

its stand, but now he tells us that with regard to two of those principles flexibility has been built into the legislation. He also tells us that the commitment made in 1965 and repeatedly in 1966 that medicare would come into effect on July 1, 1967, has been changed and that we are not going to get it until a year later.

The first example of flexibility relates, of course, to the principle of universality. I am going to say to the minister that I do not regard the change that is being made there as quite as serious as the other changes being made. Nevertheless, the Prime Minister on July 19 and 20, 1965, said that one of the cardinal principles was universal coverage. He did not say 90 per cent or 95 per cent; he said universal coverage. The minister says that the government has accepted the principle of universality but has built it into the legislation with some flexibility. Universality is to mean 90 per cent for the first two years and 95 per cent after that. I freely admit that in the light of our experience with hospitalization this is not as serious a change as some of the others, but it still is a retreat rather than what the minister likes to call it—the imparting of flexibility into the legislation.

A more serious way in which the minister has retreated has to do with what was the third of the Prime Minister's criteria of July, 1965, namely, that medicare would have to be carried in the provinces by the provinces themselves or by provincial agencies, but not by private insurance companies. Now we are given a bill which has in it a loophole a mile wide under which it is possible for private insurance companies to be designated by provincial governments to carry this medical care insurance program.

When I say that, Mr. Speaker, I am not just giving my own interpretation of the clause in the bill that makes this provision. The fact is that when the minister appeared before the health and welfare committee on July 14, a couple of days after the bill had been given first reading, I asked him in that committee whether it was possible under one of the clauses in the bill for private companies to come into the program and he made it clear that if a provincial government chose to give the carrying of the plan to insurance companies on a non-profit basis that would be in order under the provisions of this bill. The minister himself used the phrase "life insurance companies". He insisted, of course, that it would have to be on a non-profit basis. We

had some interesting exchanges on that point. I suggest that this leads to all kinds of speculation as to what is profitable and non-profitable and to the possibility of insurance companies getting into this business on a loss-leader basis. I suggest the minister has no right to call this flexibility. It is downright retreat from the position the government took in July, 1965, when it announced that one of the four cardinal principles was that medicare must be carried by provincial governments or their agencies and not by private carriers.

In addition to the flexibility the minister talked about—the downright retreat—regarding universality and private carriers, we now have this business of the change of the effective date from July 1, 1967 to July 1, 1968. No matter how much the minister may try to make light of this and no matter how much the Liberal party may try to give the impression that it achieved some kind of unanimity on this at its recent convention, there has been a retreat from a very definite promise made by the government time and time again, and I am going to go into that in some detail in a moment or two.

Before I do go into that, however, I should like to remind the Minister of National Health and Welfare that he saw the possibility of this happening. In fact, he should have stood his ground last July and should have insisted that this bill be put through at that time. I suggest that if my friends to the right in the Progressive Conservative party complain very much—they have not done so yet—about the postponing of the legislation, part of the responsibility is theirs, because if they had been willing to take the bill through second reading to committee stage last July, as the minister wanted to do and as we wanted to do, it would have been on the statute books before the Minister of Finance (Mr. Sharp) got his hands on it as he did in September.

• (4:50 p.m.)

**Mr. Woolliams:** Do you not think it affects the cost of living

**Mr. Knowles:** I did not know the Minister of Finance was a ventriloquist. Those are the words of the Minister of Finance, yet they seem to be coming from the mouth of the hon. member for Bow River (Mr. Woolliams).

As a result of our difficulties last July when we were not able to proceed with this bill I put some questions to the Minister of