

Increase In Pensions

since that time would in itself justify the 15 per cent increase which the government has now announced. I maintain that the contention by the veterans organizations, that the basic rate for disability pensions should be the rate which applies to unskilled labour in the civil service, is a reasonable one. In my view, that should be the minimum basic rate for disability pensions.

Considering the fact that the cost of living is still increasing I am surprised that the minister has not produced a plan for an automatic increase related to the cost of living or even a plan for a cyclical review such as civil servants are now getting.

With regard to war veterans allowances, there was reasonable satisfaction recently with regard to the increase to \$105 and I believe the amount of the increase is not out of line. Nevertheless, in my opinion the increase announced in the maximum permissible income ceiling is not sufficient; it just about makes up for the increase in the amount of the allowance itself. Some provision should be made along the lines of the action we took in 1963 whereby the older veterans, in any event, were told that increases in old age security payments would not be counted as income for the purpose of calculating war veterans allowances.

We look forward to legislation with regard to the Pension Act at an early date, as the minister has promised. I realize he is waiting for the Woods report but, as I say, there is grave dissatisfaction among veterans as to the manner in which the Pension Act is being administered. I conclude by saying that the increase proposed in the disability pensions will be completely unacceptable to the veterans and people of Canada.

Mr. H. W. Herridge (Kootenay West): I am very glad that the minister has relieved the feelings of a large number of veterans and their dependants in Canada by making this announcement today. I may say there are about four million people in Canada, veterans and their dependants, who are interested in the field of veterans legislation.

The minister has introduced this measure as an interim increase, and even the amount he proposes will no doubt be welcomed by those who are entitled to these pensions and allowances.

As the previous speaker said, however, I am quite certain that they will not satisfy the requests made by the Royal Canadian Legion and other veterans organizations in the country at this time.

[Mr. Chatterton.]

I also notice that there has been a slight increase in the permissive income. This will be welcome to that extent, but at the same time it means that many veterans drawing their war veterans allowance will still be denied the opportunity to receive a substantial portion of their old age pensions, particularly those who are married. As I said before, this was introduced as an interim increase and, I trust as a result of the study of the administration of veterans pensions made in France and in Great Britain by the standing committee on veterans affairs regarding their procedures and their review of pension legislation, we will adopt just rates and procedures.

I hope that in the very near future the minister will rise in his place and introduce legislation which will take this question of disability pensions and war veterans allowances out of partisan politics.

• (2.50 p.m.)

It is our hope that these pensions and allowances will be reviewed periodically, as they are in France and Great Britain. In the knowledge that this is only an interim increase, we shall look forward to hearing the minister speak soon on the result of the study of pensions and war veterans allowances so that those who are directly concerned will be fairly treated. At the same time we urge the minister to give consideration to the representations of the veterans organizations with respect to these two very important questions, when the Standing Committee on Veterans Affairs hears their representations.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, just a few words of congratulations for the minister who has just announced an increase in the pension to veterans, which will allow them to receive a basic salary of \$105 per month.

I think, Mr. Speaker, that this increase is better than nothing, because a veteran who has made sacrifices for his country deserves at least to receive \$105 per month to compensate a little for the suffering he went through on the battlefield.

I will not say as much for the allowances granted to old people, because I expected the minister to announce also what the government had been promising for almost four or five years. Each year we hear the same promise and we are still waiting.

The small token offered to disabled people will not satisfy at all the people of Canada. We are still expecting the minister to fulfil