

these rates and ceilings as a sound basis, bearing in mind the figures that were available of living costs. On a consensus of opinion, as reflected in resolutions throughout the country, those rates and ceilings were put forward by the Dominion Executive Council prior to a Dominion Convention. The Dominion Convention ratified those amounts and they have continued to be the amounts recommended by the Legion.

Mr. HARKNESS: You would say it is basically as a result of a study of living costs?

Mr. THOMPSON: That is right.

Mr. HAHN: According to your argument the war veterans allowance for a single man if \$60 would be only \$100 for a married man if your ratio is 6 to 10.

Mr. THOMPSON: I think when you get down to basic amounts it is not true that a married couple can always live more cheaply than two single people. This applies when you deal in irreducible minimums. When you get above the minimums there is a bit of leeway, and I believe that was the thinking of the committee in arriving at the figures of \$1,200 and \$2,000.

Mr. HAHN: I quite agree with you. I have used the same argument in the House in asking for it. But, by the ratio you have proposed in your request you have it two to one and in your argument now as to the income tax level it would work out to \$60 a month and \$100 a month instead of \$120 as you propose. I was wondering why the difference exists?

Mr. THOMPSON: I think those amounts were arrived at without consideration of income tax. It was as a result of living costs and the thinking of the Legion. I think the income tax, as you suggest, provide exemptions of \$1,000 and \$2,000, but we thought those ceilings of \$1,200 and \$2,000 were a reasonable level and if people had that much income and that much leeway they could live with some degree of decency which we did not feel was possible on less money. There may appear to be an inconsistency, but it is because of the different sources which the committee used to arrive at their figures. It so happens that \$1,000 and \$2,000 are in the Income Tax Act.

The CHAIRMAN: Any further questions on the brief?

Mr. GREEN: Are there any figures on the numbers of widows of allied ex-servicemen who would be eligible if the recommended change were made?

Hon. H. LAPOINTE: I think we could get estimates on that.

The CHAIRMAN: Are there any other questions?

Mr. QUELCH: As a result of the operation of the ceiling I wonder what the legion's experience has been as regards overpayment?

Mr. THOMPSON: We have found that the War Veterans Allowance Board has been pretty reasonable on the whole on the way that they have recovered the overpayments.

Mr. QUELCH: I know in the early days they deducted the whole amount but I think the practice has been discontinued and put down to a small recovery. Is that the case?

Mr. THOMPSON: I can only answer from our experience at dominion command, and we have found the War Veterans Allowance Board very reasonable when all the circumstances of a case were brought to their attention. We have not found the War Veterans Allowance Board hard to deal with when it came to the question of trying to recover overpayments.

The CHAIRMAN: Gentlemen, on your behalf I would like to thank the Very Reverend Dean Anderson for a very fine brief which he has presented and the very fine way in which he and Mr. Thompson have answered our questions. I think we can assure them that if we receive any further reference from the