

WAR SERVICE GRANTS ACT

AMENDMENTS EXTENDING TIME LIMIT ON
RE-ESTABLISHMENT CREDITS, EXTENDING
BENEFITS, ETC.

Hon. Hugues Lapointe (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 War Service Grants Act to extend the time limit for the availability of re-establishment credit; also to extend certain benefits of the act to additional beneficiaries; and further to provide for an extension of time whereby certain veterans may take advantage of the Veterans Insurance Act.

Motion agreed to and the house went into committee, Mr. Robinson (Simcoe East) in the chair.

Mr. Lapointe: Mr. Chairman, the War Service Grants Act, as hon. members know, is one that provided for the payment of war service gratuities to veterans of world war II and for the setting up of re-establishment credits on their behalf. It is now proposed to amend the War Service Grants Act in order, first, to extend the period of time during which veterans may use their re-establishment credits. The act as it exists now provides that re-establishment credit must be used within a period of ten years dating from January, 1945, or ten years from the date of the discharge of the veteran, whichever might be later. It is now proposed to extend this period by a further five years. As of June 30 of this year there remained over 185,000 active accounts in re-establishment credits, and the amount of credit unused amounted to \$37,529,828. It is the desire of the department that these veterans who have not yet used their re-establishment credit or who have used only part of it should not be obliged to use it in the near future, since this would not be in the interest of their long-term rehabilitation. At the same time, Mr. Chairman, it is proposed to limit to January 1, 1957, the period within which the compensating or the return payment of re-establishment credit may be made for the purpose of establishing eligibility under the Veterans Land Act. It is also proposed to permit a veteran who still has re-establishment credits in his account to use those credits for the purpose of purchasing insurance under the Veterans Insurance Act, as long as the veteran does so within the period of time in which he may use his re-establishment credit but regardless of the fact that the time limit has expired under the Veterans Insurance Act.

As regards war service gratuity, it is proposed to set a time limit at December 31, 1954, after which applications for war service gratuities in respect of world war II may not be made. It will be recalled that these

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gratuities, the amounts of which were based on the length of service of the veteran, after the passing of the act in 1944 were paid out automatically upon discharge; that is, during the procedure of discharge the veteran would make his application for war service gratuity and payment would follow. Hence the bulk of the veterans received their war service gratuities automatically. Those who had been discharged before 1944 had to make personal application. As of June 30, 1953, again there was still approximately \$500,000 owed to about 8,500 veterans who had not yet applied for their war service gratuities. The department has been endeavouring for the last few years to contact each and every one of these veterans. We have explained that they had to have their applications in, but still about 8,500 have not made application. For the most part they are men who had an extremely short period of service previous to the passing of the act, and it was service mostly in Canada where the gratuity was half of what it was for service overseas. These amounts are therefore very small. It is proposed to terminate the payments at the date I mentioned and to take the means to advise each veteran to make his application for war service gratuity. Hon. members will realize what a small proportion \$500,000 is to the total amount paid out, when I state that to date we have paid to world war II veterans war service gratuities to the amount of \$470 million.

A further amendment which is proposed to the War Service Grants Act is to make the re-establishment credits payable to orphaned children of veterans. Up to now the re-establishment credit could be paid to the widow or to the dependent mother of a veteran. It is now proposed to make this credit available to the orphaned children or again to the children if they have been abandoned by the surviving mother.

Finally, it is also intended to relax the conditions under which a mother may use the re-establishment credit of a dead veteran. At the present time the act requires that the mother should have been wholly dependent on the deceased. We intend to recommend that this situation be changed and that the wording be "wholly or to a substantial extent dependent on the deceased" so as to permit us to look into some cases of hardship which have arisen.

Mr. Brooks: Mr. Chairman, we are indebted to the minister for his explanation with reference to this resolution. I am sure all the amendments which he has suggested meet with favour as far as the committee is concerned. There is to be an amendment to the