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A NEW NATIONAL HEALTH PROGRAM FOR CANADA

An address by Dr. G.D.W. Cameron, Deputy Minister of National Health, to the Health Officers' Section of The American Public Health Association, at Boston, on November 12, 1948.

One of the most important milestones in the history of health planning in Canada was passed in May of this year, with the announcement by the Prime Minister of the new National Health Program. Designed to effect general improvement in the nation's health services, and to prepare the way for a national scheme of health insurance, the program commits the federal government to an additional annual expenditure on health of more than $30 million, through grants-in-aid to the provinces.

The new program continues the progressive extension of social security measures that has taken place in Canada during the war and post-war years. In 1940 the Unemployment Insurance Act was passed, followed by the National Physical Fitness Act of 1943, the Family Allowances Act of 1944 and the 1947 amendment to the Old Age Pensions Act which raised pensions for the aged and blind and increased the number to whom they might be paid. Comprehensive provision for the needs of veterans has also been made through development of the outstanding medical care and rehabilitation services administered by the Department of Veterans' Affairs and by the increased veterans' disability and survivors pensions which became effective in 1947. The same progressive trend has characterized provincial legislation; there has been a general expansion and strengthening of health and welfare activities in all provinces.

An important factor in this many-sided development was the establishment, in 1944, of the Department of National Health and Welfare to take over the general health functions of the former Department of Pensions and National Health, and to assume the leading federal role in welfare activity. One of the principal responsibilities of the Department is the advisory, co-ordinating and assistance service it renders to the provinces in health and welfare matters which, for the most part, are placed under provincial jurisdiction by the British North America Act of 1867.

In health matters the Department, which will administer the new program, works in close co-operation with the Dominion Council of Health, the principal advisory body to the Minister of National Health and Welfare. As the membership of the Council, which meets under the chairmanship of the Deputy Minister of National Health, includes the chief health officers of all provinces, the provincial health departments have been able to participate actively in the planning of the grants and in the administrative policies governing their distribution.

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The new program is designed to assist the provinces in a number of fields. It consists of three parts; the first a health survey grant; the second a group of grants covering general public health, tuberculosis, venereal disease and cancer control, mental health, crippling conditions in children, professional training and public health research; and the third, a grant to assist in the provision of hospital accommodation of all kinds. The program covers all areas of Canada with the exception of the Yukon and Northwest Territories where health services are a direct responsibility of the federal government. The extent and variety of the assistance it provides is indicated in Table 1, where the amount made available under each grant is shown.

Table 1. ANNUAL AMOUNTS MADE AVAILABLE TO THE PROVINCES BY THE FEDERAL GOVERNMENT UNDER THE NEW NATIONAL HEALTH PROGRAM

Grant	Total Amount	Per Capita Amount (a)
	$	$
Health Survey	625,000 (b)	.05
Health Grants		
Public Health	4,395,300 (c)	.35
Tuberculosis Control	3,000,000 (d)	.24
Mental Health	4,000,000 (e)	.32
Venereal Disease Control	500,000 (f)	.04
Crippled Children	500,000	.04
Cancer Control	3,500,000	.28
Professional Training	500,000	.04
Public Health Research	100,000 (g)	.01
Hospital Construction	13,000,000 (h)	1.04
Total:	30,120,300	2.40

(a) Based on intercensal estimate of population for 1947.

(b) Non-recurring, but amounts not expended in the fiscal year will be made available in following years.

(c) Based on payment of 35 cents per capita, and rising 5 cents per capita each year until a maximum of 50 cents is reached.

(d) At the end of two years a supplementary grant of $1,000,000 annually will be made available for ten years to provincial governments able to make use of it.

(e) Increased to $5,000,000 at the end of two years; to $6,000,000 at the end of four years and to $7,000,000 at the end of six years.

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(f) An annual grant of $225,000 was in existence prior to commencement of the program so that this figure represents an additional grant of $275,000.

(g) Increased by $100,000 annually, until the grant reaches $500,000 per annum.

(h) To be reviewed at the end of 5 years, with possible reduction by half at that time.

Perhaps the significance of these figures may be most easily assessed when they are considered in relation to previous federal expenditures on health, and to annual amounts spent by provincial governments in the past. Under the new program additional annual federal expenditure on health and hospital services will be almost as great as the total expenditure of the Health Branch of the Department during the previous twenty-eight years of its existence, and more than twice the total of all government health expenditure of twenty years ago. Provincial expenditures on health and hospital services which, in 1926, totalled $10.6 million or $1.12 per capita, had climbed to $40 million or $3.31 per capita by 1945, the last year for which official figures are available, and to an estimated $63.4 million or $5.05 per capita by 1947.(1) This steady rise in provincial expenditure indicates why some kind of federal financial support has become essential if the level of services provided by the provinces is to be maintained and developed. Since the grants must be expended on new services, or matched by provincial funds, a guarantee is provided that this new program will mean an over-all increase in total health services.

Comparison between the new program and the well-established American grant system is perhaps inevitable. Both represent the extension of federal financial resources to provincial and state governments as a means of strengthening and developing widely diversified public health services. Both have as a basic consideration the necessity for retaining local autonomy and are directed against the same problems, though the older and more diversified American system includes grants not made in Canada, and an over-all view of expenditures by the two federal governments would have to take into account the greater variety of methods used in the United States for the support of measures provided for in Canada by straight grants to the provinces.

The Canadian appropriations may, at first sight, appear to be relatively small when compared to the corresponding annual federal expenditure in the United States of close to $120 million. However, when the populations of the two countries are compared, it is apparent that the Canadian program has been generously and boldly conceived. While, on a per capita basis, the individual Canadian grants for venereal disease control, crippled children and public health research are slightly less than their American counterparts, the remaining grants all provide for substantially higher amounts.

The many similarities between the two programs are evidence of the attention that has been paid in Canada to American pioneering in the use of the grant-in-aid as a general health measure. The different health fields in which the grants are paid,

(1) Based on Statistical Summary, Bank of Canada, August-September, 1947.

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and the amounts to be expended on each, were decided upon after extensive study of conditions and administrative methods both in Canada and abroad. The program itself grows out of the Dominion Government Proposals, made at the Dominion-Provincial Conference in 1945, which envisaged the establishment of a complete national system of health insurance as well as the strengthening of the nation's health services. Because agreement was not reached between the federal government and all provinces the full proposals have never been implemented but it was decided to go forward with the health grants as a logical program which stands on its own merits.

The amount to be distributed under each grant was calculated as closely as possible to meet estimated national requirements in each health field. In those grants where it is anticipated that the provinces will be able to absorb additional sums when the program has been underway for a period of time, provision is made for a progressive increase in the amount to be made available, as in the public health, tuberculosis control, mental health and public health research grants.

The grants are, for the most part, distributed on a per capita basis, with special provision being made so that the smaller provinces will not be penalized by their lesser financial resources, and by the higher relative cost of the services they require.

Where, if distribution was made on a straight population basis, the smaller provinces would not receive sufficient funds for their needs, a fixed amount of the grant is paid to each province, with the balance being distributed on the basis of population. For example, under the Mental Health Grant, each province is first given $25,000, with the remaining $3.8 million being divided on a population basis; in the Venereal Disease Control, Crippled Children and Professional Training Grants each province is similarly allocated $4,000 before the remainder is divided. For the Tuberculosis Control, Health Survey and Public Health Research Grants the distribution is somewhat different; for tuberculosis control a basic $25,000 is paid to each province, with half the balance being allocated on the basis of population figures and half on the average number of tuberculosis deaths over the last five years; in the Health Survey Grant, Prince Edward Island is given $15,000 and the other provinces each $5,000, with the remaining $570,000 divided according to population; the Public Health Research Grant is distributed on the basis of projects recommended by the Dominion Council of Health. The remaining grants are made on a straight population basis. The resulting distribution of the total grants between provinces is as shown in Table 2, which illustrates the greater per capita amounts payable to the smaller provinces under this arrangement.

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Table 2. AMOUNTS MADE AVAILABLE TO PROVINCES UNDER NATIONAL HEALTH PROGRAM, 1948

Province	Total Amount	Per Capita Amount(a)
	$000	$
P.E.I.	294	3.13
N.S.	1,542	2.48
N.B.	1,226	2.50
Que.	8,985	2.42
Ont.	9,668	2.31
Man.	1,806	2.43
Sask.	2,002	2.38
Alta.	1,968	2.39
B.C.	2,529	2.42
TOTAL	30,020(b)	2.39

(a) Based on intercensal estimate of population for 1947.

(b) Exclusive of Public Health Research Grant which is not allocated on a per capita basis.

The provinces are allowed wide discretion in the manner in which the grants may be employed. As in the United States there is a great variation between the kind and quality of services offered, both between different provinces and between areas in any province. These differences, apart from the problem they present through the necessity of bringing badly serviced areas up to the general level, preclude any strict uniformity in the manner of expenditure of the grants. It is recognized that different approaches to particular problems are essential, and will inevitably lead to the trial and exploration which are necessary if the best long-range results are to be obtained.

The Health Survey Grant

In order that the provinces themselves may be able to survey their problems, and to ensure that they be given all possible assistance in drawing up an integrated program of development and extension, the first of the new grants is devoted entirely to enabling them to determine existing needs, and the priority with which they should be met.

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Through the Health Survey Grant $625,000 is made available for distribution among the provincial governments, so that they may establish planning staffs, calling in outside help where necessary, to study and report on provincial requirements.

The conditions governing distribution of the grant do not rigidly limit the use to which it may be put. Its main purpose is to assist each province in the preparation of an over-all appraisal of needs, which will serve as a guide in the future development of the total provincial health program.

Within this framework specific attention is being concentrated on planning for the utilization of the health grants themselves and on a survey of hospital facilities which will be used as a guide in the administration of the Hospital Construction Grant. In addition to providing for an inventory of existing facilities to be used as a basis for the determination of future needs, it is hoped that the grant will make possible their development in a co-ordinated and integrated fashion so that the most effective use may be made of funds available from other grants, and so that the provinces, with it, will be enabled to lay the groundwork for hospital and medical care insurance.

General Public Health

The General Public Health Grant, which totals $3,395,300 in 1948, is calculated on the basis of 35 cents per capita and will be increased by 5 cents per capita each year until a total annual per capita payment of 50 cents is reached.

The grant is intended for the strengthening and extension of public health services in those places where the provincial health departments feel the need to be greatest. It will enable the provinces to enter and explore fields of activity which have hitherto been inaccessible to them because of budget limitations. The creation of additional county and district health units, the expansion of existing units and the development of public health education programs will all be encouraged, together with the strengthening of other aspects of the provincial services not covered by specific grants, such as the development or extension of programs in child and maternal health, blindness, arthritis and rheumatism and communicable disease control.

Tuberculosis Control

The Tuberculosis Control Grant of $3,000,000 is intended to enable the provinces to complete the task of obtaining control over tuberculosis and to assist them to provide free treatment for all sectors of the population. To ensure that these objectives are reached, a supplementary grant of $1,000,000 annually, beginning of the third year of the program, will be made available for distribution among those provinces able to make effective use of it.

The record of the provinces in the fight against tuberculosis has been generally very good, and outstanding work has been done in this field by The Canadian Tuberculosis Association. The progress that has been achieved is indicated by the fall in death rate from 200 per 100,000 in 1900 to 47.2, or below 40 if Indian deaths are excluded, in 1946 when the death rate in Saskatchewan was only 17.5.(1) An

(1) Canadian Tuberculosis Association: Annual Report of Executive Office, March 31, 1948.

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contribution to the reduction of the over-all death rate is being made by the Department of National Health and Welfare through the extension of the treatment and care of tuberculous Indians of whom less than 100 were under treatment in all parts of Canada in 1937, while over 1,200 are receiving treatment today.

Free treatment was given to 96 per cent of all patients in Canada in 1947, as compared to 73.4 per cent in 1938;(1) all patients are now treated free by statute in Alberta, Saskatchewan, Manitoba, New Brunswick and Nova Scotia and in the other four provinces only a small number are required to pay any portion of treatment cost.

During the last ten years there has been a great increase in treatment and diagnostic facilities. Since 1938 almost 5,000 new beds have been provided for tubercular patients and another 1,500 are under construction, and the number of persons examined at clinics has risen from about 166,000 to more than 444,000 in addition to the more than a million persons examined by mass surveys. There has been great improvement also in the interest shown in rehabilitation of the tuberculous patient, which was pioneered by the Rehabilitation Service of the Sanitorium Board of Manitoba. Similar services are now being organized in Alberta, Ontario, New Brunswick and in British Columbia, which also provides for tuberculous families. Such services as these should all be extended with the aid given through the new grant.

Mental Health

As in other countries, the problems arising from mental illness are particularly acute in Canada, and are complicated by serious shortages of all types of trained personnel and facilities for institutional care. It is estimated that, on the basis of requirements per thousand of the population of 4 beds for the mentally ill, 1.5 beds for mentally deficient persons and .25 beds for epileptics, there is a shortage of almost 27,000 beds; if requirements are met on the basis of five beds per thousand there is a shortage of 17,000 beds for these cases. At the same time, on the basis of one mental health clinic for every 100,000 of the population, more than a hundred clinics are still required to meet the need of the provinces.

Because of the seriousness of the problem, as compared to tuberculosis, the formula for the mental health grant goes much beyond that for tuberculosis control, providing first for a higher initial amount of $4,000,000 and, in addition, for three increases of $1,000,000 each at two year intervals, as the provincial programs are able to absorb more money.

The grant is intended to supplement existing provincial and municipal services in every possible respect, with special emphasis being placed on the development of clinical and preventive services. It may also be used for extending areas of free treatment, where no progress has been made in any way comparable to that for tuberculosis care.

The two most immediate problems which must be faced, however, are the provision of additional beds and the training of psychiatric and other staffs. While the Hospital Construction Grant will do much to assist the provinces in building the necessary extensions

(1) Canadian Tuberculosis Association: Annual Report of Executive Office, March 31, 1948.

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to their accommodation, a considerable part of the Mental Health Grant will be required to train the large number of qualified personnel that will be required before these new facilities can be made available.

Cancer Control

The Cancer Control Grant of $3,500,000 is the only grant included in the program which was not mentioned in the 1945 Proposals. At that time provision for cancer was made indirectly and for an unspecified amount, through the Public Health Grant. A separate grant to provide additional funds was decided upon in view of cancer's importance as the second greatest cause of death in Canada. The grant is intended to stimulate provincial action in the building up of a concerted, well-planned and organized drive on cancer, including active diagnostic and treatment services, and to open the way toward free diagnosis and treatment in all provinces.

There is great variation in provincial cancer control programs. In some provinces services are relatively undeveloped, in others free diagnostic services are provided, while in Saskatchewan a complete free diagnostic and treatment service has been established. There are a dozen or more organizations active in cancer work, including the Canadian Cancer Society, which, with its provincial branches, carries on an extensive educational and fund-raising campaign, and the newly organized National Cancer Institute with which the Society is affiliated and which has as its principal function the stimulation and development of an intensive research program. Through the Institute it is hoped that all cancer research will be co-ordinated and integrated into a well-planned and uniform pattern, regardless of the auspices under which the research projects themselves may be undertaken.

The new program complements but in no way supplants the work that is now being done; the larger part of the grant will be used for the establishment of clinics and facilities for diagnosis and treatment. It is estimated that the cost of complete cancer diagnostic and treatment facilities for all in Canada would be in the neighbourhood of $7,000,000 annually. The federal grant provides half this sum, and is conditional upon federal grants being matched by the provinces to provide the full amount required. The Cancer Grant thus differs from the other health grants in two ways; through the matching condition and because the provinces are not obliged to employ it on increased services.

Venereal Disease Control

Under the new program the existing Venereal Disease Control Grant of $225,000 is raised to $500,000 annually. As free treatment is largely available in Canada the increased grant is intended to extend the number of active clinics, to increase the number of persons engaged in preventive work, to develop rehabilitation programs where possible, to increase provision for drugs where necessary, and to extend educational work.

Federal participation in venereal disease control work began in 1919 when, on the recommendation of the Dominion Council of Health, $200,000 was voted for control work. The amount voted was progressively decreased until, in the fiscal year 1932-33, the grant was discontinued in spite of the contrary recommendation of the Dominion Council.

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Commencing in 1938, $50,000 was again voted annually for the distribution of arsenical preparations. In 1943 this amount was increased by an additional $175,000. The basis on which the grant was distributed was amended by Order-in-Council in 1945 to provide each province with a straight $4,000, with the remainder being apportioned on the basis of population, 85 per cent being allocated in cash and the remainder in educational and other material. The new grant allows for substantial increases in the programs begun and maintained with the help of this grant.

Crippled Children

The Crippled Children's Grant of $500,000 is intended to assist the provinces in the development of programs for the prevention and correction of crippling conditions in children, and for the rehabilitation and training of crippled children.

Much work remains to be done in this field. The Canadian Council for Crippled Children, the Ontario and Quebec Societies for Crippled Children, the Junior Red Cross and the service clubs of Canada have all performed valuable services, there are hospitals for crippled children in most of the principal cities and some provinces have directed particular attention to poliomyelitis. But no well-rounded program has yet been developed under provincial auspices. As a result of the increased assistance now being made available through federal funds it is anticipated that all provinces should be able to develop programs on a broad and comprehensive basis instead of, as in the past, confining themselves to one or two specific diseases or to particular areas.

In the development of the program close attention is being given to all aspects of this type of work in both Great Britain and the United States. As plans develop it is hoped to draw upon the experience of the Children's Bureau of the Federal Security Agency whose co-operation and experience have proven invaluable to Canadian efforts in this field.

Professional Training

The Professional Training Grant is intended to assist the provinces in the recruitment and training of the additional health personnel required to meet both existing shortages and those that will develop as the program develops. Because of the urgent nature of these personnel problems the amount made available annually under the grant has been set at $500,000, or twice the sum included in the 1945 Proposals.

Shortages of public health personnel of all kinds are as acute in Canada as in the United States. More public health doctors, public health nurses, sanitary engineers, inspectors, public health dentists and dental hygienists, trained mental health personnel, together with all other types of public health staff, are urgently required. The shortage of nurses is a very serious problem which will undoubtedly become more acute as the hospital construction program progresses. It is anticipated that a substantial portion of the grant will be required to increase the existing number of trained nurses, and it is hoped particularly that the provinces will utilize the grants not merely for the recruitment and training of nurses in accordance with traditional methods but also to explore new methods of nurse training

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and for the provision of other classes of hospital staff. A particularly interesting experiment is being carried out in Windsor, Ontario, at the present time, under which it is hoped to develop a training program which will produce a fully qualified nurse at the end of a two-year period. Special attention is also being given to the training of nurses' aides in some provinces.

It is also hoped that through the funds being made available to the provinces through this grant some method will be found for the pooling of resources, so that two or more provinces may unite in the financing or developing of common training programs to supply specific needs in different fields.

While the grant would be inadequate to provide for all training required by the provinces, the training of personnel for work in mental health, cancer, tuberculosis and other fields covered by special grants may be financed through these grants. The Professional Training Grant, like the Public Health and Public Health Research Grants, is intended in part to meet residual needs not specifically provided for in other ways.

Public Health Research

The Public Health Research Grant is intended for the stimulation and development of public health research. The grant is limited to $100,000 for the current fiscal year but will increase by an additional $100,000 annually, until it reaches a maximum of $500,000. For the first year at least it will be administered as a separately operated fund of the Department of National Health and Welfare, to be expended on projects requested by the provinces and recommended by the Dominion Council of Health.

As with the Professional Training Grant, two or more provinces may combine in a research project or in subsidizing research. Expenditure for research in fields covered by other grants may also be charged against those grants.

The Public Health Research Grant is in addition to the amounts already being made available for pure medical research through the National Research Council, which appropriates some $300,000 annually for this purpose. The Grant will be used in a somewhat more flexible manner, for projects which seem promising but which for one reason or another may not come within the terms of reference of the Medical Research Committee of the National Research Council. Attention will be concentrated primarily on public health investigation as contrasted to medical research in the narrower sense, close co-operation being maintained with the National Research Council as well as with the National Cancer Institute, The Canadian Rheumatism andArthritis Society, the provincial, university and hospital research departments and laboratories, and with other research foundations and organizations engaged in public health research.

Hospital Construction

The $13,000,000 Hospital Construction Grant is designed to remove the estimated shortage of more than 60,000 hospital beds in Canada, and emphasizes proper geographical distribution and allocation

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by type of hospital. By bringing about a more satisfactory distribution of hospital facilities it is hoped that the program will contribute to better distribution of doctors and health personnel.

In the 1945 Proposals low cost loans only were put forward as an aid to hospital construction, but the demand for accommodation, which had been rising through the depression and war years, has now become so acute that it was not felt that it could be met adequately by any system of loans. Normal population growth, increased hospitalization of obstetrical cases, advances in coverage of hospital insurance plans and a greater all round use of hospitals arising from the financial ability of a larger sector of the population to pay for services, have all added to the problem. Hospital construction, which had been slowed down during the depression, was practically stopped in the early years of the war, through shortage of materials and skilled labor. These shortages, plus tremendously high postwar construction costs, have been effective in preventing any large scale resumption of hospital building. The shortage of beds is particularly acute in rural areas, and one of the purposes of the program is to ensure that adequate new construction will be provided for all parts of the country.

The grant is also designed to relieve the present use of acute hospital beds by chronic and convalescent patients. There is no doubt that much hospital congestion today is due to the occupation of acute disease beds by large numbers of these patients, who require relatively long periods of care and who, if it were available, could be equally well cared for in accommodation which is less costly to build and maintain. The program therefore gives priority to the building of chronic and convalescent beds, by larger grants to this type of accommodation.

The federal grants for hospital construction are conditional upon the provinces at least matching the federal contribution. The grants will amount to $1,000 per bed for each active treatment bed or bed equivalent, and $1,500 per bed for each chronic or convalescent bed, with mental and tuberculosis hospital beds considered as chronic beds for purposes of the grant. The federal contribution will not in any case exceed one-third of the total cost per bed or bed equivalent in any construction project. Thus, under the program, local hospital authorities will be assured of a subsidy from the federal and provincial governments of at least $2,000 for each acute hospital bed and $3,000 for each chronic or convalescent bed. For purposes of the grant, three bassinets are considered equivalent to one bed.

Certain communities are unable to support hospitals of a size and character consistent with efficient and economic operation but require facilities where ambulatory care and treatment can be given, together with a limited emergency hospital care. A grant on the basis of beds would not in many instances meet financial need for the construction of such facilities. Accordingly the program provides that each 500 square feet of interior floor space, exclusive of staff living quarters, in an outpost hospital, nursing station, or similar establishment which does not contain more than eight beds, may be considered as the equivalent of one active treatment bed.

The assistance to hospital construction through this grant is conceived as a ten year program. As it is antitipated that the major financial obstacles will be encountered in its first five years the program will be reviewed at the end of that time and, if it is found that the full subsidy is no longer required, the grant will be reduced accordingly.

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The total program has been enthusiastically received, and accepted by all provinces. To assure that federal leadership and assistance are organized on as strong a basis as possible, Dr. F. W. Jackson, former Deputy Minister of Health of Manitoba and one of the ablest of the provincial health officers, has been brought into the Department of National Health and Welfare as Director of Health Insurance Studies, in which capacity he will implement the program. His proven ability and long experience in provincial health work will be invaluable during the exploratory period that lies ahead, and form an effective guarantee that the viewpoint of the provinces will be strongly represented in all federal planning.

We appreciate the many difficulties, both seen and unseen, that remain to be solved. As in the past we will rely heavily on the experience and advice of the great voluntary agencies and associations of professional workers, and on the assistance that is always so generously given by the United States Public Health Service and the Federal Security Agency.

With this aid the success of the program should be assured. The foundation on which it has been built is strong and, we feel, well designed. The co-operative planning that is now going on, not only between the federal and provincial departments but between the provinces and the voluntary agencies, is encouraging evidence of the stimulation that has been provided to the whole structure of Canadian health services.

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