THE HON. C. E. GERHART

The sum of \$125,000 is included in the Department of Education for the operation of this school, which, at the present time, is under construction by the Public Works Department.

The allotment to the Department of Pubic Health will total \$23,111,900, which is an increase of \$4,907,700 over the current year's budget and represents 18.99% of the total income account expenditures.

To further assist municipalities in meeting the cost of Hospital and Medical Services, Hospital grants have been increased from .70c to \$1.00 per patient day. Grants to local authorities have been increased from 50% to 60% of the necessary cost of providing hospital services. In keeping with the policy of subsidizing essential Public Health Services and bringing them within the financial reach of the largest possible number of people, the Government is requesting legislation during the present Session whereby the Government will be authorized to enter into agreements with Medical Services Incorporated and/or Insurance Companies, under which the Government will bear approximately one-third of the cost of medical services insurance policies which will be offered to all residents of the Province on a voluntary basis.

Increased payments will be made to hospitals for the hospitalization of Government pensioners and maternity cases. The Government will continue to assume all costs of hospitalization and rehabilitation of poliomyelitis suffers and last year's appropriation of \$900,000 has been increased to \$952,400 for the coming year.

To indicate to the Honourable Members the amounts involved to provide these and other health services financed by the Provincial Treasurery, I have prepared the following table:

	1955-56	1954-55	Increase Decrease*
Care of Tuberculosis Patients	\$ 1,744,350	\$ 1,692,800	\$ 51,550
Cancer Treatment (net)	288,900	290,900	2.000*
Maternity Hospitalization	2,554,300	2,300,000	254,300
Mental Institutions	4,609,150	4.031.800	577.350
Per dieni grants to Hospitals	2,826,000	1,390,000	1,436,000
Hospitalization Grants to Local Authorities	3,926,400	2,790,000	1,136,400
Hospital and Medical care of Pensioners	2,810,000	2,650,000	160,000
Grants to Insuring Companies for Medical Services scheme	1,200,000	nil	1,200.00
Poliomyelitis Patients	952,400	900,000	52,400
Hospital Construction Grants	500,000	500,000	
Public Health Laboratory	283,800	261,100	22,700
Other Health Services	1,416,600	1,397,600	19,000
	\$23,111.900	\$18,204,200	\$4,907,700

The Treasurery Department will require \$11,412,700 next year, which is \$679,170 more than the estimated requirements for the present year which amounted to \$10,733,530. The increase is mainly accounted for by additional funds becoming available as unconditional grants to municipalities under the Municipal Assistance Act, through increased revenues under the Fuel Oil Tax Act. As the Honourable Members are aware, the Municipal Assistance Act provides that 50%