

With regard to the alternative of operating our own plan, may I say that our studies clearly indicate that it would be entirely feasible for the Government of Ontario to do so; indeed, there are substantial arguments in favour of our so doing.

We would then have a plan which could be operated to our satisfaction, both efficiently and economically, for the benefit of the people of this province. We would preserve the constitutional rights which are ours under the British North America Act. We would have complete control over all the funds generated in this province. We would have complete control over any future amendments respecting contributions, benefits and other financial aspects. Such considerations appear particularly important when we view the lamentable history of the Unemployment Insurance Fund. In addition, although a provincial plan must be comparable to the federal plan, I am convinced that we could make improvements and simplifications in benefits, contributions and administrative features of the plan if we were to devise and operate our own.

On the other hand, the Province of Ontario and this Government have traditionally worked for national unity and national standards of social services. We have participated in national social security programs and in many other instances have provided support in the interests of national standards and national stability. In the present circumstances, if we were to propose a plan in which there were any marked differences, even though "comparable", we might seriously impair the principle of national portability of pensions, which has been one of our goals for many years.

As I have said, some very broad and important changes have been made in the various versions of the plan put forward by the Federal Government over the period of the last year and a half. The most basic of these changes were made last April, after a federal-provincial conference in Quebec City. They resulted from intensive consultation between the Government of the Province of Quebec and the Government of Canada. Subsequently, there were discussions between officials of the Government of Ontario and of the Government of Canada and these resulted in several basic and important amendments which are now incorporated in Bill C-136.

While at no time surrendering our right to operate our own plan, we have put very forcibly to the Federal Government a number of objections, some of which, as I have said, have now been met by the provisions of Bill C-136.

Of greatest importance to the people of Ontario, we requested safeguards in order to prevent unilateral changes in the provisions of the Act, particularly in regard to benefits and contributions. As a result of our request, a section was inserted in the Act which, in effect, provides for consultation with the provinces before any future changes may be made in the plan. As the plan now stands, no amendment of substance can be made until after a notice period of at least two years has elapsed, and such changes can be effected only if assent is given by two-thirds of the participating provinces with two-thirds of the population of the participating provinces. In effect this gives the people of Ontario, through their government, a clear right to be consulted in the future and to decide upon the implications and desirability of any change that may be proposed. It provides an effective veto over changes of substance with which we may not agree.

Secondly, in order to protect our constitutional position, we asked that the legislation provide that we should be able, at any future time, to leave the Canada Pension Plan and to be placed in precisely the same financial position as if this province had operated an identical but separate plan from the outset. This suggestion was accepted and Bill C-136 allows such opting out with transfer of assets upon at least two years' notice, and on condition that the province assume all obligations to persons who have contributed in the province.