

Health Care

from these sources do not provide sufficient to match what the federal government has been paying, then the federal government will give them a cash payment, bringing them up to what the federal government is now paying, plus the GNP escalation.

It seems to me ironic, Mr. Speaker, that for the future financing of hospital and medical care, the provinces are going to have to rely in part on taxes on commodities which ought to be curtailed in the interests of health. The federal government is now embarked upon a program of discouraging people from using more tobacco and more alcohol, and in the years ahead we could very well witness a situation in which the federal government will be advertising and telling people not to smoke so much and not to drink so much, in which case the provincial governments would have less revenues with which to discharge their responsibilities in providing health services to the people of Canada. The Mad Hatter in Alice in Wonderland could not have made a more absurd proposal.

Implementation of the recommendation made by the Minister of Finance will have two effects. First, it will leave the provincial governments with all the risks inherent in rising health costs. At present health costs are rising at anywhere from 13 per cent to 15 per cent per annum. To try to tie the federal government's contribution to the GNP has no relationship whatsoever to what the provincial government's responsibilities will be. Having got the provincial governments into a health insurance program, the federal government is now, by stages, proposing to pull out and leave the provinces with the primary responsibility for providing health care. This will either mean that the provincial governments will have to curtail the health services which they will provide to their citizens or they will have to impose additional taxes. The provinces which will not be able to impose those additional taxes will have a much lower standard of health services.

● (1210)

The Minister of Finance summed it all up in the speech which he made to the provincial ministers of finance last Tuesday when he said:

The amount of the reduction in federal taxes will, in due course, enable them to administer their programs without direct federal financial support.

If ever there was a start at moving down the road to a complete abdication of its responsibilities with regard to a national health insurance program, that statement represents such a step.

Some hon. Members: Hear, hear!

Mr. Douglas: The other day the Minister of National Health and Welfare said that the provinces will be \$1.1 billion better off over the next five years. The provinces dispute that. They dispute it both on the basis of what these new fields will bring in by way of revenue, and on the basis of what the Minister of National Health and Welfare estimates the increased costs will be.

If the Minister of National Health and Welfare takes part in this debate, I ask him to tell the members of this House whether the \$1.1 billion, assuming the provinces get it, constitutes a guarantee that that sum of money will

[Mr. Douglas.]

represent 50 per cent of the cost of providing hospital and medical care to the people of this country. Secondly, I ask him if that money, which the minister says the provinces will get, will be adequate to enable the provincial governments to move into phase two and phase three of the national health insurance program and provide the other medical services which were envisaged in the Medical Care Act.

The second effect of the proposal which the Minister of Finance has made is that the federal government is washing its hands of any responsibility for providing health services such as dental care, prescription drugs, optometric care, eye glasses and other health services. The federal government is now seeking to pull out of the game. It is tossing in its cards. It is saying to the provinces, we will give you certain fields of revenue and this should be sufficient to meet your needs. It will be up to each province to decide whether these new sources of revenue will enable them to do two things; first, maintain hospital and medical care at its present level and, second, whether they will have the necessary finances to expand the health insurance program so as to make it comprehensive.

When the medical care legislation came into effect in 1968, nobody in this House felt that we had completed the task of setting up health insurance in this country. Canada is far behind most of the industrial countries of the western world. Small nations much less affluent than Canada, the Scandinavian countries, West Germany, Britain, Israel, the Lowlands, Holland and Belgium, and many other countries have a completely comprehensive health insurance program that covers every aspect of health services for their people. The federal government is now getting ready to wash its hands, abdicate its responsibilities and leave it to the provinces in the future to attempt to provide those services out of revenues which will not be adequate for that purpose.

Some hon. Members: Hear, hear!

Mr. Douglas: What is going to be the result? The result is going to be that we will end up with a mishmash of health services across Canada. Some provinces may not be able to continue to meet the escalating costs of health insurance and medicare. They may have to start imposing deterrent fees or a means test. Other provinces will not only be able to carry on the other services, but will have the necessary financial resources to expand their health program. However, those provinces will want to impose very severe residence qualifications for those who are going to enjoy the benefits of those services.

We are not going to have a national standard. We are not going to have a comprehensive program that covers people from the Atlantic to the Pacific. This is a complete negation of the whole concept of federal-provincial relations as laid down in the Rowell-Sirois report brought down prior to World War II. That set forth the proposition that every citizen of Canada, no matter where that individual might live, would be entitled to certain basic national standards of health services, education and welfare. That is the only way in which you can have national unity. You can balkanize a country in more ways than by promoting separatism. You can promote national disunity by having some parts of this country more favoured in terms of health