

Honourable senators will be aware that one recommendation made by the joint study group has not been incorporated in this bill, that being the recommendation with respect to automatic escalation. This would have enabled veterans' basic pensions to be automatically increased whenever there was an increase in the salaries of the five categories of public servants included in the formula on which the basic rate is based. The government could not accept that recommendation because of the possible ramifications of establishing a precedent of this kind. In this connection, however, it must be remembered that the cost of living increase based on the Consumer Price Index which was incorporated in the budget of 1972 is still effective and applies to the rates in the schedules to this bill.

● (2020)

In conclusion, I should like to pay tribute to those who have been involved in the studies that led up to this bill. I have already mentioned our colleague, Senator Arthur Laing. I should also like to include Mr. Alan Solomon, the Chairman of the Pension Commission, who acted as chairman of the joint study group, and Mr. Robert Smellie, the Dominion president of the Royal Canadian Legion. I should like to pay a special tribute to the veterans' organizations themselves, who have taken a very responsible attitude towards the problems and plight of the veteran pensioner and his dependants, and have been untiring in their efforts on his behalf.

Honourable senator, Bill C-202 has the enthusiastic endorsement of all the veterans' organizations, and I commend it for your support and speedy passage.

**Hon. Orville H. Phillips:** Honourable senators, in rising to speak on Bill C-202 I am well aware that the legislation is based on the so-called joint study made by members of the Canadian Pension Commission, the veterans' organizations, and various lay groups interested in the welfare of Canadian veterans. I am also very much aware that it received unanimous support and, a thing that is extremely rare today, ready passage in the other place.

I will not impede the passage of this bill, for the simple reason that we have received—Senator Croll, if you would like to go through the bill with Senator Carter, would you please extend me the same courtesy and go through it with me?

**Hon. Mr. Prowse:** You would learn more here.

**Hon. Mr. Phillips:** You have not shown any sign of doing that.

Honourable senators, as I was saying, I will not impede the passage of this bill. However, I have certain personal questions, not necessarily those of my party, that I would like to raise, while at the same time commending the improvements in the bill.

In introducing the bill, the sponsor, Senator Carter, kept referring to table after table, and asking to have them put in *Hansard*, which really does not give me a chance to study them or reply to them. While he was doing this, I thought of the old story told of George Bernard Shaw, who received a letter addressed to "George Bernard Shawm." The old gentleman was furious about this and complained to his wife. He said, "There's no such word as 'Shawm.'" His wife, like a good many other wives, felt she was

somewhat of a martyr. She took the distinguished old gentleman to the dictionary, looked up the word "shawm," and found it was "an old fashioned wind instrument." When I was listening to that, I thought, I have heard these figures and these comparisons before. They have not impressed me, and they do not impress me this evening.

Honourable senators, my first objection is the basis of the 100 per cent pension. I am sure you have heard me raise this objection before. It is based on the average income of the lowest five categories in the Public Service. This always irritates me, and infuriates me.

Perhaps it is unfair to single out one member of this chamber for a question, and I do not do so in any spirit of hostility but in a spirit of compliment and respect. I would ask the Honourable Senator Inman if she considered her sons—who served with such distinction in the armed forces—to be nothing more than unskilled labourers, Clerical I? It is all laid out in the act, the bare minimum. Honourable Senator Inman, your sons are more than unskilled labourers today; why should not the average veteran be treated the same way?

We continually compound this old theory of unskilled labourers and it annoys me and it infuriates me. The reference back to 1919—which I believe was made by the sponsor of the bill, or perhaps by some member of the other place—is disgraceful.

In my class in the air force there was no one who had failed to graduate from high school. Each one of them showed some potential. I find it very interesting today to go over the list of those who were in my class in bombing school at Mossbank, Saskatchewan, and see what each is doing. Of those who survived—and, by the way, about 60 per cent of that group did not—there is not a single one who is an unskilled labourer today. I think only three did not graduate from university. Yet under this legislation these increases are on the basis of the average earnings of an unskilled labourer, a messenger, or a member of the protective staff. I will have more to say about the income tax deductions later.

Honourable senators, I wonder who made up this figure for the unskilled labourer. I am afraid that in the so-called joint study committee there were too many people getting \$35,000 a year who did not care a jot about the average veteran. Let me quote to you the average rate for the labourer, and this is union rate in the city of Ottawa. It is \$5.05 an hour, or more than \$40 a day, and on a five-day week that is \$200 per week.

● (2030)

What are you offering the 100 per cent disabled veteran? You are offering him \$98 per week. Are you proud of that? I am not. Admittedly, you can squirm and you can find reasons and say, "Oh, well, there is income tax and there are various other things," but I am not proud of the fact that a 19-year-old without any skills can go and join a union and get \$5.05 an hour, \$40 a day, \$200 and more a week, while we are offering our veterans \$98 per week.

In referring to the five categories of unskilled employees in the Public Service as listed in the bill I would draw your attention to one particular fact, namely, that the average civil servant, regardless of what his category is and so on, receives an annual increment. In