

On September 2, 1939, Order in Council P.C. 2491 was passed, conferring all the benefits of the Canadian Pension Act upon all members of the Canadian Active Service Forces enlisted for service in the "War with the German Reich". The terms of this Order in Council conferred the benefits of the insurance principle upon all members of the forces, regardless of their field of service. On May 21, 1940, further Order in Council P.C. 1971 was passed, rescinding the regulations made by Order in Council P.C. 2491 aforementioned, and conferring the benefits of the insurance principle only upon those who served in a theatre of war, or outside Canada. (England was not considered a theatre of war for pension purposes during the Great War, except in special circumstances, where wounds or injuries were incurred as a direct act of the enemy, such as by bombs, etc.) The effect of the terms of P.C. 1971 is that those members of the forces serving in the "War with the German Reich" who have service in Canada only must prove any disease or disability incurred or aggravated during that service to have "direct causation" in such service, whereas those serving outside Canada will be entitled to the benefits of the insurance principle.

The foregoing covers the basic principles governing the interpretation and administration of our pension laws. The evolution from the "direct causation" to the "insurance" principle is interesting. It has been seen that in 1907 only four classes or degrees of pension were provided for, the first and most important of which was restricted to cases where full disability resulted from "wounds incurred during service," and to qualify for the other three degrees of pension for disability from illness or disease, it must have been proven that the disability was "contracted during service"; and proof of *direct* causation in service was required.

Great changes have been wrought by extension of the "insurance principle." As early as June 23, 1917, an elaborate "table of disabilities, for the guidance of physicians and surgeons making medical examinations for pension purposes" was compiled and issued by the Board of Pension Commissioners of Canada. This table was compiled by a Board of outstanding medical doctors. The measurement or scale of assessing disabilities is based on the average person's ability to earn in the common labour market. A further extension or phase of the insurance principle is reflected in certain special provisions. Section 24 (3) is here quoted to illustrate the special provisions governing disability from tuberculosis:—

24. (3) Pensions for disability resulting from pulmonary tuberculosis, when during the treatment of a member of the forces the presence of tubercle bacilli has been discovered in the sputum or it has been proved that the disease is moderately advanced and clinically active, shall be awarded and continued as follows:—

- (a) In the case of a member of the forces who served in a theatre of actual war and whose disease was attributable to or was incurred or was aggravated during military service, and in the case of a member of the forces who did not serve in a theatre of actual war whose disease was incurred during military service during the war, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;
- (b) In the case of a member of the forces who did not serve in a theatre of actual war whose disease was aggravated during military service during the war, a pension of ninety per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

Provided that after the expiry of two years no pension awarded in respect of pulmonary tuberculosis shall be reduced by more than