The CHAIRMAN: I was not here when that 25 per cent matter was acted on, but my understanding was, before it was actually decided to recommend the 25 per cent, there had been consultations between the representatives of the committee and the government, and the government had indicated it was ready to act upon the suggestion that the rates be increased to 25 per cent. But there is no such indication from the government as to this amendment.

Mr. HARKNESS: There was no indication then as far as I know.

The CHAIRMAN: I understand there was such an indication before the resolution went through, otherwise I think the committee would have rather raised the pension by the originally proposed amount of 15 per cent than not have had it raised at all. If this were to carry it will go into the House; the government has announced its position, and unless it is prepared to reconsider, how could we, having once decided on this, then take up this schedule which we have today turned down? On what basis would we act?

Mr. Brooks: Mr. Chairman, I remember very well about the Pension Act. The late hon. Ian Mackenzie was the minister and I moved the resolution, as Mr. Herridge will remember very well, that it be 33½ per cent. My resolution was amended by a motion of Mr. Herridge that it be 25 per cent, and Mr. Herridge's amendment was carried. That was the recommendation which went to the House. It came back to us and the bill was carried with the recommendation. In this committee we are simply asking again that the ceiling be raised and we are recommending it to the government. If the government approved of it, it would come back to us the same as it did in 1950 on the Pension Act and was carried.

Mr. Philpott says he is opposed to it and that it has nothing to do with this. But the other day I remember distinctly Mr. Philpott was discussing the small pensioner and he wanted to know how he could get more superannuation and pension, and war veterans' allowance as well. It was pointed out to him that the only way it could be done was by raising the ceiling as stated in this bill, and now he comes and says he is opposed to any raise because it is going to kill the bill.

Mr. Philpott: I said that I was opposed to the way you are moving this amendment. I have not the slightest objection to a resolution for a higher ceiling, but I certainly have no intention of voting for a mixed up thing like this which will kill the bill.

Mr. Brooks: You asked the other day how it could be done and Mr. Quelch has told you now, and still you intend to vote against it.

Mr. Enfield: The answer to the question "If it were not approved what do we do then?" is very important for us to know at this point.

Mr. Brooks: Of course, the bill has to go back to the House for third reading and we have no assurance it will be approved on third reading in any form.

The CHAIRMAN: If we pass this resolution can we report the bill?

Mr. Brooks: We do not report the bill.

The CHAIRMAN: Suppose the government then says we do not accept the recommendation?

Mr. Brooks: Do you suggest that the House sends bills to us for consideration and then contends that we cannot make any change in those bills? We listen to the reports, then we make recommendations here in this committee which we hope will be considered by the government; if they are not passed in the committee they do not go to the government. If they are passed in the committee they go to the government for consideration.