

Pension Act and Other Acts

repeating this, that the same practice does not hold true for Bill C-170, to raise family allowances. There has been little or no progress on this bill since it passed second reading and was referred to committee on April 27. Neither should the government try to say that this bill could not have received quicker treatment, because the original bill was introduced in the last session and was allowed to die on the order paper for reasons which have yet to be explained.

Bill C-208, in the main, provides for the annual adjustment of pensions and allowances payable thereunder to reflect changes in the cost of living. In the words of the minister, as recorded at page 2253 of *Hansard* for May 12:

There never has been any clear principle governing the general changes made from time to time in the amount paid in veterans pensions or allowances . . . Veterans and their families, or widows, had no certainty as to the amounts of the payments they might receive from year to year.

He went on to say:

This bill will for the first time remove that uncertainty. It spells out clearly the fact that the pensions and allowances will be adjusted annually; that when changes based on living costs are warranted they will take effect on January 1, and that the amount of these changes will be . . . determined by the movement of the consumer price index.

I am afraid, Mr. Speaker, that I cannot see the reason for all the complimentary remarks that have been made about what great things the government is doing for the veterans, other than the small escalation provision in the bill. By this time, and in this bill, many of the other inequities which still exist in the legislation could have been corrected and should have been corrected. We are discussing a bill in which there has been no recognition of the repeated appeals of war veterans organizations from across the country. How many times since the Pension Act was first introduced after World War I have veteran members heard the pleas for establishing a basic rate of pension equal to the wages of an unskilled labourer in the government service. And how many times have they heard the same promises from ministers of veterans affairs, the same words which the present minister used in his speech last Friday when he said:

Another point which I would like to stress is that the present bill relates only to the question of changes related to the cost of living; in other words, to the principle of escalation. Veterans organizations have also been making representations to the government with regard to the basic rates of pensions. In other words, apart from the periodic changes in rates there is also the question as to whether or not the pensions stand on the right base.

Just listen to these words:

I want to say clearly that this question of basic rates is under careful study. At this time, I cannot predict the outcome of that study but I do want to point out that the present measure should not be regarded as being prejudicial in any way to the review of this question of basic rates.

Study what, Mr. Speaker? Surely, members will not accept that story again for which this government is so famous. Surely, the veterans organizations which have studied the basic rates, and made recommendations for the past 50 years, are not going to swallow that one. How many briefs on the basic rate of pension are lying gathering dust in the Department of Veterans Affairs?

• (1610)

Let us just look for one moment at the brief from the National Council of Veterans Associations of Canada submitted on April 14, just two months ago, and at a statement of the minister of veterans affairs in 1965 to the effect that the government was considering the development of some new basis for pensions, all of which has had a most unsettling effect on the war disability pensioners.

In part the brief states:

It is felt now that the question of a formula has been under study long enough, and it is now incumbent upon the present government to re-affirm the principle of the unskilled labour market, in the terms prescribed by the Woods Committee, and that is,

That the basic rate would be equivalent of earnings in the class of untrained labour in the public service of Canada. Having endorsed this principle, the government should then proceed to recommend to parliament an increase to the level of \$4,550 per annum for the single pensioner, with commensurate adjustments for dependents and for widows and orphans.

One further step is necessary. That is, the adoption of the cyclical review principle which means that, once compensation has been established at the \$4,550 level, the rate would be subject to fluctuation each year in accordance with increases in either the cost of living, composite wages or some other reasonable indicator of purchasing power.

Although the brief contains some 15 pages I will just quote one more paragraph, Mr. Speaker.

If this principle means anything at all, there is an obligation on the part of the present government to bring to a satisfactory conclusion the seven-year long study to which this matter has been subjected. The review should be terminated in a manner satisfactory to all concerned before the life of the present parliament expires. It would be inhumane if Canada's veterans and their widows and children were now required to wait for the results of further deliberations while a newly elected government settles into office.

There has been a seven year study, and now the minister says he is going to study it again.

In 1966, the then minister of veterans affairs told the Dominion Convention of the Royal Canadian Legion that the government was searching for some new yardstick on which to base pensions. The veterans' organizations, quite properly, took this as a promise that the government would tackle the problem which had been allowed to develop since the end of World War II, as a result of which war pensions had not kept pace with earnings in the unskilled labour market.

As hon. members know, a committee of three independent people under the chairmanship of Mr. Justice Woods of Saskatchewan was established in 1965 to review the organization and work of the veterans Pension Commission. The committee's terms of reference did not include the quantum of pension, and thus the veterans' organizations stood aside on this particular issue in order to assist the government in remedying some of the structural and administrative faults in the Pension Commission, as well as some of the ancillary benefit areas, including allowances for attendants and exceptional incapacity. The report of the Woods Committee resulted in some important amendments which were passed by the House on March 30, 1971, but nothing was done about the basic rate at that time.