

*Adjournment Debate*

to complete an investigation." I for one believe it is necessary that the Commission of Inquiry have the powers necessary—

**The Acting Speaker (Mr. Turner):** Order, please. I regret to inform the minister that his time has expired.

VETERANS AFFAIRS—REQUEST FOR INCREASE IN BASIC PENSION—GOVERNMENT POSITION

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, my question relates to a different matter but it is equally serious. The reason I say it is equally serious is because it involves good faith.

May I say at the outset that the Minister of Veterans Affairs (Mr. MacDonald) explained to me satisfactorily why it is not possible for him to be here at this time, but I trust that the message I shall try to get to him through his parliamentary secretary will be very seriously considered.

● (1812)

My question arises from answers that the Minister of Veterans Affairs has given both to my friend, the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), and me, regarding the basic rate of the war disability pension. The history is long, but it can be put in a nutshell.

Originally the war disability pension, which was established shortly after World War I, was related to a certain level of pay in the then civil service. Over the years it got way behind that. As a result of the Woods commission study, the matter was reviewed and in 1973, following a study by a special tripartite committee, the 100 per cent disability pension was geared to the average income of five designated levels in the public service. Therefore in 1973 we got back to where we were in the early twenties.

When that new basis was established in 1973, the urging of the tripartite committee and of the Standing Committee on Veterans Affairs was that that level be maintained, that as the wages of those five categories of public servants went up, the basic pension should go up accordingly. The government refused to accept that part of the recommendation, and said instead that from 1973 on the basic rate would go up in accordance with the rise in the cost of living. That, Mr. Speaker, we regarded as unfair, breaking faith with the veterans of several decades, but the government put it through.

Between 1973 and now, even with the raising of the pension according to the rise in the cost of living, there has developed a \$500 a year gap between what the veterans are receiving and the average wage of those five designated groups. In other words, what we predicted in 1973, because the government refused to accept our recommendation at that time, has come true, and come true with vengeance. Our veterans today are close to \$540 a year behind the counterpart average in the public service.

A year or so after the 1973 change, because of representations members like my friend and some of the rest of us were making, the government began to show interest. We had so

[Mr. Fox.]

many favourable answers to our questions last year that the veterans of Canada thought it was going to be done. I certainly thought so. It looked to me as though we had made the point, that the Minister of Veterans Affairs would not let the veterans down.

Last Wednesday and Thursday the minister answered the two of us by saying the government had decided not to increase the basic rate, in other words not to put it back to the standard that was accepted in 1973. As if that were not enough, refusing to make an increase, the minister made a statement which veterans across Canada feel is insulting. He said he was sure that, as good Canadians, they would accept the decision of the government and not ask for this increase in this time of restraint.

My experience with veterans' organizations is that, although they press their point, they do it with care and dignity. They refrain from using strong language. However, the word I am getting now from veterans' organizations through letters and their publications is to the effect that they have to take the gloves off. Good faith has not been kept with the veterans by the government in refusing to keep the proposal that the basic pension should be geared to the standard in those five designated groups and kept at that level.

I have every reason to believe that the minister agrees with this proposition. Last spring he told us, time and again, that it was being considered, that he was hopeful he would be able to do it. It is his colleagues in cabinet who have turned him down. I hope he has fought his level best with the cabinet. They have done a disservice to him and a disservice to the veterans by this decision.

I know the government is in economic trouble. However, the last people the government should take its economic troubles out on are the veterans of this country. But it is doing it on the veterans, it is doing it on the senior citizens, and to my mind this is extremely serious. I am glad the veterans organizations are saying the time has come to take the gloves off. I put it to the minister, through his parliamentary secretary, that the answer he gave the week before last cannot stand.

● (1817)

I see some of the members on the Standing Committee on Veterans Affairs, including the chairman, sitting over there during this adjournment debate. I hope there will be support from all sides of the House, and that the answer the minister gave will not be allowed to stand. The veterans long ago have shown that they are good Canadians and that they deserve to have the promises made to them kept. I therefore call upon the parliamentary secretary not to try to defend what has happened but to assure the House he will put the case to the minister as strongly as he can. This battle must be won.

**Mr. Gilbert Parent (Parliamentary Secretary to Minister of Veterans Affairs):** Mr. Speaker, I welcome the intercession of the hon. member for Winnipeg North Centre (Mr. Knowles). There is no question that these veterans are good Canadians. We know that. They have proven it over the years.