

The Budget—Mr. Knowles

Mr. Harris: Do you make it only that? I thought two-thirds of 60 was 40.

Mr. Knowles: It depends on the exact value of the dollar. If the dollar has only gone down 50 per cent it would be the exact two-thirds that the Minister of Finance (Mr. Harris) seems to want to make it at this point. I do not mind giving the minister that much comfort. For purposes of this analysis I will say that in terms of the first item we were talking about, payments to the provinces, the implementation is of the order of 77 per cent, and that with respect to old age pensions the implementation is of the order of 66 $\frac{2}{3}$ per cent.

Mr. Harris: On the basis of your argument.

Mr. Knowles: But remember that the minister's colleague said yesterday that the government had implemented the whole program to the extent of two-thirds. There are several other items on which the score drops very low.

The next item is health. Even the Minister of National Health and Welfare had to admit there was a terrible gap there. Even he who, like no other minister on the other side, can boast of what he claims the government has done, had to say on at least two occasions, "with the exception of health insurance". And what does that exception amount to in terms of this arithmetical calculation the minister was making yesterday? In the green books of 1945 the proposal on the part of the federal government concerning health was for \$150 million a year, and that was to include what is now in the health grants program and the federal government's contribution to a nationwide program of health insurance.

Apart from the fact that the major item, health insurance itself, has not been implemented at all, and just looking at it from an arithmetical basis in terms of dollars, we have an implementation there of about \$30 million or \$31 million a year compared with the 1945 proposal of \$150 million a year. Oh, I know the Minister of National Health and Welfare said yesterday that the government now stands committed to an annual contribution under the health grants program of \$48 million. But he knows, and the Minister of Finance knows, that that is only a paper commitment in the back of the book of estimates which, when it comes to paying it out, amounts to only \$31 million a year. The reason for the difference of \$16 or \$17 million is in what is sometimes called a shortfall, due in part to the fact that these are commitments the federal government is prepared to make, but they are on a matching

[Mr. Knowles.]

grants basis. If the provinces are not able to take them up, of course, that money does not have to be paid out. The actual amount of money provided for the health grants program this year is thus just over \$31 million.

Even comparing that \$31 million with the \$150 million of 1945, without worrying about constant dollars, you have an implementation to the extent of only a little over 20 per cent. If you look at it in terms of constant dollars, it is an implementation of only 10 per cent of what was promised in 1945. Remember that these promises with regard to health services and health insurance in 1945, while they were based upon cost figures which would be greatly extended today, nevertheless had as their objective the provision of full and adequate health and hospital services for the people of Canada. The green books, and I will not read them again today because I have read them often, contain some of the finest statements one could find anywhere as to the desirability of a health services program and nationwide health insurance. The purpose was not to just make a stab at the problem. The purpose was to provide full and adequate health coverage for all our people. In terms of that, in terms of constant dollars, in terms of the cost today, we have an implementation to the extent of about 10 per cent. Remember, so far as health insurance itself is concerned, the implementation to date is zero.

The Minister of National Health and Welfare also had to admit in his summary yesterday that, with regard to the promise of 1945 that the federal government would take full responsibility for the employable unemployed, nothing has yet been done. Oh, there is the offer, the proposal or suggestion or what have you that the Prime Minister (Mr. St. Laurent) made to last week's dominion-provincial conference, but as yet nothing has been done with regard to that. So far as the proposal of 1945 is concerned, so far as implementation goes, and that is what the minister was talking about yesterday, the extent is zero.

Likewise, the Minister of National Health and Welfare also admitted yesterday that there was another gap. He admitted that so far as the timing grants are concerned, those public investment programs that were to assist with the development of the country so as to avoid unemployment, nothing had been done. Again the extent of the implementation, so far as that aspect of the 1945 proposals is concerned, is zero.

Now, let us look at them all, Mr. Speaker. I shall take the figure the Minister of Finance