

earlier. So I think we can be certain that the people of Canada support this measure which we are considering today.

The second observation that I would make is this. When this scheme goes into operation it will be of enormous help to the average Canadian family—the family with a modest income derived chiefly from earnings and having nothing very much in the way of savings or capital accumulated against the misfortune of serious illness. Anyone who has ever had anything to do with social work has been brought face to face time and again with the devastating effect of long and serious illness upon the means and the morale of the average family. That was brought very clearly to my attention in the days of the war when I was chairman of the Dependents' Board of Trustees for Military District No. 2 in the District of Montreal.

The average family can stand a short illness. It can stand minor ailments, but the thing that unbalances its budget and brings it closer to ruin than anything else is prolonged hospitalization of one of its members. That is especially so in these days of increasing costs of hospitalization, of which all of us are fully aware. You cannot blame the hospitals for these increasing costs. They are of course subject to the same rules of economics as everybody else is. The burden of the wages they pay and the supplies they require is becoming heavier all the time. In addition, the hospitals are constantly introducing new equipment, new techniques and new technicians to improve the lot of humanity as new methods and means are discovered in the medical world. All these things cost money and every one of them is reflected in the substantially increasing cost of hospital care today.

My third observation, with which I shall close, is that this legislation will of course result in considerable expense. As the honourable Leader of the Government (Hon. Mr. Macdonald) has said, it is estimated that if it becomes universally applicable throughout Canada it will cost the federal Government in a full year \$182,500,000. Incidentally, with that in mind perhaps honourable senators will agree with me that it was a prudent thing for the Minister of Finance to budget for a surplus in his current budget. But I believe the people of Canada will be willing to meet this expense, heavy though it may be. I believe the people will realize that this expenditure will mean spreading the cost of hospital protection for the nation as a whole, thus relieving individuals and individual families of the excessive burden of paying for prolonged hospitalization, which sometimes financially ruins them today.

Hon. Senators: Hear, hear.

Hon. Cyrille Vaillancourt: Honourable senators, I would like to give a brief account of what is happening in my province of Quebec. We now have a measure of public assistance for our poor people, those who are unable to pay anything for hospitalization. These people are assisted by a fund to which 50 or 60 per cent is contributed by the province and the balance by the municipalities. But take the white-collar workers who pay income tax,—

Hon. Mr. Hugessen: They are not indigents.

Hon. Mr. Vaillancourt: That is right, but they are unable to meet their medical expenses, especially with regard to hospitalization. Under this federal health plan these people will for the first time be able to receive some assistance with respect to their medical costs. The white-collar workers in Quebec contribute a large amount of taxes to the federal treasury, and I hope that the Government of Quebec will come into this federal-provincial plan so that these people may receive assistance under it.

Hon. Mr. Paterson: Is it intended that this scheme will be administered by a commission or by the Minister of Health?

Hon. Mr. Macdonald: Each province will administer its own hospitals, and I presume that at the end of every year it will send an account to the federal Government, which will pay its share of the cost after examining the provincial expense sheet very carefully.

Hon. Mr. Davies: Will there still be a municipal hospital board?

Hon. Mr. Macdonald: Oh, I think so.

Hon. Mr. Baird: I rise on a point of privilege. In his remarks the Leader of the Government (Hon. Mr. Macdonald) classified Newfoundland as one of the poorer provinces. I object to that. We may not have all the money we need, but there are many other things besides money; we have many other kinds of wealth.

Hon. Mr. Macdonald: I quite agree with the honourable gentleman. I did not mean the word "poorer" to apply in any way to the wonderful manhood and womanhood of that province; they are not surpassed elsewhere in Canada.

Hon. Norman P. Lambert: Honourable senators, I ask for further enlightenment on one phase of this bill, which was referred to by the honourable senator from Toronto-Spadina (Hon. Mr. Croll), namely, the lesser cost of this plan as compared with the cost of the voluntary plans, such as Blue Cross. I have maintained a current interest in the development of this question of national