

## THE SENATE

Thursday, April 11, 1957

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers.

Routine proceedings.

### HOSPITAL INSURANCE AND DIAGNOSTIC SERVICES BILL

#### FIRST READING

A message was received from the House of Commons with Bill No. 320, an Act to authorize contributions by Canada in respect of programs administered by the provinces, providing hospital insurance and laboratory and other services in aid of diagnosis.

The bill was read the first time.

#### SECOND READING

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

**Hon. W. Ross Macdonald:** I move the second reading now.

Honourable senators, this bill is generally known as the Hospital Insurance Bill. It provides hospital insurance, and laboratory and other services in aid of diagnosis.

Personally, it is a great satisfaction to me to be here to present this bill to this chamber. For many years, and particularly while I was a member of the House of Commons, I have been very much interested in this subject. It is also of great interest to the community from which I come, the city of Brantford, and as well to the whole industrial area of western Ontario. I was highly pleased to see that the young man who succeeded me as Member of Parliament for Brantford, Mr. James E. Brown, also took a keen interest in this legislation. I can assure the house that the people of my district at least are delighted that this hospital insurance plan is now to come into effect.

As honourable senators know, this is another step in the Government's plan to provide social services to all people in Canada. It is not necessary for me to review the history of this type of legislation over the past 40 years. The Right Honourable Mackenzie King, as we all recall, looked forward to a measure of this kind, and it was when he was Prime Minister that the national health grants program was put into effect. Under that program Parliament voted the sum of \$35 million per year to provide and improve health services throughout Canada.

It was from that beginning that the groundwork for this legislation was laid. Thousands of technical persons have been trained and hospitals have been enlarged—in fact, more than \$200 million in all has been spent in preparation for this step.

The interest in hospital insurance was continued by our present Prime Minister; and throughout the whole period the Minister of National Health and Welfare has been keenly interested in this subject and has been very persistent in keeping it in the forefront. I think the country as a whole should be very pleased and happy that we have the present Minister of National Health and Welfare in that portfolio. We all owe a debt of gratitude to him for the interest which he has taken in this subject. It must have been a great day for him, a historic occasion, when he introduced this bill in the House of Commons and when it was passed by that house.

At the dominion-provincial conference on fiscal matters which was held in Ottawa on October 5, 1955, arrangements were made for a subsequent conference to discuss the subject of hospital insurance. The subsequent conference, January 1956, was attended by representatives from the provincial departments of health and also from the federal department. After four days deliberation the Prime Minister of Canada and the Minister of National Health and Welfare made statements setting forth a proposal which the dominion Government hoped would make it possible to have hospital insurance in Canada.

Briefly stated, the proposal of the federal Government is to pay to each province which enters into an agreement 50 per cent of the cost of operation of its hospitals in connection with the ordinary care of patients, and 50 per cent of the laboratory and other services in aid of diagnosis. Honourable senators know that many patients go to hospitals merely for examinations, for diagnosis.

**Hon. Mr. Davies:** Is this provision for everyone, or only for indigents?

**Hon. Mr. Macdonald:** It is for everyone; there is to be universal coverage. The 50 per cent which I mentioned will be arrived at as follows: 25 per cent of the actual cost within a province will be paid by the federal Government to that province, plus 25 per cent of the cost on a *per capita* basis throughout Canada. I will explain later the purpose of this provision. The plan can be put into operation when a majority of provinces, representing at least 50 per cent of the total population of Canada, have entered into the agreement.