

## CHAPTER 1: TERMS OF REFERENCE

The study on accessibility to acute-care hospital services had its origin in a notice of inquiry put forward by Senator Paul David on April 5, 1989:

...I shall draw the Senate's attention to research on the evolution of health care costs in Canada and its consequences and to the need to establish a committee or subcommittee to examine the question.<sup>1</sup>

In his speech to the Senate on May 2, 1989, Senator David related the results of a study on health-care costs that he completed in 1989.<sup>2</sup> The report concluded that although constant dollar health expenditures rose by an average of under 5 per cent per year during the 1975-85 period, major policy decisions related to financing and expenditures would be required in the near future. Pressures would come from a scarcity of public funds, provincial disparities in the range of health services offered, the growing needs of an aging population and the costs incurred by an increase of available and new medical technologies. As well, Senator David pointed to congested emergency rooms, long waiting lists, bed closures and outdated hospital equipment as evidence of constraints facing hospitals.

Senator David proposed a review of the advantages and disadvantages of the present system of health care with a view to making recommendations in accordance with the needs of Canadians and financial resources available. While several Senators supported this proposal, there was some agreement that the focus was too broad.<sup>3</sup>

After consultation with the Standing Senate Committee on Social Affairs, Science and Technology (the Committee) to narrow the terms of reference of the proposed study, Senator David moved on June 27th:

That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to undertake a preliminary study of problems encountered in short term care hospitals and institutions under the National Health Program in Canada; and

That the Committee present its report no later than March 31, 1990.

In the fall of 1989, the terms of reference were further narrowed to address the issue of accessibility and major problems facing acute-care hospitals, as follows:

Accessibility to the services of the acute-care hospital is coming under increased scrutiny by the public. Attention has focused on reported bed closing, long waiting lists for elective surgery and diagnostic procedures, delays in treatment, constraints on capital funding and staffing problems. Experts concur that the financial pressures on hospitals will become more acute as they deal with the increasing costs of medical technology and growing demands for hospital services from an aging population. Recent experience suggests the possibility that accessibility to the services of acute-care hospitals may be eroded and will be further threatened as competition for scarce resources becomes more intense.