

Supply—National Defence

Mr. Lambert: It is not what it should be.

Mr. Cadieux (Terrebonne): If I recall the testimony given a few minutes ago by the junior member for Halifax, he said that morale was not low.

Mr. MacEwan: You are confused.

Mr. Cadieux (Terrebonne): I am wondering who is confused, whether it is the armed forces or hon. members on the other side.

I recently visited the Valcartier camp, the home base of the Royal 22nd. I found that morale there was exceedingly good as members of these regiments look forward to the long-needed expansion of their training facilities and the improvement of the base facilities that is planned over the next few years. The fact that it has been possible, as a result of integration, to incorporate in the plans of the armed forces better equipment and better facilities in undoubtedly resulting in improvement in the morale of the members of the forces. As you know, Mobile Command recently took over the Valcartier base as part of its command, and the new role of that command with its emphasis on quick reaction time and mobility has been accepted by the forces in that command with the greatest enthusiasm.

● (3:30 p.m.)

An examination of the voluntary and non-re-engagements among N.C.O.'s and men of the services leads to the conclusion that the increased numbers leaving at their own request has very little to do with the policy of integration. The figures of voluntary releases and non-re-engagements over the last five years show that 4,142 were released in 1961, 4,325 in 1962, 6,119 in 1963, 7,893 in 1964 and 8,097 in 1965. There has clearly been an increase in the number of voluntary releases from the forces in this five year period, and I suggest that this is a reflection of the steadily improving employment conditions in this country and the sharply increased competitive situation that now exists. My own observations in this field support the conclusions that are evident from these statistics, that is, that the problem of recruitment and retention in the forces today is associated with matters of pay and other conditions of service related to the opportunities in the civilian employment market.

The department is in the course of completing a number of studies designed to deal with these particular problems, both for officers and men, that cover the conditions of

service of the forces, the system of remuneration in the forces, the fringe benefits that are available and other conditions of service that affect the individual. We expect that these studies will all have been completed in time for the conclusions to be applied in respect of the next cyclical pay review for the armed forces which takes place effective October 1, 1966. In the meantime we are taking steps and will continue to do so to meet these areas in which obvious adjustments are necessary. I am happy to be able to announce today the approval of a re-engagement bonus system for N.C.O.'s and other ranks in the armed forces.

Mr. Churchill: You were forced into it.

Mr. Hellyer: Not at all. It was good business management.

Mr. Cadieux (Terrebonne): This will provide for a re-engagement bonus at each re-engagement which will be calculated at the rate of \$200 for each year of the period of the re-engagement. On a five year engagement the bonus will be \$1,000 and this will be payable at the time of re-engagement. At the same time, on the introduction of this bonus, all those who have re-engaged and are presently serving in a re-engagement will be paid a *pro rata* bonus based on the period remaining to be served in their engagement. A man, for example, who re-engaged in 1964 and still has four years to serve in his engagement will receive a bonus of \$800.

I believe that these bonuses will be welcomed by the men of the forces and that they will have a significant effect in influencing men in their decision to stay in the forces. I think hon. members are aware that the cost of training members of the forces is considerable and I have every confidence that much of the cost of the bonus to which I have referred will be met by improved retention rates and consequentially reduced training costs.

Mr. Langlois (Mégantic): May I ask the associate minister a question?

Mr. Cadieux (Terrebonne): Yes.

Mr. Langlois (Mégantic): I would like to ask the associate minister about this \$200 bonus. For example, on a five year re-engagement it would be \$1,000. Is that \$200 for the first year, and \$200 for the second year, or is that total of \$1,000 considered as an amount, over all, to be paid in the first year.