

which was enacted on October 8th, 1940. (P.C. 5421 is tabled as Appendix 7.) An important paragraph in this order in council is that requiring all departments or agencies of the government and employees and officials thereof to co-operate with the committee and furnish information required.

Results began to flow very quickly from the work of the committee and on December 19th by P.C. 7521 (Appendix 8) provision was made for a rehabilitation grant of one month's pay and dependents' allowances to be issued to each member of the forces upon his discharge provided he had served for a period of not less than 6 months. This was in addition to the provision of transportation to the man's home and a clothing allowance, which at that time was \$35.

On November 27th of the same year it was decided to organize a rehabilitation branch in the Department of Pensions and National Health to administer the civil re-establishment service of the department alongside the treatment branch which was concerned with physical rehabilitation. The formation of this branch was authorized by P.C. 6282 of November 27th, 1940, (Appendix 9). Mr. Walter S. Woods, until that time chairman of the War Veterans' Allowance Board, was appointed Associate Deputy Minister in charge of the rehabilitation branch.

In November and December of the same year two orders in council were passed providing for the remedial treatment of discharged personnel and for the maintenance of their dependents during such treatment.

On December 21, a committee to consider the disposition of canteen funds was set up by P.S. 7520, tabled as Appendix 10.

1941

Three steps of major importance were taken in 1941:

1. The appointment of the Advisory Committee on Reconstruction.
2. The revision of the Pension Act.
3. The promulgation of the Post Discharge-Re-establishment Order.

The advisability of setting up a separate committee to study the broad problem of post-war economic reconstruction arose out of the deliberations of the General Advisory Committee, which found that some of the problems of rehabilitation of ex-service men could not be adequately solved without understanding of the broad economic trends likely to be encountered. I brought this matter to the attention of the Prime Minister in a letter dated February 12, 1941, (a copy of which is tabled as Appendix 11).

The ensuing order in council P.C. 1218 broadening the powers of the cabinet committee to include the reconstruction as well as the demobilization field was enacted on February 7 and is tabled as Appendix 30.

P.C. 6874 formally constituting the Advisory Committee on Reconstruction was not adopted until September 2, 1941, and is tabled as Appendix 31.

Actually the first informal gathering of the members of the new Committee on Reconstruction was held in my office, as early as March 22, 1941. I table as Appendix 12 an extract from the Minutes of that meeting, in order that you may be informed of the nature of the studies which, as chairman of the cabinet committee, I asked these gentlemen to undertake.

The second important forward step of 1941 was the review of the Pension Act. The government introduced a bill which was referred to a committee of the House of Commons consisting of members and ex-members of the forces. That committee heard representations from influential delegations of ex-service men and others, as a result of which the original bill was modified and altered at various points.

The Reference Manual on Rehabilitation, tabled as Appendix 1 contains at page 323 a copy of the up to date Office Consolidation of the Pension Act incorporating the amendments of 1941.