

the increase it provides for is fair and reasonable and sufficient for the veterans. No doubt the bill has been most carefully studied by the cabinet, and therefore I take it that its provisions represent the opinion of the cabinet that this small increase is sufficient and is the amount to which the veterans are entitled. If I am wrong in that opinion, if the Minister of Veterans Affairs or any other member of the cabinet is not satisfied with the increase that is granted, we can only assume that it is the treasury board who are dictating the amount of the increase to be made in the basic pension rate.

No one will dispute my statement that this increase is long overdue. As the minister stated a few moments ago, no change has been made in the rate since 1925-26, despite the fact that today we are living in an entirely different world which has seen a huge increase in the cost of living and a great increase in the wages of all employees. I would point out, Mr. Speaker, that during the war years a very large number of employees and wage earners in this country were granted cost-of-living bonus, but no such provision or allowance was made to the veterans who received a pension. I well remember when the present Minister of Justice (Mr. Ilsley), then minister of finance, announced on introducing his budget that the pension paid to a veteran would be taxed as income, and the veteran did pay tax on his pension. True in a later budget that tax was removed. But today, after all these years since 1925, no adjustment has been made in the basic rate of pension. After the veteran has been denied the cost-of-living bonus during all the war years, and after he has had to pay income tax on his pension, the Minister of Veterans Affairs now brings in a bill providing for a slight increase in the basic rate of pension which in my opinion is totally inadequate. If there are any members of the house who consider that this increase is adequate, just, fair and sufficient for the veteran, I should be glad if he would get up right now and say so. This country can well afford to pay a larger increase. When one remembers the proposals of the Prime Minister (Mr. Mackenzie King) to beautify Ottawa and surrounding district as a national memorial to the veterans who gave their lives in world war II, one wonders how the government can undertake such an expenditure, running into hundreds of millions of dollars over the years which it will take to carry out this scheme, and yet hedge and quibble when it comes to raising the basic rate of pension. I wonder how many veterans, veteran organizations, soldiers clubs or associations have been consulted as to what kind of national

memorial we should have to the veterans who gave their lives in world war II. It has always been my opinion, Mr. Speaker, that any national memorial to the veterans of world war II should be in such a form that the veterans or their dependents would derive some benefit from it. I have suggested several times in this house that the awarding of a large number of scholarships spread across the country, open only to children of veterans of world war II, would over the years yield a return far beyond the cost and would not in any way amount to the huge sum which it is proposed to expend in order to beautify the city of Ottawa as a national war memorial.

The general public are keenly interested in this bill, and that has been indicated by the wave of protests from across the entire country after the announcement made by the Prime Minister during the session in December. Apparently the general public do not approve of this small increase, and we had to wait for nearly three months before the Prime Minister made another announcement when he raised the increase from \$10 to \$12 a month.

The government and all members of parliament have received many letters, briefs and resolutions protesting against this small increase. During the last two weeks members have received copies of many resolutions from municipal councils who have taken the matter up and passed resolutions urging that the basic rate for a 100 per cent disability be placed at \$100.

The Minister of Veterans Affairs a few months ago referred to the way in which the increase in bonus was given in 1920 and following, up to 1925. I find in *The Legionary* of February 1948 an article entitled "Pension increases are not adequate", and in that article the writer sets out certain information as to how the 1926 or 1925 rate, whichever is correct, was arrived at. I should like to read a couple of paragraphs from it. First I should say that in this article the legion proposes a basic pension rate of \$100 a month, and the article goes on to say:

Such a revision would be entirely equitable because it is based on the approximate rise in the cost of living since 1926 when the present pension rates were established by incorporation of the existing cost-of-living bonus. The index then stood at 121·8; today it stands at 146. Anything less than a 25 per cent increase would simply lower the standard of living of the pensioner, who is unable to support himself by any other means, to less than subsistence level. There are indications that the cost of living will mount still higher, in which case some additional supplementation may be required later. Such supplementation, we suggest, should be in the form of a cost-of-living bonus.