

War Veterans' Allowance Act

have. In addition, the increase in the cost of living has made it necessary to raise the level of ceilings.

Last July the difference between the single rate and ceiling was increased from \$10 to \$20 a month, and this differential is being maintained by the proposed increase in the ceiling from \$80 to \$90 a month. In respect to the married recipients, however, the differential was increased last July from \$12 to \$15 a month and the proposal now is to increase it to \$25 by raising the income ceiling to \$145 a month.

Most hon. members are aware, I believe, that the assistance fund can be used in cases of need to supplement the income of the war veterans allowance recipient up to the ceiling. For example, under the proposed amendments an eligible married veteran without other income will receive war veterans allowance of \$120 a month. If his necessary living expenses show him to be still in need, payments from the assistance fund may be made up to a maximum of \$25 per month which, added to the war veterans allowance, can equal the permissible income ceiling.

Furthermore, I wish to stress that casual earnings continue to be exempt income; that is to say, casual earnings are permitted over and above the ceiling of permissible income and do not have the effect of reducing that ceiling. It must, of course, be understood that a raise in the income ceiling makes eligible a new group of veterans whose income equalled or slightly exceeded the old ceiling.

Therefore a raise in the ceiling involves an additional cost by way of payment of the allowance to the new group.

The proposed amendments to section 5 of the act are exactly in line with those that I have been discussing. Section 5 permits the continuance to a widow of a war veterans allowance recipient of the married rate for one year after the veteran's death; it permits a continuance to the veteran of his married rate for one year after the death of his wife. This special award is made to enable the bereaved person to meet the period of adjustment following the death of the spouse. The rates in section 5 are increased to conform to the normal married rate and ceiling.

The act provides that a veteran of the Canadian forces qualifies from a service point of view for war veterans allowance by having served in a theatre of actual war. A veteran of Her Majesty's forces other than Canadian or of the forces of our allies qualifies in the same way provided that he was domiciled in Canada at the time of his enlistment. If such a man who served in world war I was not so

domiciled in Canada he is required to have resided in Canada for at least 20 years. This required period of residence is reduced to 10 years by the proposed amendment, subsection 4 of section 30 of the act.

The bill proposes the same reduction in residence for a person who seeks to qualify under subsection 6 of section 30 of the act. These veterans have not served in a theatre of actual war in either world war I or world war II but they did serve in both wars. That is to say they are what is known as dual war veterans. In world war II they served with Canadian forces and in world war I they served with other commonwealth forces or an allied force but because they were not domiciled in Canada before their enlistment they are at present required to have 20 years residence in Canada as a condition of eligibility under the act. This period is also reduced 10 years.

The widow of a veteran who is qualified by any of the above methods which I have just described would also be eligible in her own right upon his death.

As many hon. members are aware there has been much dissatisfaction throughout the country in recent years because the widow of a veteran whose eligibility depends upon 20 years' residence in Canada could not become eligible unless he had lived here for that period of 20 years no matter how long she herself had resided in this country. I could mention various distressing types of cases such as that, where the veteran died 19½ years after coming to Canada or, again, where the veteran died with less than 20 years residence here but he and his wife had brought up a family of boys who served and perhaps lost their lives in world war II.

The proposed amendment remedies this situation and changes the 20 year requirement to 10 years to conform with the changes proposed in section 30. Under the amendment the widow will become eligible from a residence point of view from the earliest date upon which she has been resident in Canada for 10 years and upon which her husband, had he lived, would also have had 10 years residence. It will be observed that by requiring that the husband, had he lived, would have had 10 years' residence the proposal conforms with the basic principle that the eligibility of the widow shall flow from her husband's eligibility.

The present act provides that where a member of the Canadian forces on active service assigns pay to a recipient of war veterans allowance and where no dependent's allowance is paid to the recipient or to the recipient's spouse, the assigned pay is to be