

In view of the fact that a new Pensions Bill is to be brought down by the Government at the present session, your Committee does not consider it necessary to deal with the subject in any detail in this report. However, on account of the importance of the matter, your Committee earnestly recommends a careful study by Parliament, the Government and the Pensions Board, of the evidence given before your Committee on the subject of pensions. That evidence is in printed form, and is available for the information of all those interested.

*Pay and Allowances.*—Your Committee deems it proper to point out that the officials of Divisions entrusted with this branch of Army's work had an enormous undertaking beset with numerous difficulties in handling the immense volume of work entailed by the enrolling, mobilizing, recording and paying of over 430,000 soldiers in the capital C.E.F. and Active Militia, to which was added the task of issuing annually over 3,300,000 cheques for separation allowance and assigned pay.

These officials were further handicapped by the fact that the force of clerks had, after the outbreak of the war, to be hurriedly organized, and both the regimental paymasters and the improvised civilian pay and records staff at Headquarters and elsewhere, had to be drawn in predominating numbers from those who were previously uninstructed in such work, and to a great extent ignorant of military regulations and of the procedure which was necessary to efficiently deal with the various matters which came within the scope of their employment.

It is therefore evident that, from the outset, the Pay and Record offices, have had to operate under many difficulties. The nature of these difficulties will be better understood if a short explanation be given of the different stages of the work performed by both.

While a soldier is in Canada his pay account is kept by the Regimental Paymaster, and the Separation Allowance is issued from Ottawa to his dependents.

On proceeding overseas the soldier's Canadian Pay Account is closed with the exception of his assigned pay, which is turned over by the Regimental Paymaster to the Assigned Pay office at Ottawa for issuance.

On arrival in England, the soldier's Pay Account is placed under the Chief Paymaster, London, and a Ledger Account opened there for him. This is his general Pay Account, and all pay issued to him, or on his behalf, is charged up against him in that Ledger. For this purpose, monthly statements of all assigned pay issued at Ottawa are forwarded to the London Office to be there debited in the proper accounts. The Regimental Paymasters in England and the Cashier in the field in France also send in similar statements, so that wherever the man happens to be, whether in England, at the front in France or Flanders, in hospitals at the Base, or in England, the Paymaster or Cashier paying him money takes his receipt for the same and forwards it to the London Office and at the same time enters the amount in the soldier's personal pay-book. Thus a soldier may be to-day in England, next week in the trenches, a few days after in the Base hospital in France and later on in a hospital in England, and may have obtained some pay in each place. In due course, he is pronounced fit to be sent back to Canada. His account is then made up and with it a last pay certificate, which, with other necessary documents, is given to the officer in charge of troops sailing on the particular transport on which the soldier is returning. His Pay Account is thus closed in London and re-transferred to the Casualty Pay Office, Ottawa. Interest is allowed on the soldier's deferred pay and is credited to his account.

Before leaving England, the soldier's pay-book is called in by the London Pay-Office to be checked with the ledger account there. This pay-book should be returned to him before sailing, and this practice is, your Committee understands, now being followed.

Formerly, the practice of the Chief Paymaster, C.E.F., Overseas, was, when issuing the last pay certificate referred to above, which accompanies the soldier to Canada, to forward instructions to the Assigned Pay and Separation Allowance Branch