

*Disabled Persons Act*

Here is what I said in Winnipeg. I had been talking about equalization and had been complaining about the equalization policy of this government which I thought to be unfair to the poorer provinces. I was making a plea for equalization on the level of the richest province in respect of the revenues in question. Then I went on to say this:

"Equalization" however, is not everything. There is much more to be done in co-operative arrangements between the provincial and national governments to foster Canada's progress and development. Some federal-provincial agreements to this end have in the past been delayed because some provinces did not regard the federal proposal as suitable for their particular needs. Such joint measures, however, should not, because of this, be held up unnecessarily in the provinces where they are desired and required.

I ask hon. gentlemen if they object to that statement. I continued:

I suggest therefore, that we have to look for ways of bringing more flexibility into some of our joint programs.

I ask hon. gentlemen if they object to that statement. I continued:

It may be that we should develop arrangements to permit contracting-out by a province that does not consider a federal scheme appropriate to its circumstances.

I ask hon. gentlemen if they object to that statement. I continued:

If a province did not want to take part, it might be compensated so that it would not be at a disadvantage financially, vis-à-vis the rest of the country. I would suggest, in this connection, that consultation and co-operation be the guiding principle in all federal-provincial arrangements which, by their very nature, demand periodic review.

I ask hon. gentlemen if they object to any part of that particular statement.

**Mr. Pickersgill:** Where did the hon. gentleman say that speech was made?

**Mr. Pearson:** I said that in Winnipeg before I spoke in Quebec. Then to explain what I meant—

**Mr. Monteith (Perth):** May I ask the Leader of the Opposition whether that is the exact text that was issued?

**Mr. Pearson:** This is from the exact text which was issued and which no doubt is in the possession of my hon. friend. If he wishes to read from it, he will be able to check for himself. I am not in the habit of issuing edited texts after I speak—

**Mr. Pickersgill:** Unlike the Prime Minister.

**Mr. Pearson:**—let alone three separate versions of what I have said.

**Mr. Churchill:** What about broken tapes?

**Mr. Monteith (Perth):** You issue what you should have said, not what you did say.

[Mr. Pearson.]

**Mr. Pearson:** Now, Mr. Chairman, this is what I said in Quebec:

This principle of equalization could become an important instrument in decentralization. As a matter of fact, we believe that the federal government should withdraw from the field of joint programs which are of a permanent character once these programs are well established across the country.

This, I thought, was a sensible statement of government policy with respect to joint programs of a permanent character once they are well established across the country, and it was understood and I made it clear in my speech in Guelph that this would only be done, of course, after consultation with and approval of the provincial government concerned. Then I went on to say in Quebec:

This proposal applies more particularly in the field of social security. In putting an end to its financial contribution to such programs the federal government should compensate the provinces by giving them more leeway in the field of direct taxation so that, with equalization added, their costs will not increase. Already several of these joint programs could thus be abandoned almost immediately.

If, of course, the province so desired.

As to others which are not as yet sufficiently established, they should be reviewed in this light every five years, when fiscal arrangements are negotiated.

**Mr. Bell (Carleton):** Which ones should be abandoned?

**Mr. Pearson:** Does my hon. friend object to that principle in respect of such programs?

**Mr. Bell (Carleton):** Will the hon. gentleman say which ones should be abandoned?

**Mr. Pearson:** I am stating a principle and I ask my hon. friend, if he objects to that principle, to get on his feet and say so.

**Mr. Bell (Carleton):** Would the hon. gentleman tell me which ones should now be abandoned?

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

**Mr. Bell (Carleton):** The hon. gentleman will not answer.

**Mr. Pearson:**—and I would commend these words to the Prime Minister if he were in his place—I said:

Such a system—

This is from the text and it is directly contrary to what the Prime Minister alleged I said.

—would not mean that the Liberal party would refrain from bringing forward new joint programs in the future. This means, however, that from now on joint programs which require a permanent and fairly regular expenditure would not last any more than five years before being turned over entirely to the provinces.