

### Medicare

million provided for the arts—whatever they are—and there is to be a Canadian film association formed, or something. A few moments ago the minister found it necessary to go behind the curtain. This time it looks as though he has found it necessary to come over to our side. Maybe while he is over here we can sell him the idea. Don't let him get away. The article continues:

But Mr. Sharp was able to sell a majority of cabinet on his case—and proceeded to announce the postponement to parliament early last month while Prime Minister Pearson was in London.

Still unconvinced by the Sharp argument, Mr. MacEachen advised the Prime Minister on his return from the United Kingdom that as Minister of Health and Welfare, he could not, with a clear conscience, introduce the necessary amendments as they were proposed in the Commons and speak in favour of them.

This left the Prime Minister in a difficult quandary.

#### So what's new?

Should he reverse the postponement of the decision and risk a resignation by Mr. Sharp, one that would follow that of former Finance Minister, Walter Gordon by less than a year.

Should he go ahead with the decision and risk the resignation of Mr. MacEachen, one of his closest associates in government?

Should he undertake another cabinet shuffle to give the health portfolio to another minister?

Whatever course he followed would cause himself and his government embarrassment and invite a new stage of ridicule from the opposition.

He found the possibility of solution in an offer by Mr. MacEachen to accept some form of compromise.

The Prime Minister asked the Health Minister and Manpower Minister Jean Marchand, who was supporting the MacEachen position throughout, to try to work out one with Mr. Sharp.

With Mr. MacEachen scheduled to fill a speaking engagement in Vancouver last Friday, Mr. Marchand took on the role of negotiator.

And while the minister was still on the west coast he was able to telephone to him the news that Mr. Sharp had agreed on changing the fixed postponement date of July 1, 1967 to July 1, 1968 or earlier if national economic conditions and government finances took a change for the better in the meantime.

Here again, I would remind hon. members of the other statement which is a denial of the policy announcement of the Minister of Finance, and his request that medicare be postponed because, he says, we must slow down the boom. Then they say they will wait to introduce medicare until the economic situation has improved to such an extent that it can be implemented. The article goes on:

Mr. MacEachen readily agreed to this new measure of flexibility. And Mr. Marchand went happily off to Montreal to fulfil an appointment there.

[Mr. MacInnis (Cape Breton South).]

But by the time he got back to Ottawa last Saturday, the Minister of Health was informed by the Prime Minister that Mr. Sharp was not ready to go along with any change.

The issue was back where it had started—and to make matters worse, 1,800 delegates were beginning to stream into Ottawa from across the land for the big Liberal party policy conference at which medicare was certain to be a contentious issue.

Here again I would refer to the resolutions passed by the Liberal convention and what they mean to the Liberal government—they are “only resolutions passed at a party convention.” The article goes on:

The Prime Minister felt that in his convention opening speech he had to say something about medicare. Unable to get an agreement between Mr. Sharp on one hand, and Mr. MacEachen on the other, he proceeded to write into his speech that July 1, 1968 remained at that point, the commencement date but by adding that the government was keeping a flexible approach to it, inferring there could be a change.

● (9:30 p.m.)

Then with the convention's chief policy makers hot on his heels for a resolution which would be acceptable to the gathering, he called all three ministers, Sharp, Marchand, and MacEachen, to his Chateau Laurier suite to get the matter settled in a face to face environment.

While MacEachen and Sharp remained relatively cool, Manpower Minister Marchand is reported to have exploded in anger at the finance minister for, as he saw it, welching on the agreement reached the previous Friday.

May I repeat, Mr. Speaker, that the Minister of Manpower and Immigration is supposed to have exploded at the Minister of Finance for welching on an agreement made the previous Friday. Why do not the Liberal backbenchers, led by this same minister of manpower, explode because there has been a broken promise? They are not only welching on themselves but they are welching on the Canadian people.

Reports seeped out into the conference halls below that Marchand had threatened to resign if July 1, 1968, was to remain as the firm date and that Mr. MacEachen might follow him.

Turning to his diplomatic best Mr. Pearson was able at the end of the controversy, covering a few hours, to get an agreement from all three ministers on the “not later than July 1, 1968.”

The wording of the amendments to the bill was settled and everybody gave his blessings to the text of the statement Mr. MacEachen would make to the house in introducing second reading.

This was the statement which Mr. MacEachen delivered in the house:

“We are determined not to proceed later than July 1, 1968 . . . . In the meantime the government will keep the financial and economic climate under close scrutiny . . . . nothing would please the government more than to proceed with it before that date.”