

Mr. QUELCH: Is not clause (2) the definition of service in so far as this Act is concerned?

The CHAIRMAN: "For the purposes of subsection one, 'service' means any service of the insured, after entering into the contract of insurance, as a member of any naval, army or air forces."

Mr. QUELCH: If a soldier was run over by a car he would lose the full benefit of insurance?

The CHAIRMAN: With lawyers present I do not like to answer legal questions. Would you answer, Mr. Gunn.

Mr. GUNN: I will try. It seems to me that "service" defined in subsection (2) of the Act, is the type of service which qualifies a veteran originally to get insurance under this Act. Now he has got that; it is something that is vested in him today. Then, it is proposed if he wants to take out insurance and engage in further service, then that service is of the type described here—and it is more general than that which appears in section (2); and it does in fact include the reserve forces.

Mr. GEORGE: Just on that point, I wonder if we could clarify the position of reserve force personnel called out for temporary service?

Mr. GUNN: They are regarded as regular forces if they are called up.

Mr. GEORGE: Are they? They are not active force personnel and neither are they taken on strength of the regular forces. They are called out for very short periods of time as a rule, but it can be extended, of course. We know of personnel who have been called out for a year. They are still reserve personnel although they are drawing pay and allowances of the regular forces.

Mr. GUNN: They are, under the National Defence Act, regarded as part of the regular forces after they have been called out and start to receive pay.

Mr. GEORGE: I agree there, but how do they stand under this Act?

Mr. GUNN: Well this language in subsection (2) is sufficiently broad to take them in. They are members of the forces of Canada.

Mr. BENNETT: What is the object of this subsection (2) if Mr. Pearkes' point is not well taken?

Mr. BLACK: I think Mr. Pearkes' point is correct and it does give the Governor in Council the right to prescribe whatever the Governor in Council thinks are the appropriate conditions restricting the policy.

Mr. GEORGE: Can we hear Mr. Anderson, Mr. Chairman?

The CHAIRMAN: Do you want to add anything to that, Mr. Andrews?

Mr. ANDERSON: I would like to make clear just what our objections to this section are. In the first place, we do of course understand that any veterans of World War II who have taken out insurance previous to the coming into effect of this section would be protected. However, the point is that this Act can be assumed to provide a benefit to World War II veterans, but if this amendment is adopted it will in effect make the benefit largely ineffectual for certain World War II veterans simply because they re-enlist.

The CHAIRMAN: If the veteran dies as a result of war?

Mr. ANDERSON: Yes.

Mr. GUNN: If he has not yet taken out insurance?

Mr. ANDERSON: Prior to the coming into effect of the amendment.

Mr. PEARKES: I think there is a great deal to be said for the Legion's position. We want to encourage veterans of World War II to rejoin the armed forces. Their numbers will get smaller and smaller as the years go on by reason of advancing age, but if they have looked ahead in order to provide for their own security by taking out insurance, is there any reason why we should discourage them?