis, not just the six years for which the proposed trust fund is envisaged, but on a continuing basis on the very logical deduction that any money which is paid to provincial governments to put up nursing homes, to establish community health centres, to set up home nursing care programs, will more than repay us in the long run by reducing the annual cost of providing health services.

Health Care

I do not think, therefore, that either flexibility or a desire to curb the rising cost of the health program requires the kind of proposition which the government has placed before the provinces. The federal government could secure flexibility, it could help curb rising costs, by providing some of the necessary capital needed to modernize the health delivery system while at the same time continuing to do two things which are fundamental. First, the government could assure the provinces that, in one form or another they will be guaranteed that 50 per cent of the cost of any of the health services which are needed will be paid by the federal government and, second, that as they move into other health fields the federal government will be prepared to pay 50 per cent of the cost of those additional programs as well. After all, it is now almost five years since the medical care program came into effect. That program has brought great benefits to the people of Canada and I think the President of the Privy Council (Mr. MacEachen), who was minister of health at the time, has won for himself a place in the history books of Canada for the contribution which he made and which the government of that day made to the better health of the Canadian people.

But we cannot mark time. There is a growing need for dental health programs, particularly for school children and for the aged. Eventually, they should be extended to the whole population. This means spending money, for example, on building dental colleges and training dental assistants and dental hygienists. There is a growing need to move into the field of prescription drugs, particularly to help those who are suffering from long-term illnesses which require drugs to be administered over a long period. We all know, of course, that there are people who require treatment with certain drugs, such as insulin, for as long as they live. There is, too, a growing need for an optometric service, again starting with children and then spreading out over the population as a whole. Such programs as these will not be introduced unless the provinces know that the federal government is prepared to share the costs on a guaranteed basis.

I hope that before this debate is over the Minister of National Health and Welfare and the Minister of Finance will assure the House and the people of Canada that the federal government will continue to guarantee a 50 per cent share of the cost of providing health services to this country, not only in respect of those services which are presently being provided but also with respect to additional services which ought to be provided and which, indeed, must be provided in the years ahead. Unless we take this course, we are virtually telling the people of Canada, through parliament, that the idea of a comprehensive health insurance plan, the concept that every Canadian, irrespective of race, colour or creed, will be entitled to all the health service he needs, has gone out of the window and that we intend to toss back into the hands of the provinces responsibilities they do not have adequate financial resources to meet.

[Translation]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, it gives me pleasure today to deal for the first time in the House with this very important aspect of my department having to do with the field of