

as I have had in mine; that there are quite a number of men whom we feel should receive consideration but did not get it because of the fact that they did not have overseas service. It might be advisable to give additional compensation to men in that position, but I think we should make this as broad as we can. I think these benefits should extend to any man who serves during the war, whether he is sent overseas or not.

Mr. MACDONALD (*Brantford*): Mr. Chairman, there are apparently two principles in the granting of pensions; one is known as the direct causation principle and the other the insurance principle. The first means that you have to show direct causation in the carrying out of a military duty, as against the insurance principle which would mean the granting of a pension for any disease or disability or death arising, whatever its origin, anywhere between the brackets of enlistment and discharge. Now, since this section has come up, I have taken the trouble to dig into the history of pension legislation, and I have been helped greatly in this respect by the article which was prepared by Mr. Harry Bray, entitled "Canadian Military Pension Legislation, A Brief History." If you will recall, Mr. Chairman, this was given at a previous sitting to all members of this committee for our benefit. I think it is a very splendid statement; concise, direct and very clear. It would appear that before the year 1916, the only principle upon which a pension was granted was that known as direct causation. In 1916 an order in council was passed granting pensions for death or disability incurred during military service. The distinction between direct causation and the insurance principle as set forth in the illustration in Mr. Bray's brief history, reads as follows:—

Two soldiers, A and B, leave barracks together. A is going on leave, B on duty, carrying an official message. As they cross the street, both are knocked down and injured by the same automobile. A is not pensionable for any consequential disability under the *directly due to service* principle, but B is, as the latter was injured in the execution of his duty. Under the insurance principle, however, both would be entitled.

Now, I say, the insurance principle prevailed until 1919; and it is interesting, Mr. Chairman, to note that apparently all pensions were given by order in council up until 1919. As I take it, the first statute was passed in 1919.

The WITNESS: Yes.

Hon. Mr. MACKENZIE: That is correct.

Mr. MACDONALD (*Brantford*): And that statute of 1919 continued the insurance principle. The governing clause is clause number 11 of section (1) which reads, partly, as follows:—

11. (1) The commission shall award pensions to or in respect of members of the forces who have suffered disability in accordance with the rates set out in schedule A of this Act, and in respect of members of the forces who have died, in accordance with the rates set out in schedule B of this Act, when the disability or death in respect of which the application for pensions is made was attributable to or was incurred or aggravated during military service.

In fact, Mr. Rowell, who was in charge of the legislation when it went through the house stated as follows:—

Under our pension law, if a soldier contracts disease (during service) under purely normal conditions, having no relation at all to service, he becomes entitled to pension. It is really an insurance system.

Mr. Rowell says, "it is really an insurance system."