

Returned Soldiers' Insurance Act

Steamships Limited; Canadian National Railways securities trust; auditors' report to parliament in respect of the Canadian National Railways and Canadian National (West Indies) Steamships for the year 1957, tabled on May 22, 1958; the budget for 1958 of the Canadian National Railways tabled on June 2, 1958; the annual report of Trans-Canada Air Lines for 1957; the auditors' report to parliament on Trans-Canada Air Lines for the year 1957, tabled on May 23, 1958, and the budget for 1958 of Trans-Canada Air Lines, tabled on January 31, 1958, be referred to the sessional committee on railways, air lines and shipping owned or controlled by the government, and that items Nos. 431—Prince Edward Island car ferry and terminals; 432—Newfoundland ferry and terminals; 442—Maritime Freight Rates Act; 443—Canadian National (West Indies) Steamships, as listed in the main estimates 1958-59, and item 635—Canadian National (West Indies) Steamships Limited, as listed in the supplementary estimates 1958-59, be withdrawn from the committee of supply and referred to the said committee, saving always the powers of the committee of supply in relation to the voting of public moneys.

Motion agreed to.

RETURNED SOLDIERS' INSURANCE ACT

AMENDMENTS TO INCREASE AMOUNT PAID TO BENEFICIARY AS ANNUITY, REMOVE RESTRICTIONS, ETC.

Hon. A. J. Brooks (Minister of Veterans Affairs) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Returned Soldiers' Insurance Act so as to increase the amount of insurance that may be paid to the beneficiary as an annuity in certain cases and to remove restrictions in payment of insurance in the case of pensioners.

Mr. Chevrier: Would the minister care to give us an explanation of this motion?

Mr. Brooks: Mr. Speaker, this resolution is preliminary to amendments to be made to the Returned Soldiers' Insurance Act. It is important, but I do not think it is very controversial. I do not think there are any objections from any source as far as the proposed resolution is concerned and I do not think it is controversial.

As a matter of fact, on a number of occasions in the committee on veterans affairs it has been recommended that certain amendments should be made to the Returned Soldiers' Insurance Act, and these recommendations have come from hon. members in all sections of the house. I should like to make a short explanation regarding the resolution. It is not usual at this stage to give details of proposed legislation, but I am sure that hon. members will wish me to review the provisions in general terms, if only briefly.

Perhaps I should explain first that this act made life insurance available to veterans of world war I and their widows who, because of disability, might not have been able

[Mr. Hees.]

to obtain insurance commercially or, at best, might have had to pay an increased premium. The medical standards required by this act were very low. As a consequence, many seriously disabled returned soldiers obtained this insurance. It is of interest to note that in addition many others whose health was good applied for and were issued contracts.

The act was passed in 1920. The time limit for applications expired in 1923, but the act was reopened in 1928 and finally closed for the issue of new policies in 1933. The most important provision contained in the bill amending the Returned Soldiers' Insurance Act is one which would repeal section 10 of the act which requires a deduction in the amount of insurance payable, and the return of premiums and interest thereon in lieu of the deduction, in the event that a pension under the Pension Act is awarded on the insured's death. This amendment would have the result of eliminating any future deductions and thus no policies would, on this account, be paid for less than the face amount.

The bill also proposes that the minister may, in his discretion, increase the lump sum payment of insurance money up to \$1,000 above the present lump sum maximum of \$2,000. His discretion is at present limited to amounts under \$500. This will avoid the necessity of the payment of a comparatively small balance in the form of an annuity. Thus, a policy for \$2,500 payable to a widow would at present require the payment of \$500 in the form of an annuity. The usefulness of this payment and the administrative effort involved suggest that it is wise to modify this provision.

The remainder of the amendments are of an administrative nature involving the change of the expression "alternative beneficiary" to "contingent beneficiary". The latter expression is used in the Veterans Insurance Act and refers to similar classes of secondary beneficiaries. Administration would thus be simplified and the amendment would remove some uncertainty in the minds of policy holders as to whether the word "alternative" has the ordinary or a special meaning.

I do not think any further explanation is necessary.

Mr. Speaker: I think we ought to be in committee on this matter. The question was that I should leave the chair in order that this question should be dealt with. The discussion can proceed in committee.

Motion agreed to and the house went into committee, Mr. Seigny in the chair.

Mr. Chevrier: Mr. Chairman, I have listened with interest to the very comprehensive statement made by the hon. minister and I agree