

*Veterans' Pensions*

war for us and those many needy veterans and their dependants who are and will be receiving the war veterans allowance.

Yes, Mr. Speaker, I am proud to be a member of a government and of a nation which continues to honour its debt to those who risked their lives so that future generations could prosper in peace. Memories of war may fade but the reality of hardship for many veterans and their survivors is ever present. To recognize this reality is simple justice.

It is symbolic that this bill is being introduced 50 years after war veterans allowance legislation was first passed in Parliament. During the past five decades, ministers of veterans affairs have enjoyed the support of all parties in this House in their efforts to upgrade veterans' legislation. Certainly I am no exception. By volunteering to give quick passage to this legislation, the opposition parties are showing that they continue to share this government's concern for our veterans, their widows and dependants. As the ministerial guardian of their interests, I thank hon. members sincerely for their co-operation.

Mr. Speaker, there are a large number of legislative changes proposed in this bill, many of which are of a minor nature. I intend to concentrate my remarks on two measures which are of overwhelming significance both in terms of financial commitment and the number of people affected.

First is the amendment to the Pension Act. The purpose of the Pension Act is to provide compensation to those members of the forces and their dependants for disability or death which was a result of military service. The current legislation provides that surviving widows will receive a widow's pension if the wartime pensioner died as a result of an injury or disease which was incurred during or was attributable to military service, or if a peacetime pensioner's death arose out of or was directly connected with such service.

In addition, it provides that a widow's pension will be payable if the pensioner was entitled or would have been entitled to disability pension assessed at 48 per cent or more during his lifetime. Originally the cutoff point was 80 per cent but almost 50 years ago it was changed to 48 per cent. This was because it was considered that in cases where a disability was severe enough to be paid at that rate, death from whatever cause could be assumed to be related in some way to the problems and disabilities of service.

The current legislative provisions have been criticized for many years because of the 48 per cent cutoff which results in a widow whose spouse was pensioned at that rate receiving \$554.78 per month, while a widow whose spouse received pension at the 47 per cent rate would receive no pension unless death was related to service. At the same time, it has always been recognized that in any legislation which has a cutoff point, there will be some persons who will not receive benefits because they miss that cutoff.

Generally speaking, it has been considered that the earning capacity of a disabled pensioner is not as great as it would have been had he not been disabled. On that basis he may not be able to provide for his widow and dependent children after

his death as adequately as he otherwise would have been able to.

Mr. Speaker, we are proposing that there be two systems of widow's pensions payable under the Pension Act. In those cases where pensions for the disability have been or should have been paid at the rate of 48 per cent or more, it can be assumed that service played a part in the cause of death, and the present pension system and rates will continue.

In the cases of lesser disabilities where pensions are paid at less than the 48 per cent rate, we are introducing a system whereby the surviving widow will receive one half of the pension paid to her spouse and that will include the additional amount for being married and having dependent children. It will not include other allowances such as attendance allowance and clothing allowance.

As hon. members know, the previous Parliament was dissolved before the former Bill C-28 could be debated. This present bill is the same as Bill C-28 in its treatment of widows' pensions, but as members will hear later it offers a vast improvement in terms of legislation for war veterans allowance recipients. It is intended by this bill to introduce proportionate pensions for widows and dependent children over a period of six and one-half years.

We are proposing that those surviving widows and dependents of pensioners who were pensioned from the 38 per cent to 47 per cent assessment level should receive pension benefits starting on October 1 of this year. On April 1 of each following year, the cutoff point will be systematically lowered until by the end of fiscal 1986-87 all eligible widows and dependent children will receive pension benefits relating to disability levels of 5 per cent or more.

It is estimated that some 15,000 widows and 600 children will become eligible for proportionate pensions on October 1, 1980. By the time the legislation is fully effective, 26,000 widows and 10,000 surviving children will have received these new benefits. Similar provisions are being made with respect to surviving widows and dependent children of former prisoners of war.

Mr. Speaker, I recognize there will be questions as to why we propose to introduce these improvements over a six and one-half year period. Veterans' organizations have a good understanding of the need for such measures. Financial considerations are an integral part of any proposed new legislation. As things stand, the survivors of the more seriously disabled will be helped immediately.

I am proud to say that when this legislation is passed it will overshadow, in terms of generosity, similar legislation anywhere in the world. I believe this is an extremely positive development.

Mr. Speaker, on the golden anniversary of the introduction of war veterans allowance legislation, this Parliament is being asked to reconfirm a commitment made 50 years ago. It was in 1930 that the Parliament of Canada officially recognized that a small segment of the veterans population could not cope with the negative effects of war and needed assistance. At that time