

ries travel between Borden and Cape Tormentine, New Brunswick, in the winter, with four additional car ferries in the summer. This provides a superior year-round freight and passenger service between Wood Islands and Caribou, Nova Scotia. Planning is under way for more secure facilities at Wood Islands for the convenience of the travelling public, as well as improved berthing facilities. This construction should be completed by 1976. I am encouraged by the co-operative attitude of the Ministry of Transport in helping to alleviate transportation difficulties for islanders, and by the willingness to arrive at and ensure economic transportation access to markets in central and western Canada for island producers.

Turning to my Department of Veterans Affairs, I think I can say that we have had a most successful year from many points of view. The legislation enacted for Canada's veterans during the previous session of this parliament was far reaching and of vital importance. It incorporated some basic philosophies and principles which were proposed many years ago. It opened new doors for both veterans and their dependants to enjoy a richer and more secure way of life.

As hon. members are aware, there are three acts which govern the compensation paid to veterans and their dependants. These are the Pension Act, the War Veterans Allowance Act, and the Civilian War Pensions and Allowances Act. Last March, Bill C-148 was passed. It amended the War Veterans Allowance Act and the Civilian War Pensions and Allowances Act so that they assumed a completely new profile. In effect, this bill changed the qualification requirements for allowances from a means-tested program to a limited income-tested program. This was done by removing the limitations covering personal property. In the same bill, the rates and ceilings were adjusted upwards, which resulted in a 25 per cent increase for the single recipient and a 28 per cent increase for the married recipient. Of course, these amounts continue to increase each year as a result of previous legislation which provided for automatic annual increases based on the consumer price index.

● (2150)

In his remarks a few days ago, the hon. member for Winnipeg North Centre (Mr. Knowles) raised a question about the War Veterans Allowance Act, and particularly the fact that some veterans would be discriminated against. I simply wish to say to my hon. friend that every veteran in this country has received, and will continue to receive everything that is due him. Furthermore, I hope to be in a position very shortly to introduce legislation that will further amend the War Veterans Allowance Act so that benefits to veterans will be further enhanced.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Next week?

Mr. MacDonald (Cardigan): Last June, the Pension Act was amended by the passage of Bill C-202. Under the Pension Act, pensions are awarded, as a matter of right, for death and disability related to military service in wartime. The bill provided an immediate increase of 24 per cent in the basic rate but, more importantly, it tied the rate to the average salary of a composite group of

employees in the public service. Now, for the first time, the disability pension rate has achieved parity with the current cost of living standard. This was probably one of the most significant single advances in the history of Canadian veterans' legislation in more than 50 years and I think the veterans' organizations of this country deserve great credit for the very important contribution they made in the preparation of this legislation.

Another aspect of the whole pension system to veterans that I should mention very briefly is the question of backlog. As hon. members know, the legislation passed by this House in 1971 opened the door to a deluge of pension applications from veterans. This situation has created a considerable backlog with which the commission has been struggling ever since. I am happy to report that since last year that backlog has been considerably reduced. Whereas a year ago it was over 9,000 applications, it is now down to 7,300. What is more significant and encouraging is the fact that the monthly output of decisions has almost doubled since last year. I think the Canadian Pension Commission, together with the pension review board and the bureau of pensions advocates deserve great credit for this increased efficiency. I am sure this trend will continue and that in the not too distant future we will have eliminated that backlog.

On the subject of veterans' hospitals, Mr. Speaker, I should like to mention that the government's policy of transferring hospitals to the jurisdiction of provinces is progressing quite well.

Mr. Beattie (Hamilton Mountain): Says who?

Mr. MacDonald (Cardigan): I say that. Three hospitals have already been transferred and negotiations are well under way for the transfer of a few more. I have no time to argue; the clock is moving too fast, Mr. Speaker. Although some people would like to see the veterans' hospitals remain as they are now, we certainly feel that it is in the best interest of veterans to proceed with these transfers. Otherwise, we run the risk of having to operate geriatric institutions within a short number of years and this is certainly not in the best interest of our veterans' population, not to mention the fact that it is becoming increasingly difficult, if not impossible, to find well qualified professionals to look after our veterans.

The year 1974 will mark two important events for the veterans of this country. As hon. members know, this coming June will be the thirtieth anniversary of the landing of the allied troops in northern France, which resulted in the liberation of Europe and the end of the second world war within one year. The government will certainly take a very active part in those celebrations, and I will be making an announcement very shortly concerning the participation of Canada in those ceremonies.

This year will also mark the twenty-fifth biennial national convention of the Royal Canadian Legion. This very important gathering will take place in St. John's, Newfoundland, during the first week of June. I do not think I need repeat here the important contributions made by the Royal Canadian Legion on behalf of all those who served their country in wartime.

Mr. Speaker, the Veterans Land Act has been a most successful post-war rehabilitation program and for that