

*Old Age Security Act*

inces are unable to match the quality or standard of medicare found in other provinces, particularly the have-provinces. I can think of, for example, Nova Scotia's plan, with which I am familiar because I recently studied it.

Once again, unintentionally of course, we have a policy which perpetuates regional disparity. My party, the Liberal party, has been able to forge a marriage of convenience between private enterprise and government. We believe that the private enterprise system of this country is the greatest generator of capital in the history of this country or of the world. Private industry is by far the most successful generator of capital. We need capital in this country, not only to provide jobs, but to provide a quality of life. We are talking tonight about senior citizens, but tomorrow we could be talking about equality of opportunity in the educational system for young people.

The marriage of convenience between private enterprise and the government is that the government insists on having some input into the distribution of some of that capital in order to provide a standard of living for all Canadians. It is only when the two partners, as in any marriage, fight over the income that the marriage has tremendous strains put upon it. Over the last ten years we have run into that situation. Private industry is, quite properly, demanding more of the available funds, and those who believe in social reform are unwilling to give a little.

Consequently, concepts are evolved by harassed public servants in an attempt to break the conflict. So we end up with, in the case of old age pensions, a retention of the concept of universality, supplemented by guaranteed income supplement and by provincial contributions. The end result is that the changes are made in the GIS and not in the basic income. Again, it could be retrieved through income tax, particularly in these days of computerization.

What concerns me is the trend toward a continuation of regional disparity. Sooner or later senior citizens living in a have-not province, and we never know which province that may be in five years or ten years' time, cannot expect to have the same income as senior citizens in Quebec or Ontario. And it is wrong to presume that it costs any less to live in the Atlantic provinces than it costs to live in the city of Montreal. If rent is less, then food is more expensive, transportation is more expensive, and medicare is more expensive. Really, there is no big difference. If anything, the cost of living is probably greater in the Atlantic provinces than in the central provinces.

Yet, senior citizens over time, if not already in some provinces, will obtain from the various levels of government considerably more income than somebody in the less favoured regions of the country. I suspect that this is why the minister said that she hopes that the provinces would not attempt to retrieve some of the money from the \$35 under one pretext or another.

The minister also said that she was pleased to be advised that Nova Scotia and British Columbia will be passing on the full increase to all GIS recipients. However, some of the other provinces may not pass on this increase. If they do not, then the senior citizens in those provinces will have less income than

those in Nova Scotia or British Columbia. Thus we begin again the whole cycle of accentuating the differences in our country rather than, at this very important time in our history, going the other way.

What must come out of our constitutional talks, whether they be next month or three years or four years from now, is a dedication to certain basic principles. Those principles could be perhaps summed up by simply saying "equal opportunity for all Canadians". Equal opportunity for all Canadians means access to the same facilities right across the country, such as education, medicare, income for senior citizens, and family allowances. When we in this House allow ourselves to depart from this basic principle, perhaps to accommodate some of the provinces or to appease other provinces, or perhaps even because of some conflict over what confederation is all about, what we have done, unintentionally I am sure, is to put in place programs which help some people and not others.

Somebody said earlier today that a certain amount of jealousy is built into the programs, that if it is not \$35 for most people, then it is \$17.50. It is \$35 for a household, but it is only a matter of time before there will be regional differences and regional jealousy. Such a disparity will have the effect of encouraging people, once more, to leave the have-not provinces for the more favoured provinces. It is happening now in Quebec, to some degree. People there who are in their sixties are leaving because inheritance taxes and duty taxes are different. These people are planning their estates and saying, "As much as I would like to remain in this province, maybe I would like to move into Ontario. It is still part of Canada, but I want to go there because of the taxes."

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

**Mr. Mackasey:** The two new rookies could learn something if they would keep quiet.

**An hon. Member:** Where were you in 1978?

**Mr. Mackasey:** They both look like they are ready for their old age pensions.

**An hon. Member:** When it comes to pensions, you are doing okay.

**Mr. Mackasey:** It is not inconceivable, and it can be demonstrated that people who reach the age of 65, or in some cases 60, can receive considerably more in one province than in another. In this very mobile society, people then begin moving out of areas like the Atlantic provinces to Quebec, Ontario, British Columbia, the current have provinces.

In conclusion, I am certainly pleased that we are increasing the GIS. I would be much happier, however, if I saw a trend back toward universality entirely and, even more desirable, a fairly decent increase in the old age pension itself.

**Hon. J. Robert Howie (York-Sunbury):** Mr. Speaker, this is my first opportunity to congratulate you on your appointment to the position which you now hold, and I do so. I should also like to congratulate the minister on her appointment. In her