

Pension Reform

In 1916 a parliamentary committee took a strong stand in favour of pension reform. Not only were the old pay and allowance regulations out of harmony with the generous trend of public opinion towards those who had sacrificed life and limb on the battle field, but the army administration, being concerned primarily with the prosecution of the war, was not suitably equipped to deal with the claims of ex-soldiers who had been discharged to civil life.

As a result the administration was falling behind in dealing with claims.

Upon recommendation of the parliamentary committee of 1916, the government, by P.C. 1334 of June 3, 1916, set up a new and separate Board of Pension Commissioners entirely outside the army, and adopted a new code of pension regulations.

That order in council introduced a completely new principle in pension legislation, one which is generally referred to, by a very descriptive term, as "the insurance principle". Prior to 1916, pension was awardable for death or disability caused by service. Canada, in 1916, adopted this so-called insurance principle by which injury or disease resulting in disability or death was pensionable when incurred during service, even though no direct service cause could be traced.

According to my latest information, that principle has never been adopted by any other country in the world, although in the recent war Canada and New Zealand both applied it to overseas service. Furthermore, Canada extended it to persons who have had overseas service, even though the non-related disability or death might have occurred within Canada. The insurance principle is essentially a wartime measure and since 1920, members of the peacetime military forces have been pensionable only with respect to occurrences "due to service as such".

The coverage provided by the Pension Act of Canada from 1916 to date has been and remains broader than that afforded by any other British nation, or the United States, unless there has been some very recent change of which I have not been informed.

Such were the beginnings of civil administration of veterans affairs in Canada. The Military Hospitals Commission inevitably developed an administrative organization with engineering, dietetic, purchasing, accounting, vocational training, and other divisions. To keep pace with the mounting volume of pension claims the Board of Pension Commissioners also rapidly developed an organization of its own.

Early in 1918, the government came to the conclusion that a regularly organized government department was called for and, by order in council P.C. 432, of February 21, 1918, the Department of Soldiers' Civil Re-Establishment was created. The former chairman of the Military Hospitals Commission, Sir James Lougheed, was appointed minister of the new department. He administered through two commissions:—

1. The Invalided Soldiers' Commission (A new name adopted for the Military Hospitals Commission), and
2. The Board of Pension Commissioners.

As by this time the emergency with regard to hospital accommodation had disappeared, the Invalided Soldiers' Commission was shortly disbanded and its staff became the staff of the Department of Soldiers' Civil Re-Establishment.

Soldier Settlement Act

One other important aspect of veterans' legislation dealt with at an early date during the last war was that of settlement on the land. Precedents for land settlement are to be found as far back as the days of the Roman Empire. In Canada, veterans of the American revolutionary war, of the war of 1812, of