

*Adjournment Debate*

these cost of living adjustments, and this is what all of us support.

**Hon. Daniel J. MacDonald (Minister of Veterans Affairs):** Mr. Speaker, I am pleased to have the opportunity to speak on this matter. Eligibility to receive war veterans allowance depends, among other things, upon the income of the applicant or recipient. The amount of allowance awarded in any allowance year, when combined with the recipient's total assessable income from other sources, may not exceed the relevant annual income ceiling as specified in the schedule to the War Veterans Allowance Act.

Section 19.1 of the War Veterans Allowance Act provides that the allowance rates shall be adjusted annually in accordance with the increase in the consumer price index. Hence, as of January 1, 1974, war veterans allowance rates were increased by 6.7 per cent. I appreciate that old age security pension and guaranteed income supplement benefits were also increased on that same date. However, in no case will a war veterans allowance recipient, also receiving old age security and guaranteed income supplement benefits, have his war veterans allowance reduced. In all cases a recipient's total income from all sources will be increased.

With respect to recipients of disability pension under the terms of the Pension Act also in receipt of war veterans allowance benefits, they in all cases received an increase of at least \$10.13 single and \$17.23 married, from all sources. Where the increase in pension was less than \$10.13 or \$17.23, as the case may be, the difference was made up in war veterans allowance dollars.

● (2220)

In cases where the escalation under the terms of the Pension Act was more than the war veterans allowance escalation, the recipient benefited up to the level of the war veterans allowance ceiling. Where the pension escalation raised the assessable income higher than the new war veterans allowance ceiling, the recipient's war veterans allowance was cancelled. Nonetheless, I should like to underline the fact that in every case a war veterans allowance recipient benefited by no less than \$10.13 or \$17.23, from all sources.

The steps which have been taken to ensure continued improvement in the allowances paid to war veterans allowance and civilian war allowance recipients is further indication of this government's concern for the well-being of our veterans and their dependants. As indicated in the annex to the Speech from the Throne, there will be further amendments brought to the War Veterans Allowance Act which will further enhance benefits to veterans.

Motion agreed to and the House adjourned at 10:23 p.m.