

*Interim Supply*

4. Leave scope for further provision by those who can make it; to this end, keep the disturbance of private plans to the minimum practicable.

5. Because many who cannot make further provision are now middle aged, it should have a moderately short maturity period.

There was a good deal of discussion on what that period should be.

6. Make the adequate minimum pensions available from age 65.

7. Provide security in real terms by relating pension levels to earnings levels at the time of retirement.

8. Provide safeguards against the costs of the plan being increased, to the detriment of savings.

These were what we considered to be the essentials in any federal plan.

Now I should like to turn to a subject which, perhaps, aroused the greatest attention, certainly the most controversial attention. I wish to return to the question of equalization and fiscal relations. In dealing with this matter I want to say something about arrangements for liaison and consultation between conferences and the discussion we had on that point.

I said before the conference began, and I repeated it this afternoon, that its success would not be measured by the number of specific decisions which were made during the week. Urgent as some of the problems are, the basic fact is that we were building for more than today. We are, or we should be, shaping the direction of Canadian federalism for a generation. I think the conference succeeded in its most important purpose, which was to ensure as far as it could that the direction in which we are proceeding will be that of what we now call co-operative federalism. In that spirit, I believe the main achievement of this conference, the achievement which is in my view of fundamental importance for the future of our country, was to improve the mutual understanding of the problems of the 11 governments and, on that basis, to provide for close consultation and co-operation in the months ahead.

It was agreed, without any dissenting voice, that it was now of the most urgent importance—more important than it has been in the past—that there should be this kind of consultation and continuous co-operation. Things have been done in the last year or year and a half or two years—and I am not thinking in any partisan way, nor do I wish to—which have been questioned by certain provinces. When these things, or analogous things were done ten or 15 years ago—and, indeed, they were—they were not questioned by the

provincial governments. And there have been activities of the provinces, in their turn, which have had a bearing on federal responsibilities and federal actions. I do not think we can complain about these developments, because they are going to take place. Somehow or other, if the provinces are going to extend their activities in their own fields—and the federal government is bound to do the same—and if these activities overlap—and they are bound to overlap on occasions—and if sometimes, they seem to get in each other's way and contradict each other, it becomes more necessary for consultations to take place between the two levels of government than at any previous time.

I think this was agreed by everyone attending the conference and I am sure it will be agreed by all members of the committee.

On the federal side, it was pointed out that consultation is a two way street, and if we are to consult the provinces on the federal activities which are proposed—legislation and other matters which are of direct interest to the provinces—then the provinces should be anxious to carry out the same kind of consultation when they propose to take action in the fields of industry, the nationalization of power, trade promotion and other matters which have a direct bearing on the discharge of federal responsibilities.

There was no disposition to disagree on the necessity for that kind of consultation. In discussing the way this could be worked out—and again this could not be done in a few days—we agreed that there should be in each government, federal and provincial, some agency under a minister particularly charged with federal-provincial relations and federal-provincial affairs. This has already taken place in some governments. I think there is a minister of federal-provincial relations in Quebec. I believe there is one in New Brunswick and I believe there is one in Manitoba. The premier of Ontario, to his great surprise, found during the conference that he was the minister in charge of federal-provincial relations in Ontario, although he had not been aware of it up to that time. One of his officials told him so.

It was agreed that we should in our respective governments work out suitable machinery in the sense we should have agencies in our governments particularly charged with the responsibility of ensuring, in so far as it can be assured by this kind of action, that there will be the kind of consultation which will remove difficulties before they become crises. Very often when there are difficulties of this kind it is not due to calculation or design on anybody's part, but rather to carelessness and the fact