

*Disabled Persons Act*

That means, of course, if a province so desired that to be done. Then I went on to say in Quebec:

As I said last week in Winnipeg, these programs must be allowed more flexibility. Their application must not be delayed indefinitely because of lack of agreement on the part of all the provinces. On the other hand, no one province not wishing to participate would lose financially because of agreements entered into by the other provinces. In such cases we would propose a special arrangement which would allow a province to stay out of federal programs without suffering financial discrimination.

I ask any member of the government to get up and say that he objects to that principle.

**Mr. Bell (Carleton):** I ask the hon. gentleman to name one particular program to which that principle would apply.

**An hon. Member:** Go back to school.

**Mr. Pearson:** I went on to say this—

**Mr. Bell (Carleton):** Is the hon. gentleman going to answer or not?

**Mr. Pearson:** The hon. gentleman is at least a junior member of a ministry which knows all about these programs. He is in the best position to decide what the answer should be to that particular question.

**Some hon. Members:** Oh, oh.

**Mr. Pearson:** I ask him a question and he insists on bringing forward these matters of detail. I ask him to get up on his feet and say that he objects to the application of this principle to joint programs. I defy him to do so. He knows he cannot do so.

**Mr. Monteith (Perth):** I wonder if I might ask the Leader of the Opposition a question. We happen to be discussing disability allowances at the moment and I wonder whether he would wish to abandon that program.

**Mr. Pearson:** We happen to be discussing disability allowances but we were not discussing disability allowances when the Prime Minister spoke this afternoon.

**Mr. Monteith (Perth):** Would you abandon it?

**Mr. Pearson:** In respect of disability allowances, if that were a joint program which had been in effect over the years and if a particular province came to the federal government and said, "We would like to take the responsibility for disability allowances in our province and administer this program", I ask the minister, would he refuse to allow that province to do so?

**Mr. Monteith (Perth):** Answer my question.

**Mr. Pearson:** I will answer it. Of course I will answer the minister's question. If a province came to a government of which I

was the head and asked to take the responsibility for administering a disability allowance program I would say, "Of course, go ahead and do it and we will assure that you do not lose financially by it". So I ask the minister when he replies, and I have no doubt he will be replying, to tell me whether he objects to that position and what position he would take in those circumstances. Then I went on to say in Quebec:

These measures as a whole would serve to increase the flexibility of our federalism while at the same time assuring its stability and its dynamism. One result would be to achieve legislative and fiscal decentralization while avoiding any possibility of discrimination against any one province.

That is the principle in regard to these matters on which we stand. Lest it might be said that I would talk like that in Quebec and not in Ontario, this is what I had to say in Guelph a week later.

**Mr. Monteith (Perth):** You have been around quite a bit.

**Mr. Pearson:** I quote from the text of my statement there:

Liberal policy has been and is now that there should be genuine equalization.

I was talking not about the kind of equalization that the government is introducing but genuine equalization.

That is, the revenues from standard provincial rates of profits tax, income tax and succession duties should be brought up to the same level, per head of population, for all provinces. That is the only way we can have a common standard of provincial services for all Canadians. It is the only way we can have equality of opportunity for people across this country. It is the only fair way to operate our federal-provincial system.

I said this:

I'm proud, all Liberals are proud, to advocate this policy everywhere in Canada.

**Mr. Pallett:** Pride goeth before a fall.

**Mr. Pearson:** I continue:

I believe that Canadians in Ontario, just as much as Canadians in Nova Scotia or Saskatchewan, recognize it as a national policy, as the right policy for national unity, as good Canadianism.

There's another aspect to this policy. In addition to equalization payments, the inadequate revenues of some of the provinces are also offset by the federal government paying a substantial part of the cost of some joint programs undertaken by federal and provincial authorities.

In the case of disability allowances, about which we are talking tonight, the federal government, of course, pays 50 per cent of the cost and in the case of blindness allowances 75 per cent. I added this:

This is a necessary procedure in many cases. The Liberal party has no intention of abandoning it. On the contrary, we will go on using it to get necessary new projects going. But, if all the old projects also continue, if the procedure grows indefinitely, it can have some bad consequences.