

Pension Acts

We hear a great deal said around this place about the importance of committee work. I have seen other ministers come before the House and admit that their position was overruled by the standing committee, and they accepted it. As a matter of fact, I think in all fairness I must say that since we revamped our committee structure most of the changes made to bills by committees have been accepted by the responsible minister when the bills returned to the floor of the House. I am very sorry that the Minister of Veterans Affairs has not seen fit to accept the will of the committee with regard to recommendation 106.

Perhaps I might be permitted to take a moment to explain the obvious. At least, it is obvious to all who are familiar with this particular field of legislation but perhaps I should place on the record what this is all about. As hon. members are aware, under the Pension Act as it now stands if a veteran with a pension of 50 per cent or more dies his widow automatically gets a widow's pension under the Pension Act. However, if a veteran has a pension of less than 48 per cent—and in all of this 48 per cent has become the magic figure—should he die his widow gets no pension whatever. There is no grading at all; this is an absolute cut-off point. Most hon. members are aware of this because they have had to deal with it.

The Woods Committee dealt with this issue and made a very clear recommendation. It recommended that in the case of widows of veterans who have a pension of less than 48 per cent a proportionate pension should be paid. As I say, that was a clear recommendation made by the Woods committee. This was rejected by the government in its white paper but the standing committee in its report back to the House recommended that its recommendation No. 106 be inserted into the act. We are now considering Bill C-203 and we find that the recommendation of the standing committee in this respect has been ignored. I regret and deplore this, and I hope that even yet the government will give consideration to it.

May I just read a few words from the Woods Committee report on this question since, as I say, it appeals to me as one of some importance. I should like to refer to volume III of the Woods report. Hon. members might think that this volume is a whole report in itself, but it is only one third of the report. At page 884 the committee report reads:

Your Committee considers that a widow and other dependants have a vested right in a pension awarded to a member of the Forces for disability. This right is based on the premise that, by reason of injury, disease or aggravation thereof where such were attributable to, incurred during, or related to military service, the pensioner's earning capacity was reduced in his lifetime, usually during his most productive years.

The dependants of that pensioner should have a moral and legal right to be maintained through the earning capacity of that member and when the earning capacity has been reduced, and replacement thereof is made by way of pension, the dependant has a vested right in that pension.

This vested right applies to the pension paid to the dependants while the member is alive, and when he dies, should continue to apply during the lifetime of a widow and dependent parents and dependent brothers and sisters, and during the pensionable age in the case of children.

[Mr. Knowles (Winnipeg North Centre).]

Pension is an integral part of the economic life of a family. Pension, and the causes from which it arose, in one degree or another affect the entire life of the pensioner—and likewise that of his wife, family and other dependants. The effect of this does not disappear on the death of the pensioner, but is continued to the extent that the widow and other dependants are subject to the effects of the results of the member's service. While this effect will vary in degree and extent, it is always present. To a man earning \$5,000 a year, for example, a 40 per cent pension of \$100 a month represents a significant portion of what he has to live on. To deprive his family of the financial help that he received while alive not only places his dependants in a position of facing a larger problem of readjustment, but in effect terminates the acceptance of responsibility on the part of the state, arising from the service of one who was the cornerstone of the family economy. In effect the view is adopted that the family's right to expect anything from the pensioner terminates with his death.

The family has a vested interest in the pensioner's estate and in all that he was. The cut-off of assistance by way of pension on death of the pensioner fails to take proper account of the larger implications of his responsibility.

Then, there is a paragraph pointing out that in the case of pension of 50 per cent or more the widow is taken care of because of the already accepted principles that apply above the 50 per cent level. The Woods Committee then concludes by saying:

The "vested right" principle would of course apply to the dependants of pensioners in receipt of 50 per cent or more, but it is not necessary to make it applicable, in that the "contributory" principle takes precedence. When, however, this "contributory" principle does not apply, in that the pension was in payment at less than 48 per cent, the dependants would still be entitled to a portion of pension on the "vested right" principle.

Admittedly, they would have entitlement only to the percentage to which the pensioner's assessment had indicated that he was disqualified in the unskilled labour market. Your Committee considers, notwithstanding, that the vested right should be recognized, and has made a recommendation accordingly.

I have read at some length from pages 884 to 886 of volume III of the Woods Committee report because I think those paragraphs put the case very clearly. Certainly, it seems to me that these statements should not be ignored. I repeat that every one of us in this House has had to deal with widows of deceased veterans with a pension of less than 48 per cent who feel aggrieved. I know we are told that these widows can turn to the War Veterans Allowance Board and to other sources, but surely the Woods Committee has stated the case very clearly and we ought to pay attention to it. Let me say again that if it is contended around here that this Parliament is better for the committee system, then let us not spoil it by ignoring the recommendation that was made by this important committee. I hope that when the bill goes to committee something can be done about this particular clause.

As I said when I began my remarks, the bill as a whole makes quite a number of improvements, and we therefore welcome it and give it our support. We shall be glad to deal with its details in committee. However, I hope in particular that we will be able to do something to improve the terms of the exceptional incapacity allowance. I hope we will also be able to do something to make the Pensions Review Board more responsive to the needs of the veterans and to the ideas that the Woods Committee and the standing committee have expressed. I hope