

committee at the university of British Columbia which I think will be quite interesting to the committee. He says:

What good is unemployment insurance, or veterans insurance to student-veterans? So-called benefits to merchant seamen are just so much writing on paper. The only merchant seaman veteran who gets any benefits at all is the chap who wishes to stay at sea as a profession. Seamen-veterans in that category number less than ten per cent.

Although the minister may say that certain educational and vocational training benefits have been given, the number who have taken advantage of them is so small that I cannot believe it constitutes a discharge by the government of its obligations to these seamen. Questions have been raised as to the obligations of these men to serve, and it has been suggested that their obligation was different from that of the armed forces. Perhaps it was for the first two or three years of the war, but these men served and continued to serve. In 1944 the manning pool agreement was signed by most of them. As the minister knows, that agreement contained a definite undertaking to serve for the duration of the war or for two years, whichever was the lesser. At least from that time on, those who signed the manning pool agreement were bound to continue in service, and to all intents and purposes their service was just as binding upon them as was service in the armed forces binding upon its members.

It has been suggested that the rates of pay were more advantageous to merchant seamen than to those of equal rank in the armed forces. I do not find that to be so. It is true that a war risk bonus of \$44 a month was given for service at sea, but the basic rate of pay for an ordinary seaman was \$84 a month. A radio operator, whose rank I believe corresponded with that of a sub-lieutenant in the navy, received \$109 a month. Of course that was subject to income tax. Compared with similar rates of pay in the armed forces and having in mind that the pay of merchant seamen was subject to income tax, I cannot feel—

Mr. CHEVRIER: Income tax was payable only on the basic rate.

Mr. MERRITT: That is so; income tax was payable on the basic rate. I do not think that could do any more than warrant the minister in making some reduction in the reestablishment credits or gratuities or things of that kind. The difference was not sufficient to warrant keeping merchant seamen out of the principle of war service and veterans benefits.

I am concerned lest one of the things that has held the minister and the government back from taking a step which, it seems to me, is all too obvious is administrative difficulty. I looked up the debate on this matter of income tax paid by merchant seamen which took place in the house in 1942, and I find that the Minister of Finance stated frankly, as reported on page 4365 of *Hansard*, that, for administrative reasons, there had been no exemption of merchant seamen from income tax. The administrative reasons he gave were perfectly clear, that these seamen were employed by civilian employers on civilian ships and that it would be difficult to exempt them from income tax.

This matter is so important that we cannot consider administrative difficulties. Administrative difficulties will have to be dealt with by means of an administrative plan and not by excluding these men from a principle which I feel to be sound.

I am not going to argue the matter any longer, nor am I going to try to detail to the minister the additional benefits to which I think merchant seamen are entitled. Those benefits should certainly include educational training on a much wider scale than has been granted. I am simply going to reiterate that we should establish a principle whereby these men would be entitled to be treated as veterans, with possible exceptions from that principle in the extent of the benefits that are granted.

Hon. LIONEL CHEVRIER (Minister of Transport): First of all, let me say that, while the hon. member has made out a good case for the position as he sees it, there is another side with which I am faced and which I think I should place before the committee. One thing must not be forgotten. The men of the merchant navy, while they did a formidable task in the war job, were volunteers. There can be no doubt about that. That certainly was the position which my predecessor took an it is the position in which I find myself.

Mr. GREEN: So were all the navy and the air force and most of the army.

Mr. CHEVRIER: My hon. friend has been interrupting every time I discuss this matter, both on the bill for compensation and now. I have no objection to his interrupting, but I wish he would just hold himself for a moment or two until I put my position on the record. If he has anything to ask I shall be glad to listen to him just as I listened to him when he wanted to discuss workmen's compensation.