

About 60 per cent of federal health expenditures are devoted to medical and hospital care for those groups for whom the Federal Government has assumed responsibility -- veterans, the armed forces, Indians, Eskimos, sick mariners and newly-arrived immigrants. These various groups number more than 500,000 persons.

While expenditures on behalf of veterans have stabilized in recent years, expenditures on behalf of Indians and Eskimos, for example, have risen from \$5.5 million in 1947-48 to over \$17 millions in the current fiscal year.

By spending these significant sums of money, the Federal Government has demonstrated its desire to give good health services to those groups for which it has assumed responsibility. At the same time, the Federal Government has encouraged the provinces, through the National Health Program, to develop and expand health services for their own residents.

2. GROUPS FOR WHOM THE FEDERAL GOVERNMENT PROVIDES SERVICE

The persons eligible for medical and hospital services through the auspices of the Department of National Health and Welfare are made up as follows. Medical and hospital care is provided to some 160,000 Indians and Eskimos. About 20,000 Canadian seamen and fishermen are insured under the Sick Mariners Program.

In addition to the services provided by the Department of National Health and Welfare, some 155,000 war pensioners are eligible, through the Department of Veterans Affairs, for care for service-connected disabilities. About 35,000 recipients of War Veterans allowances are provided with full medical and hospital care.

Necessary medical and hospital services are also provided, under special arrangements, for newly-arrived immigrants and, in conjunction with municipalities, to immigrants during their first year in Canada.

In addition, more than 500,000 other veterans may receive treatment free or on a repayment basis, depending on their income status.

In association with the Departments of Northern Affairs and National Resources, and Citizenship and Immigration, my Department has recently established a northern Health Service which will ultimately provide health care