

(1540)

PENSION ACT

INCREASE IN AMOUNT OF PAYMENTS

Hon. Jean-Eudes Dubé (for the Minister of Veterans Affairs) moved that Bill C-202, to amend the Pension Act, be read the second time and referred to committee of the whole.

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. I hope I am not anticipating what one of the ministers might have been preparing to say, but I believe agreement has been reached that instead of sending this bill to the standing committee after giving it second reading we should deal with it this afternoon in committee of the whole. I believe there is also an agreement to give the bill third reading today and get it on its way.

Mr. Dubé: Yes, there is such an agreement. We would be extremely pleased to pass this bill through all three stages this afternoon.

Mr. Alexander: As I understand the position—and I have been in touch with the House leader of my party—it is a term of the agreement that the bill goes through all stages this afternoon.

The Acting Speaker (Mr. Boulanger): Is that agreed, and is the motion amended accordingly?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Boulanger in the chair.

On clause 1—*Discretionary pension to parent*

Mr. Dubé: Mr. Chairman, in the unavoidable absence of the Minister of Veterans Affairs I am delighted to find myself again in the very fortunate position where I can speak on behalf of our Canadian veterans. Needless to say, speaking about and on behalf of veterans brings back to me a host of cherished memories arising from my four years as minister of veterans affairs—four very meaningful years in my life. If there is one subject in this parliament which has always been received and dealt with in a non-partisan way, it is the subject of veterans affairs. All of us in the House of Commons agree that we owe a debt of gratitude to those men and women who answered the call to arms and served for the preservation of freedom and democracy in this country. I think we will all agree that the Canadian Parliament has provided some of the most advanced pension legislation in the world to fulfil our obligations, really the obligations of the people of Canada, toward those who have given of themselves in their service to the country.

I had the privilege and immense satisfaction to preside over the complete overhaul of the Pension Act some two years ago. The new Pension Act which resulted therefrom has been hailed by veterans associations in Canada and, indeed, elsewhere in the world as being very enlightened and very generous. I do not propose to speak for long since

Pensions

it is our hope to pass this bill through all three stages this afternoon. I will merely make some brief observations.

Over the years the rates of pension have been increased from time to time. The last increase in basic rate was in April, 1971, and at that time the increase was 10 per cent. In the budget of 1972 the principle of escalation was introduced to ensure that the pension rates would be adjusted annually in accordance with increases in the cost of living. So there were increases in January of 1972 and 1973.

For decades the veterans' organizations have been asking that the totally disabled pensioner be compensated to the extent that he receive, at the very least, the income of an unskilled labourer. In the summer of 1972 the then minister of veterans affairs, now Senator Arthur Laing, after discussion with the veterans' organizations directed senior officials of the Canadian Pension Commission and the Department of Veterans Affairs to form a joint study group with the veterans' organizations to consider the entire question of pension rates. This was done and the report of the joint study group was tabled in the House on January 31, 1973, and referred to the Standing Committee on Veterans Affairs. The committee considered the report and endorsed its recommendations. The bill we have before us today is the response to that report.

I shall be ready to try to answer any questions which may be put to me during these proceedings in committee of the whole. Hon. members will note that the measure deals with all the areas covered by the report of the committee, with one exception. Because of the implications of the adoption of the principle recommended by the joint study group on the basic rate of pensions, the government has concluded that it cannot at this time tie future pension increases to possible future increases in the wage rates of selected groups but that it will continue the present system of relating annual adjustments to the cost of living. I might point out that since the base rate is being increased by 34.2 per cent, future increases based on the cost of living will be greater because they will be tied to the new and substantially higher base rate. Thus, pensions will be increased by 34.2 per cent, or \$100 a month, and the new basic rate will be \$4,704.

Hon. members will be pleased to know that the Minister of Veterans Affairs has discussed the principles of this bill with veterans' organizations, and though those organizations are not getting all they originally sought they support this proposed legislation enthusiastically. I might add they have authorized my colleague to use those words, that they "support this proposed legislation enthusiastically".

In conclusion, I should like to pay tribute to all those who have been involved in the studies which led to this bill—the veterans' associations, the members of the House of Commons and the staff of the Department of Veterans Affairs. I am sure all hon. members will agree that the proposals being put forward today merit favourable consideration. They are further concrete evidence of our desire to show the veterans and their dependants who have suffered on our behalf that the people of Canada are determined to keep their commitment to this gallant group. The bill before us is another indication that after