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## Health-care costs reasonable

Health-care expenditures in Canada have not increased at an excessive rate recently, according to two economists with the Economic Council of Canada. They maintain, however, that further savings can be made if health-care services become more efficient.

In their paper, *Health Expenditures in Canada and the Impact of Demographic Changes on Future Government Health Insurance Programs*, Jac-André Boulet and Gilles Grenier demonstrate that a real gross national product growth rate of only 2 per cent will be able to absorb future demographic pressures on government-insured health expenditures.

Between 1960 and 1970, total health care costs, as a percentage of GNP, rose from 5.6 per cent to 7.1 per cent, reflecting, in part, the extension of health-care services to those who could not previously afford them. However, between 1970 and 1976 health-care costs as a proportion of GNP levelled off. In 1975, this proportion was 7.1 per cent of GNP and in 1976, about 6.8 per cent. This means that health-care costs in this period did not increase at a greater pace than the economy's capacity to pay them. Further, the proportion of health expenditures in government budgets has been slowly but continuously decreasing since 1972.

### Canada/U.S. comparison

The situation in Canada is particularly favourable when compared with that of the United States. The share of health costs in the U.S. GNP has risen constantly, reaching 8.6 per cent in 1976, while it levelled off in Canada to 6.8 per cent in 1976.

Nonetheless, the authors believe that more efficient use of health resources is possible. They examine the situation in terms of expenditure problems related to the health services industry, to government, and to changes in the demographic composition of the population and its consumption habits.

A major problem lies in the fact that the consumer regards health care as a right, does not pay directly for the cost of health services, and often does not know what the costs are. The authors suggest that the appropriate government agencies send to consumers annual statements of costs incurred. Similarly, through public media, government could

make consumers aware that health care is not a "free" commodity.

Because health expenditures are already growing at about the same pace as the GNP, while at the same time there has been a decline in the growth of productivity, an allocation of a larger share of national resources to health care may be necessary simply to maintain the present quality and quantity of care. The authors suggest a number of ways in which progress could be made more efficient without neglecting the quality of health care.

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## Journalist/diplomat dies

Robert Allen Farquharson, a former managing editor of *The Globe and Mail* and a former director of information for the North Atlantic Treaty Organization in Paris, died March 5. He was 79.

Mr. Farquharson spent nine years at the Canadian Embassy in Washington as Minister-Counsellor.

He was a tireless advocate of closer and more enlightened press relations between Canada and the United States.

During his long career in journalism, Mr. Farquharson was also a director of The Canadian Press and the first chairman of the Canadian committee for the Harvard University Nieman Fellowship of Journalism.

He founded the Canadian Managing Editors Conference and was its president for three years. In 1969, he was named to the Canadian News Hall of Fame.

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## Twilight life in Yellowknife

Tony Sloan, writing for the Canadian Government Office of Tourism, describes Yellowknife, Northwest Territories, as a frontier city set on the north shore of a very large lake and at the end of a very long road.

The lake is called Great Slave and the road is called many things, but is officially known as the Mackenzie Highway. Edmonton, Alberta, nearly 1,600 km (1,000 miles) away, is the gateway city for the southern end of the highway. The northern half is 800 km (500 miles) of gravel road and very dusty on a calm day.

Yellowknife began as a "gold town", but with a current population of 9,000 it has acquired all the growing pains and sophistication associated with larger cities

while retaining a fair measure of frontier exuberance. Twilight life in Yellowknife — it doesn't get dark enough in summer-time to call it nightlife — deserves a town tour that's both varied and entertaining.

Sloan offers a catalogue of the city's boisterous night spots and its gold mines (open for public tours) but does not fail to mention its fine quality native art and handicrafts. Carvings in ivory or stone, prints and furs all reflect the imagination and seemingly limitless artistic talent of the Inuit. These beautiful creations are produced by a people in a treeless land where a piece of ordinary wood may be more highly prized than a carved ivory image.

Yellowknife is also a supply centre, territorial capital, air terminal and river port for the mammoth supply barges moving north on the Mackenzie River to far-away Inuvik.

It's either a city of very long days or very long nights; either way, a fascinating place to visit.

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## Astronauts visit science centre

The scientists who will be the crew of the first Space Shuttle flight in 1981 visited the Ontario Science Centre in Toronto, February 15.

They are part of a new era of economical space transportation which, unlike the "throw-away" technology of previous spacecraft, allows for repeated round-trip excursions to space. Space Shuttle, like an airplane, will land on earth carrying personnel and payload and, 14 days later, will be ready for another flight.

Its first payload is Spacelab, a pressurized laboratory about the size of a city bus. Spacelab will make it possible for scientists who are not astronauts to conduct many new scientific, technological and medical investigations in space.

Eventually, experimenters from many nations, including Canada, will be able to board Spacelab to conduct investigations.

The program, the first joint venture of its kind between National Aeronautics and Space Administration and the European Space Agency, is also supported by Canada where parts of Space Shuttle are being built.

Part of the space-flight training was conducted recently at Defence and Civil Institute of Environmental Medicine in Downsview, Ontario.