

discovery early in 1962 that a number of babies were born with deformed limbs, presumably because their mothers had taken thalidomide early in pregnancy, focused attention on the legislation controlling the introduction of new drugs. Three amendments to the Food and Drug Act were made in 1962 tightening the control over the distribution of drugs, and the Medical Rehabilitation Grant was increased to provide funds for the care and treatment of children whose deformities were attributable to thalidomide. More than 65 such children had been identified by March 1963. The implementation of the Saskatchewan Medical Care Insurance Plan on July 1, 1962 was accompanied by the withdrawal of normal services by most physicians in the province and the creation of a temporary emergency service operated by the College of Physicians and Surgeons in 29 hospitals; by July 23 agreement was reached on certain amendments in the Plan and normal services were restored. The Ontario and Alberta Legislatures early in 1963 were considering the possibility of introducing provincial medical care insurance plans, but for the most part insurance for medical care in Canada was still based on voluntary prepayment plans with approximately one half the population enrolled. However, over 98 p.c. of the insurable population was covered under the nation-wide hospital insurance and diagnostic services program operated by the provinces with federal financial support. During the year more than three million patients were admitted to general hospitals and almost 95 p.c. of the half-million births occurred in hospital.

Development in the sciences related to medicine, improved health services, and better nutritional and other standards are contributing to generally favourable health conditions—to a declining death rate and a longer expectation of life. Substantial progress in the fight against contagious diseases has not yet been paralleled by progress in solving the problems presented by chronic illness and the disabilities of older persons. Heart and hypertensive diseases, arthritis and rheumatism are among the leading causes of disability, although residual disability from stroke, Parkinson's disease, epilepsy and multiple sclerosis also accounts for large numbers of disabled persons. The death rate from lung cancer continues to increase and the disease is the subject of continuing investigation. Interest in mental illness has increased in recent years and new approaches to the solution of this major problem are being explored. Accidents, especially traffic accidents, constitute a steady and tragic problem, particularly as they affect children. Canada shares the world-wide concern for the hazards of radiation from medical and industrial causes as well as from fallout, and has devoted considerable attention to this problem.

Progress in the welfare field also continues to be substantial and efforts are concentrated on remaining problems, some of which are of considerable magnitude. Ontario in 1962 introduced a Bill to extend and improve private pension plans and to make pension benefits portable; a revised version of the Bill was introduced in March 1963 and was passed by the Legislature early in May. At the same time, the Federal Government continued to develop its plans for a nation-wide contributory old age, survivors' and disability insurance program, and requested provincial approval for a constitutional amendment to give it necessary authority. In November 1962 the Federal Government established a welfare grant program providing grants for general welfare projects, professional training and research; initially \$250,000 was allocated for this program, with the expectation of a tenfold increase in the next five years. This program takes its place beside the \$5,000,000 fitness and amateur sport grant program introduced in 1961 and the health grant program introduced in 1948, which now has an annual allocation of \$55,000,000. Proposals for improved general assistance programs are being explored and Quebec, in December 1961, set up an independent Committee on Public Assistance to study this whole question, including appropriate allowance scales and the co-ordination of public and private efforts.

Rapid urbanization, large-scale immigration and increasing numbers of older persons in the population are among the forces requiring new approaches to Canada's welfare problems. At the same time, the growth of the industrial community has been associated with a marked improvement in the general standard of living. Higher real income has