

*Veterans' Insurance*

Mr. MACKENZIE (Vancouver Centre): May I reply to the hon. member for Yorkton. He asked for the number of policies that had lapsed. Up to March 31, 1943, the number was 53,288, and the amount was \$122,016,470.24. The lapses for 1943-44 were 361, the total amount \$859,395.48 or a total of 53,589 with a valuation of \$122,875,865.72.

Mr. WHITE: When a policy lapsed under the old act after it had been carried on for a number of years what happened?

Mr. MACKENZIE (Vancouver Centre): There is a special provision in the old act that deals with that.

Mr. WHITE: Take a policy of \$5,000 that a veteran had carried for ten years. Something happened and it lapsed. What benefit would he get out of that? Would he get anything?

Mr. MACDONALD (Brantford City): While the minister is looking up that information I should like to give some information from my own experience, because I have had experience of policies lapsing from time to time. If I recall correctly what happens, after my policy lapsed I would receive a notice from the department of insurance advising me that it had lapsed and if I did not pay the premium within a certain time I would get a paid-up policy. If a soldier allowed his policy to lapse and did not pay the premium for a certain number of months—I am not sure of the number—he would have to go to a doctor, if he had been ill, and be examined, or else he would have to make a statement that he had not had any illness.

Mr. MACKENZIE (Vancouver Centre): I understand the practice is that the proportion of the insurance which is covered by the premium actually paid would be payable, but not the whole amount of the policy.

Mr. WHITE: When the policy lapses, does the soldier receive from the department any sum in settlement of that policy?

Mr. MACKENZIE (Vancouver Centre): There is a cash surrender value of the policy.

Mr. MACDONALD (Brantford City): When a policy lapsed under the old act I believe the soldier had to make a declaration that he had not been ill. If he had been ill he had to go to a doctor and be examined. Does that practice prevail in connection with the present act? If the doctor found that the man had been ill, would the department still continue to insure him?

Mr. MACKENZIE (Vancouver Centre): I cannot answer my hon. friend's question because this has not been administered under my department. As my hon. friend knows, it has

[Mr. White.]

been administered by the Department of Finance. I believe that what my hon. friend suggests has been the practice. What the practice will be in the future is a matter for consideration.

Mr. FAIR: How do the rates in schedule A compare with the standard rates of the line insurance companies?

Mr. MACKENZIE (Vancouver Centre): I am informed that they are lower than those of most companies. Probably there are two or three companies that are as low. I do not know of any that are lower than those rates, but these are certainly lower than eighty-five or ninety per cent of the insurance companies.

Mr. WHITE: When the minister was speaking about the policy that had lapsed, was he using the word "lapsed" the same way as it is used with reference to any policy of the standard insurance companies? Those companies give the policyholders thirty days to pay the premium. Is the minister, or whoever will administer this act, to have any discretion in the matter, or is the arbitrary rule to be applied that after thirty days the policy lapses?

Mr. MACKENZIE (Vancouver Centre): Yes, I can assure my hon. friend that there will be definite discretion with regard to the point raised by him. That will be done by regulation.

Mr. KNOWLES: In reply to a question from this corner a while ago the minister admitted that the only kind of insurance provided for under this act is what is known as protection. The veteran has to die to collect, unless he takes the cash surrender value, in which case he is no longer protected. It is well known that this protection form of insurance is a desirable thing to have and it is commendable that it be provided at as low rates as the government can arrange. But I would point out that veterans will also be interested in providing for themselves what is known as endowment insurance, whereby some provision is made for payments to come back to them while they are still alive. I would remind the minister that in the Department of Labour there is an excellent scheme known as Canadian government annuities. Anyone can purchase a Canadian government annuity without medical examination. It is a simple matter to get in touch with the department and find out the rates and other conditions. I have two suggestions to make. The first is that the minister consider publicizing that fact along with any literature that is sent out.

Mr. MACKENZIE (Vancouver Centre): Which fact?