MONEY FOR new equipment such as this machine for cancer testing is one of the reasons hospitals find themselves in need for more finances. A total of $7,000 of the $15,000 needed to buy this equipment was provided by the P.E.I. Cancer Society. Hospitals depend more and more on contributions from aid groups to provide equipment. In the picture is Neil MacLean, P.E.I. Hospital administrator.

Hospitals May Appeal To Public To Meet Capital Costs Problem

Prince Edward Island Hospitals are in such serious financial trouble that they may be soon forced to appeal to the public for funds to carry on.

Public ignorance of what the Hospital Insurance can and can't do is possibly the main reason for the money crisis, hospital officials say, and a reassessment of the responsibility of the community to hospitals by the public is needed.

Two weeks of research and interviews with authorities by Provincial Editor Neil A. Matheson has revealed that hospital insurance is not the financial cure-all that many people believe it to be.

TO PROTECT INDIVIDUAL

Hospital insurance was designed to protect the individual against the financially crippling cost of prolonged hospital care not to provide the full cost of hospital operations.

As a result the Charlottetown Hospital finds that it has no money to expand accommodations for children and is showing deficits every year; the Prince Edward Island Hospital is running into annual deficits of $20,000 to $25,000 on operating expenses, and its reserves are used up. Both hospitals need new equipment.

What does Hospital Insurance do and not do? What new difficulties and problems has it given birth to?

It pays fees of patients having insurance, but the hospital takes the loss on those patients who are not insured and there is no way of recovering loss.

Hospital insurance makes no allowance for interest payments on bank loans, although this interest is always recognized as an operating expense.

Hospital insurance pays salaries, but to get the skilled help needed the hospital must pay more than the commission's rate.

Hospital insurance guarantees a service, but does not provide the personnel to provide it, says one hospital official.

Hospitals took a loss on American equipment that had been bought before the Canadian dollar was devaluated.

COMMISSION MUST

The commission must approve all purchases over $100. Hospitals are faced with a loss if they buy equipment that is needed only to have the commission refuse its approval.

The hospital budget is fixed and cannot absorb changes.

The commission provides for a four per cent increase in costs each year whereas costs have been increasing at a 10 per cent rate since 1941.

Reserves Exhausted, P.E.I. Hospital Reports

"We've gone for three years now, searching continually for ways and means of getting by financially; money was being transferred from one account to another, reserves were being used, but now we have nothing left".

William Hayward chairman of the Prince Edward Island Hospital Board said frankly, "we can't go any farther. We'll have to go to the public for the necessary funds, and that may come soon." Other hospital officials agree.

Money requirements were pretty well taken care of in the past by assets such as bonds, but such reserves are gone and "we're running short on current operating expenses by $20,000 to $25,000", Mr. Hayward said.

LOSS OF GRANTS FEARED

This hospital is also concerned about maintaining its accreditation. Loss of this it was explained would mean an immediate loss of federal grants.

There was also the standard of service to be maintained to the patient which in some respects is even more important Only by community assistance can that accreditation be maintained it was emphasized.

Happily the hospital recently completed a building program that will look after its physical needs for some time to come. It is well equipped and "thanks to community effort", it has some splendid new equipment. This is the result of efforts by the Wo-He-Lo Ladies Club the Senior and Junior Hospital Ladies Aid, it was explained.

This assistance has made it possible to introduce in the last few years "new equipment and treatment methods that will effect considerable saving for patients who otherwise have to be taken to Montreal," a medical spokesman said.

Peritoneral dialysis, explained Dr. R.G. Lea, is used in place of artificial kidneys. There are only three in Canada and 10 in the United States.

"Positive breathing" apparatus is valuable for use on bronchitic, asthmatic patients and those suffering from respiratory paralysis and poisoning, it was explained.

Equipment for the new isotope machine arrived recently, some of it was being unpacked this week. Planning for it has been underway for some time, it was explained by Dr. Ronald Drysdale who said Dr. Temple Hooper will be handling the isotopes and doing the actual tests.

The Cancer Society provided $7,000, it was learned, for the isotope machine which costs $15,000 with the laboratory facilities it requires.

It will be used in the diagnosis and treatment of thyroid disorders which is its basic function. A secondary bit of equipment is a scanner that helps to test for example whether a nodular lump in the thyroid gland is malignant or not. There are other tests for bowel and stomach absorption and for blood volume.

All of this equipment came from the community effort represented by the clubs referred to, it was explained.

NO MORE BEQUESTS

Thanks to this sort of help we are equipped now for just about everything but cardio- vascular and neuro surgery, Dr. Lea said with appreciation. But, it was emphasized by all of the spokesmen interviewed, "we are still making do with worn out equipment or without essential equipment. We could make good use of the additional equipment if we had it."

The idea has become general in the past few years that the government has taken over the entire responsibility of hospital care and maintenance, and this has had several undesirable effects.

The bequests have dried up completely. There have been none since 1959, it was revealed. And this source of revenue was an important item in previous years.

The absence of money for capital use is accepted. Bill 320 specifically excludes such aid from hospital insurance revenue. But the hospitals have costs that arise directly from the part of current hospital operation that the plan was designed to cover.

The individual hospital board must arrange to pay interest on borrowed money. The loans must be serviced, and that money is not recoverable. Money has to be financed while the loan is being assessed. There are the salaries that have to be paid the qualified help in excess of the amount allowed. There's the cost of servicing money while adjustments are being made in things that range from food allowances to the money that will be available for janitors and for caretakers.

The sum of $15,000 has just been spent to provide an underground link to the nurses residence with the central heating apparatus. It will effect an economy "but we have to pay the interest on it until we get the principal back. Even if it is all allowed, the interest we shall have paid in the meantime is an expense we cannot recover," the board spokesman explained.

KINGS COUNTY MEM. HOSPITAL HAS CAMPAIGN

MONTAGUE — One hospital, the Kings County Memorial Hospital at Montague, has already made an appeal to the public to help it meet capital costs.

The hospital has had a campaign going for several weeks and reports that $4,500 has been subscribed to the appeal. Its objective is $6,000 this year.

A spokesman for the hospital trustees said that several districts and canvassers have yet to be heard from but he felt confident that the citizens of the area will rally to the assistance of the hospital.

The campaign received one large donation of $2,000 from the Beaver Club in Montague.

The board of trustees is planning on enlarging the hospital's facilities, especially its out-patient department.

The hospital had a very busy month in January with a considerable increase in both inpatient and out-patient admissions.

Fees Can't Be Raised To Cover 'Bad Debts'

There are two kinds of hospital costs, current and capital, Dr. J.A. MacMillan explained at the Charlottetown Hospital. Formerly, he said, the fees to patients covered current costs and the fees could be raised, if necessary, to also cover a share of the capital costs. But that changed when the government came into the picture. They made arrangements to pay only the operating costs. They made no provision at all for capital costs.

Thus, two things happened:— The difference between operating costs and what a hospital would normally charge its patients to recover some of the necessary funds for capital costs is gone. Formerly fees of paying- patients also covered an amount designed to pay for bad debts, too. Now that is gone, and the service to people who are not insured is a dead loss to the hospital. There is no way of recovering it.

UNINSURED PATIENTS

There are still cases of uninsured patients. Here are examples given by both hospitals who were completely frank in their reply to the interviews arranged by this paper.

A Moncton, N.B. man, for example, is working here on a construction job. After three months his own province writes him off as a hospital care responsibility, but he must be given care here if he should be injured, or become suddenly ill.

He's not covered under the P.E.I. scheme and the hospital has no way of recovering the expense.

The same thing happens if a vagrant, a man with no fixed address, is ordered to hospital by police as sometimes happens. The two items add up to a considerable sum, Dr. MacMillan said.

The insurance scheme makes no allowance for interest payments on bank loans, though bank interest is always recognized as a cost of operation. The income tax department allows it, but it's not allowed under the hospital scheme and there is no way of including it, Dr. MacMillan said.

SKILLED HELP

The need of highly skilled help presents another problem, he said. The government allows a certain salary, "but we have to pay more than that to get these people. We are allowed to do that, but we cannot recover the difference."

There are other examples where highly skilled help is not available because salaries offered are not high enough. The number of X-rays that can be taken here, for example, is based on the number that can be processed by the one radiologist available, not on the actual need that may develop. There is only one pathologist available.

"So we have one-half of a radiologist, and a fraction of a pathologist" said Dr. MacMillan. "We should have a pathologist at our hospital, but there's no money to pay his salary".

STANDARDS ARE WORRY

Frankly, he said, "we're worried about accreditation, that the services we are able to provide may not measure up to accreditation standards. And that could have serious effect on our patients, as well as the hospital, he observed.

The patient might wonder just what part of the service was below standard, whether it was a part that was seriously affecting him or her, Dr. MacMillan explained. The government guarantees to provide a service but does not provide the personnel to provide it, he observed. Loss of accreditation would also affect federal hospital grants.

When the dollar value was dropped to 90 cents in the United States it meant that that money was lost to hospitals who had bought American equipment he observed.

The regulations that prevent purchase of any piece of equipment costing more than $100, causes additional costs. "If we need equipment urgently we naturally have to buy it but we stand a chance of not having it approved. And we have to finance the cost until a decision is made."

LONGER WEEK

"We are not able to give our employees a 40- hour week, though most other Charlottetown establishments do. Ours have to work a 44-hour week," Dr. MacMillan explained.

Hospital employees are unionized and that provides, quite properly, for bargaining between employer and employees. The hospital must do the bargaining and it is morally and legally responsible to its employees but it has no freedom of action. It cannot reach an agreement with them, until it is approved by the commission.

Previously, Dr. MacMillan explained, hospital fees could be raised to meet increased costs. Hospital costs have been increasing at the rate of 10 per cent a year since 1941 and nobody has ever been able to stop it. There are increased costs annually for such things as new scientific aids— but the government allows only for a four per cent increase annually.

BUDGET IS FIXED

The hospital must operate on a rigidly fixed budget that cannot absorb any changes that may develop. But it cannot stop on Dec. 3, for example, if the money budgeted should run out then.

It must continue to provide care and treatment for those needing it.

Hospitals require two staff members for every patient it serves. This compares with hotels, for example, that employ 1.35 to 1.5 staff members for every guest.

The hospital is planning now for needed expansion in the children's department. An application is being prepared— but at present the board cannot forsee where the capital will come from.

Eskimo Ruins Found Dating To 2,000 BC

By JOHN E. BIRD

OTTAWA (CP) — The ruins of an ancient Eskimo culture dating back 3,000 to 4,000 years have been discovered on one of the Queen Elizabeth Islands 1,000 miles from the North Pole.

The archeological find was made by W. E. S. Henoch of the geographical branch of the federal technical survey department while doing research for the Polar Continental Shelf Project on Melville Island 1,750 miles north of Winnipeg.

Mr. Henoch found the ruins of an Eskimo dwelling in McCormick Inlet on the northwestern coast of Melville Island. He visited the site after it had been brought to his attention by bush pilots.

At the site Mr. Henoch found a number of artifacts believed of the Dorset or pre-Dorset cultures. The Dorset culture dates to 900 BC while pre-Dorset goes back to 2,000 BC.

Mr. Henoch an expert in the field of geomorphology—the dating of the history of land structures—and officials of the National Museum of Canada say the find has exciting archeological possibilities.

If the site was inhabited by Eskimos of the Dorset era, it represents evidence of a westward movement of these ancient peoples. Dorset cultures have been found in other Arctic areas including Cornwallis Island and the east coast of Bathurst Island, but no sites have been uncovered as far west as Melville Island.

This also is the first time any evidence has been found of prehistoric Eskimo habitation on this barren island less than 200 miles from the Arctic Ocean.

If the site is of the pre-Dorset era, this is the first evidence of the existence of this culture in the Queen Elizabeth Islands. Pre-Dorset cultures have been found farther south in the Churchill, Man., area.

An official of the National Museum said that if the culture is pre-Dorset "we may be on to something hot in the field of archeology." It would be significant documentation that these ancient Eskimos ranged farther afield than previously known.

LATE NOTICES

(Also see announcements in columns adjoining Classified Advertising section.)

TAYLOR — At the Prince Edward Island Hospital,, Monday, Feb. 4, 1963, Frederick J. Taylor of 214 Cumberland Street, in his 46th year. Resting at the MacLean Funeral Home, from where the funeral will be held Wednesday, Feb. 6 with service commencing at 3 p.m. Interment will take place in Peoples cemetery.

FLYNN — At the Charlottetown Hospital, Monday, Feb. 4, 1963 Thomas R. Flynn, 141 Weymouth St. in his 73rd year. His remains will rest at the Charlottetown Funeral Home from this afternoon at 2 o'clock. Funeral notice later.

WAKELIN — At the P.E.I. Hospital, Monday, Feb. 4, 1963, Robert R. Wakelin of West Royalty, in his 84th year. Resting at the MacLean Funeral Home. Funeral Wednesday, Feb. 6 from the First Baptist Church with service commencing at 2 p.m. Interment will take place in Peoples cemetery.

REDMOND — At the Charlottetown Hospital, Sunday, Feb. 3, 1963, Joseph A. Redmond of Lake Verde, in his 76th year. His remains were forwarded from the Jenkins Funeral Home Monday afternoon, to his late residence, from where the funeral will be held Wednesday morning, leaving the house at 9 o'clock, for Requiem High Mass at St. Joachim's Church, Vernon River, at 9.30. Interment will be in the church cemetery.

LIDSTONE — At Stewart Memorial Health Centre, Tyne Valley, Sunday, Feb. 3, 1963, Mrs. C. I. Lidstone of Tyne Valley in her 89th year. Remains were forwarded yesterday afternoon from the Phillips Funeral Home to her late residence. Funeral Wednesday from Tyne Valley United Church with service at 2 p.m. Interment in United Church cemetery, West Devon

MacLEOD — At Charlottetown, Feb. 3, 1963, John N. MacLeod of Belmont Lot 16 in his 92nd year. Resting at the Bowness Funeral Home until Wednesday where funeral service will be held at 2 p.m. Interment in United Church cemetery, Lot 16.

WEATHER

TORONTO (CP) — Temperatures issued by the weather office:

	Min.	Max.
Dawson	-61	-33
Vancouver	46	55
Edmonton	-9	10
Regina	1	10
Winnipeg	-5	2
Toronto	2	28
Montreal	-20	4
Quebec	-24	-7
Fredericton	-14	-2
Saint John	9	0
Moncton	10	2
Halifax	1	12
Charlottetown	6	3
Yarmouth	4	10
St. John's	30	39

HALIFAX (CP) — The weather office says two to four inches of snow will spread to all egions of the Maritimes today.

Regional forecasts:

Halifax and vicinity, northern Nova Scotia, Eastern Shore: Snow beginning in morning and ending by evening; turning much milder; light winds increasing in afternoon to south 20. Low-high at Halifax 5 and 28, New Glasgow and Goshen 8 below and 25 above.

South Shore, Annapolis Valley: Snow ending by evening; much milder; south winds 15 increasing by afternoon to south 25. Low-high at Yarmouth 7 and 35, Kentville 5 and 28.

Cape Breton: Cloudy with snow beginning in afternoon; extremely cold turning much milder in afternoon; light winds increasing in afternoon to south 15. Low-high at Sydney 2 below and 25 above.

Prince Edward Island: Snow beginning in morning; much milder; light winds increasing in afternoon to south 20. Low-high at Charlottetown 5 below and 23 above.

New Brunswick: Snow ending in the evening; much milder; south winds 15. Low-high at Moncton 10 below and 23 above, Fredericton 5 below and 23 above, Saint John 5 below and 30 above, Edmundston 15 below and 15 above, Campbellton 25 below and 15 above.

Bay of Fundy: Light winds increasing during the morning to southeast 15 and in the afternoon to southeast 25. Snow, ending in the evening. Visibility 10 miles lowering in snow to two to four miles; temperatures in the teens warming up during morning to the upper 20s.

High tide today at Charlottetown at 8:39 a.m. and 7:59 p.m. At Rustico at 4:14 a.m. and 3:09 p.m. Summerside tide eighteen minutes later than Charlottetown. Sun rises today at 7:07 and sets at 5:23.

Seat Belts Are Project Of S'side JCs

SUMMERSIDE — Members of the Summerside Junior Chamber of Commerce will again this Saturday sponsor the sale and installation of auto safety seat belts.

This was announced last night at the club's bi-monthly meeting at the Birch Hill Tourist Home in Summerside by Gordon Heustis, sub-chairman of the ways and means committee.

Last Saturday's operation was reported a success. The seat belts are sold and installed by certified persons.

Most of the new business concerned this seat-belt project, and the remaining new business was tabled until the next meeting.

President Gerald Inman presided. Guest of the meeting was Robert Pierce of Moncton, N.B.

Committee reports were presented by the various conveners.

CAR SLIDES INTO TRAIN; NO INJURIES

No injuries resulted from a car-train collision which occurred at the level crossing at Tracadie at 3.45 yesterday afternoon.

The collision took place when the Charlottetown-Souris train crossing the St. Peters Highway, and a car driven by Louis Lund of Tracadie, which was being braked to a stop, struck an icy patch and slid into the side of the train.

RCMP reported that the front end of the car was wrecked, railway equipment sustained only minor damage and continued on to Souris following a brief delay.

LIVESTOCK

MONTREAL (CP) — Livestock prices were steady on the Montreal livestock market Monday. Trading was light because of cold weather.

Receipts were: 460 cattle, 83 calves , four hogs and seven sheep and lambs.

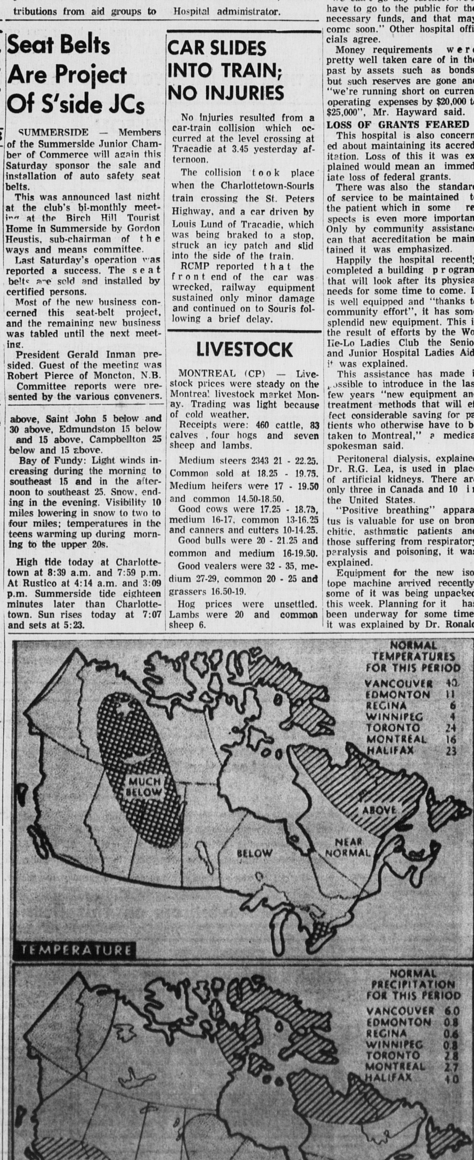
Medium steers 2343 21 - 22.25. Common sold at 18.25 - 19.75. Medium heifers were 17 - 19.50 and common 14.50-18.50.

Good cows were 17.25 - 18.75, medium 16-17, common 13-16.25 and canners and cutters 10-14.25.

Good bulls were 20 - 21.25 and common and medium 16-19.50.

Good vealers were 32 - 35, medium 27-29, common 20 - 25 and grassers 16.50-19.

Hog prices were unsettled. Lambs were 20 and common sheep 6.



HEAVY PRECIPITATION PREDICTED

Near normal temperatures and heavy precipitation are predicted for Prince Edward Island during February, according to the 30-day outlook of the United States weather bureau. If the precipitation comes as snow it would mean in excess of 36 inches, with one inch of rain equalling 10 inches of snow. A change in weather patterns could produce major errors in the forecast which is based on long-range predictions.

Administration

(Continued From Page 1)
tional and international problems."

"There is no confusion," Mr. Diefenbaker testily interjected at one point in the House Monday. He had not yet entered the debate itself, which came as the government presented estimates for debate and thus opened the historic parliamentary grievance procedure.

GALLERIES PACKED

The Commons galleries, even the row reserved for the diplomatic corps, were packed and humming with anticipation as these two riddles arose:

1. Would the 30-man Social Credit group vote to keep the government in office?

2. Would the Conservative ranks remain united?

The first was the most confused conundrum.

First Social Credit Leader Robert Thompson said outside the chamber—before the vote began—that his party would support the government if it met a series of conditions. First of these called for a clear-cut statement of defence policy.

A few hours later, from the floor of the Commons, Mr. Thompson said an election at this time would solve nothing—that it would carry "anti-American overtones" and be damaging. He said the people are not ready to make a clear decision for one party.

Minutes later, in the corridor outside, he told a reporter he was "stalling" until his party could caucus and decide how to vote.

A major split—especially of the size that would be needed to offset Social Credit support —is practically unheard of in Canadian parliamentary divisions. But in this case Mr. Harkness was known to have the sympathy and support of a number of Conservative MPs.

NUMBERS UNKNOWN

The size of this group would only be gauged accurately if they voted in a bloc. And that would only happen—if at all—if Mr. Harkness felt he could not support the government on the Liberal non-confidence motion.

Whether he would take this lead remained unknown. Asked how he would vote, he told reporters he would not answer hypothetical questions—that he wanted to study the Liberal wording.

A third possibility that could not be discounted was that the prime minister would seize the initiative and have Parliament dissolved, thus forcing an election.

During the Commons' two-hour dinner adjournment, Mr. Diefenbaker met in his Commons office with External Affairs Minister Green and subsequently for 15 minutes with Veterans Minister Churchill, government House leader.

The nature of their discussions was not made public.

As Monday's sitting began more than 600 persons crowded into the Commons galleries to hear Mr. Harkness announce his resignation.

Soon thereafter, following the resignation statement, Mr. Harkness left his seat and stood at an opening in the curtains separating the chamber from the government lobby. He puffed on a pipe, chatting occasionally with Conservative colleagues.

The MP who spent the most time at his side was Art Smith Conservative member for Calgary South which adjoins Mr. Harkness' seat of Calgary North, and who earlier had told a reporter: "I completely share Mr. Harkness' views."

CLASHES WITH PM

When Mr. Pearson began speaking, it quickly became clear that the Opposition leader was to clash repeatedly with Mr. Diefenbaker.

At one point the prime minister interjected that the government will be returned to office whenever it goes to the people for a new mandate.

"There's a new definition of an optimist," retorted Mr. Pearson.

When Mr. Pearson left the assembly guessing how he would phrase his non - confidence motion, Mr. Diefenbaker immediately objected to the "scattergun' approach and set off a 40 - minute procedural wrangle.

That cleared, Mr. Pearson went on to hit the government for a "sterile" and negative record, for having "an ingrained tendency to avoid decisions on anything at any price."

He underscored the festering nuclear dispute.

Pleading anew for a parliamentary defence committee, Mr. Pearson said the Liberals have made this request repeatedly for five years but have been turned down "and haven't been permitted to investigate this matter in any effective way."

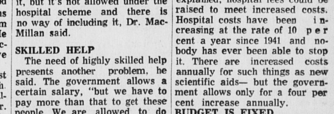
The Liberal leader said the prime minister's statement that Canada's commitments will be clarified at the NATO meeting in May in Ottawa is "just another excuse for delay."

ALL IN THAT POSITION

Mr. Diefenbaker suggested all the NATO countries are in this position; that they all were saying that.

Mr. Pearson said that "certainly is not" the case. All NATO countries except Canada have either accepted commitments that require nuclear warheads on their territory—and have made political agreements with the U.S. for that purpose—or they let the NATO council know at the start that they were not going to have nuclear warheads.

Mr. Pearson pleaded with the prime minister not to make a political football out of what he called "the unfortunate and most regrettable faux pas made in Washington" last week—the state department's press statement on Canadian nuclear policy.



Dial 4-3751 or 4-7130 • 79 QUEEN ST., CHARLOTTETOWN

POSTPONED

Kensington Lions Club

Winter Carnival

Postponed

Until Further Notice