

Army Benevolent Fund

The funds with which we are now concerned originated, as I have said, entirely from profits made through the sale of supplies through army canteens. As members know, members of the armed services in most places and in practically all units had opportunities to purchase at low cost additional comforts, and sales, small overhead and low costs led to the accumulation of very considerable profits. Some of these were expended by the units during the war. There is now left in the possession of the government the sum of \$8,134,934. It is expected that that will be further increased by an amount of approximately one million dollars, so that the canteen funds with which we are concerned in the present bill total something of the magnitude of \$9,000,000, a very considerable sum.

The committee held thirteen meetings. It made a unanimous report on June 12, 1947. It is not unusual, Mr. Chairman, for committees to make unanimous reports, but I think it is rather unusual that a committee should have held all its meetings, as I believe this one did, without any divisions and without any votes. That reflects great credit on the non-partisan spirit of full cooperation with which members from all parts of the house took part in the work of this committee. I think I speak for members of the committee and for members of the house when I say that it was in no small measure due to the tact and skill of the chairman that this very happy result followed.

The report of the committee proposed the adoption of a bill which had been drafted under direction of the committee and which was annexed to the committee's report. That bill is virtually word for word the bill which is now before the house. The government has accepted the report of the committee and puts forward this bill not only as the bill of the government but it hopes with the full support of the committee and of members in all parts of the house.

The bill itself provides for the establishment of the fund and describes the origin of the various sums which go to make up the fund.

By section 4 the bill would establish a board consisting of five members appointed by the governor in council, of whom one is to be nominated by the Canadian Legion and another by the National Council of Veterans Association in Canada, and it contains this very interesting provision:

No member of the board shall hold or occupy a position in the public service of Canada.

It obviously was the intention of the committee that the board should be operated in as independent a fashion as possible, and with a view exclusively to the best interests of the veterans.

[Mr. Claxton.]

The bill goes on to create a committee for each province and sub-committees where they are needed. It provides for no remuneration for members of the board or committees but provides for a per diem allowance, and travelling expenses where that is agreed to by the board. Provision is made for the appointment of a secretary whose salary is as set out in the bill.

The important provision, Mr. Chairman, is that made in section 9 of the bill, which reads:

There shall be paid out of the fund to or for the benefit of veterans or their dependents or the widows or children of deceased veterans such amounts as the board may from time to time determine.

The purpose of the benevolent fund which is to be established by this bill is that it be administered and paid out for the benefit of veterans and their dependents. Subsection 2 of section 9 lays down certain principles which the board is to follow. These have been prepared by the committee in general terms so that the board will not be hamstrung, but will be guided in the application of the funds.

The remaining sections of the bill deal with matters of procedure. One important provision of the bill is that the board is to report to the minister who is defined as the Minister of Veterans Affairs. Consequently with the adoption of this measure and its enactment, this will cease to be a matter of direct concern to the Department of National Defence with which I am concerned, but will be the responsibility of the Minister of Veterans Affairs. This is in accordance with the policy put forward by the government and approved by parliament, that as far as possible all matters having to do with veterans should be the responsibility of the Department of Veterans Affairs.

As I have said, the report mainly provides for the enactment of a bill, but there is one additional proposal recommending that the government put forward legislation to co-ordinate the work of the Canadian naval service benevolent trust fund, the army benevolent fund board and the Royal Canadian Air Force benevolent board and establish a committee which would insure as far as possible that the funds were administered on a uniform basis.

As hon. members are aware, the corresponding fund which came into being in connection with the profits earned from expenditures of members of the Royal Canadian Navy is dealt with by the Royal Canadian naval benevolent board which was created by P.C. 42/10672 on November 23, 1942. The naval benevolent fund was incorporated by dominion charter in July, 1945. The Royal Canadian Air Force benevolent fund is of an earlier origin, in that it was