

I have prepared some notes which set out in more detail what I have said; and there are a number of very interesting tables which, I think, honourable senators would like to see included in *Hansard*. I do not recall having seen them in the House of Commons *Hansard*, and I do not think they were presented in that house, although they may have been produced in committee.

The purposes which this bill seeks to achieve may be summed up as follows:

(a) It seeks to embody in legislative form the details of the federal offer to the provinces of hospital insurance and diagnostic services as announced by the Prime Minister on January 26, 1956.

(b) It authorizes the negotiation of agreements providing that the federal Government shall share with participating provinces the costs of insured hospital in-patient and out-patient services as well as diagnostic services.

(c) It defines the nature of the services whose costs the federal Government will share, as well as those which are excluded from the sharing arrangement.

(d) It establishes the actual formula on which the federal contribution to the participating provinces is based.

(e) It provides that the arrangement for federal sharing of the costs of provincial schemes shall commence when:

1. a majority of the provinces, representing at least half the population in Canada have

(i) entered into agreements with the federal Government under this act;

(ii) passed the necessary provincial legislation that will enable the provinces to carry out the undertakings required of a provincial law in accordance with this legislation;

2. the provincial law in each of the provinces is in force.

Honourable senators, the provincial law may in some instances be already in force. In others, as new legislation is passed, it may be provided that it shall come into force on receiving Royal Assent, or on a specific date mentioned in the provincial law, or by proclamation, or on a date to be fixed by proclamation of the Lieutenant Governor in Council.

If those provisions are included in the legislation, then it will be accepted.

Whatever the means adopted for bringing the law into force, this bill stipulates that only when six provinces have passed their definitive legislation and put it into force can the federal contributions commence.

Let me give an illustration of the way in which this provision operates. It may be

that in a given province the provincial law will provide that registration is to commence on a specific date; that premiums shall commence to be paid on a subsequent date, also specified; and that benefits shall not commence to be paid under the plan until six months after the collection of premiums has commenced. Now, that is not a far-fetched illustration. In fact, unemployment insurance started in a way similar to this. Contribution collections began six months before benefits began to be paid. I might also say that at least in one province, Nova Scotia, the commission appointed a year ago to study the federal proposal has recommended to the provincial Government a plan under which benefits would commence to be paid several months after the commencement of the premium collections. In the event of legislation along these lines, the Government requirement would be met as soon as the act itself was in force.

Hon. Mr. Isnor: I think it was some time ago, about a year ago, that this commission was appointed in Nova Scotia. Is that not right?

Hon. Mr. Macdonald: My honourable friend is right: it was about a year ago. And if its recommendation is carried out the province can enter into an agreement with the federal Government.

These are the main points embodied in the legislation now before the house.

May I draw the attention of the house to what was said in the other place in January 1956 concerning federal legislation. The Government said, in effect, that as soon as six provinces representing a majority of the population declared themselves ready to introduce hospital insurance, it would come to Parliament with a request for legislation authorizing grants to cover a share of the cost of these agreed services—that is, hospital insurance and diagnostic services. Honourable senators, the plan has been accepted already by five provinces, namely, British Columbia, Saskatchewan, Alberta, Newfoundland, and, last but not least, Ontario. With Ontario's acceptance of the federal proposal we now have the required majority of population, and need the accession of only one more province to have the required majority of provinces.

Hon. Mr. Euler: What are the prospects?

Hon. Mr. Macdonald: Well, I would say the prospects are very good. The Government and several of the provinces have been negotiating. I do not like to name provinces, but we are close to agreement with several of the other provinces.