

WITNESS: But I think the Government accepted the recommendation of the committee. Thereupon, on June 3, 1916, an Order in Council was passed providing that there should be a commission of three members appointed for ten years, subject to removal by the Governor in Council, who should have exclusive jurisdiction to deal with the subject-matter of pensions, both military and naval. Since that time quite a number of Orders in Council have been passed under the War Measures Act amending the regulations made on June 3, 1916. The main amendments, however, were made on October 22, 1917. It had been realized for some time that the scale of pensions was not high enough at that time although an amount of \$480 per annum for total disability was fixed in the Order in Council of June 3, 1916. It was considered that was too small still, so they fixed on October 22, 1917, by Order in Council P.C. 2999, the scale for total disability at \$600 per year. They also increased the allowance payable to children by \$2 a month. Previously it had been \$6 per month for total disability, but under the Order in Council of October 22, 1917, this was put at \$8 per month. In that Order in Council they also made a new departure. They provided that a disabled pensioner should get something additional for his wife, and they fixed that at \$8 per month for total disability. In the case of the lesser disabilities of course the allowances were decreased in accordance with the degree of disability.

*By Mr. Ross:*

Q. That was \$600 for himself and \$8 for his wife?—A. Yes, and for each child he would get an additional \$96 per year.

Q. Was that not a general increase of 25 per cent?—A. No, it was not that; it was supposed to be a general increase of 25 per cent, but as a fact, it worked out to be a general increase of 41 per cent—perhaps I had better go back again to the Pay and Allowance Regulations in order to explain more clearly. In the Pay and Allowance Regulations they had four kinds of disabilities, that is to say: disability, total, incurred in the presence of the enemy; that was what was called first-degree pension. Second-degree pension was: material disability incurred in the presence of the enemy, and total disability not incurred in the presence of the enemy; the third degree was; material disability not incurred in the presence of the enemy, and slight disability incurred in the presence of the enemy; and the fourth degree was slight disability incurred in the presence of the enemy. When the Order in Council of June 3, 1916, was passed, they did away with the distinction between disabilities incurred in the presence of the enemy, and those not incurred in the presence of the enemy, and simply figured it on a percentage basis: There were six classes of pensions; total disability 100 per cent; the second class was from 80 to 99 per cent disability; the third class was from 60 to 79 per cent disability; the fourth class was from 40 to 59 per cent disability; fifth class from 20 to 39 per cent disability; and the sixth class was from 0 to 19 per cent disability. There has been a great deal of complaint about this, because a man might be 35 per cent disabled, and he could get only a 20 per cent pension, whereas if he had been 40 per cent disabled, he would have been given a 40 per cent pension. The result was that the Government thought it best to make twenty-one classes of disability instead of six; that is to say they divided the 100 per cent into classes of 5 per cent. Those 100 per cent disabled got the full pension. Those disabled 95 to 99 per cent got the next lower class, then to 90, and 85, and so on down to 5 per cent, and then a gratuity for the class below 5 per cent. The result was that although there was simply a 25 per cent increase over all nevertheless the man that had 35 per cent disability was raised 15 per cent over his previous 20 per cent, which gave him a large increase in money so that he got almost twice as much pension as he did previously. All the pensions were readjusted on the basis of the new scale; I do not know whether they have absolutely completed every single case, because there are a lot of men whose addresses have been lost, and they have not yet, some of them, sent in claims for their pension.

[Mr. Kenneth Archibald.]