

This principle has never been changed. The awarding, refusing, increasing, or reducing of pension in Canada is performed by a judicial body completely free of ministerial direction, and as independent as the supreme court of justice.

Pension Rates

When pension regulations were first set up in 1916 the rates adopted were approximately those which had existed of old in the pay and allowances regulations. But in 1917, on the recommendation of a parliamentary committee, the rates were substantially increased and in 1919, when the act was passed, a 20 per cent bonus over the basic rates for rank and file was added.

In 1920, when the cost of living had reached extraordinary heights never since equalled, parliament awarded a further cost of living bonus which had the effect of increasing the original basic rate by 50 per cent. At the same time minor discrepancies in the rate of pensions for the lower ranks were done away with and pensions were made equal for all ranks below that of captain in the army and equivalent ranks in the other services.

In 1925 this cost of living bonus was made a permanent part of the pension scale, thereby increasing the basic rate by 50 per cent. The rates then fixed have not been changed since that date and it is of interest that the cost of living index maintained by the Department of Labour has never since reached the point at which it stood when the bonus was introduced.

According to the *Labour Gazette*, the index stood at 150 when the bonus was introduced in 1920. It stood at 121 when the bonus was made permanent in 1925, and the highest point ever subsequently reached was in 1929, when the index stood at almost 122, after which, during the depression years, it fell off sharply. Since the outbreak of the present war, there has been a slow but steady climb, and the index in July of this year stood at 120.3. This, it will be observed, is slightly less than the index for 1925, and very much less than the index for 1920 when the bonus was introduced.

The 1920 revision of the Pension Act was one of the most comprehensive ever made. One of the important decisions made by parliament in that year was to raise to the new scale pensions previously in effect for former wars. Pensions payable for service in the Fenian raid, or the northwest rebellion were brought up to the same scale as applied to C.E.F. veterans, and provision was made for the Canadian government to supplement up to the new Canadian scale pensions received by Canadians who had served in the British forces in the South African war. In the following year pensions in force for disabilities incurred during any type of military service previous to the war were raised to the C.E.F. scale.

In 1921 the situation with regard to death or disability occurring after the war was clarified. The new amendment provided that death or disability incurred after the war, to be pensionable, must be due to service as such, that is, directly attributable to performance of military duties. But in 1939 it was enacted that a widow whose husband was in receipt of pension at the time of his death at the rate of 50 per cent or higher should automatically be entitled to widows' pension, irrespective of the cause of death. Previously it had been necessary to prove that death was due to service, unless the pension of the deceased husband had been 80 per cent or higher.

Pension Appeals

In 1922 as a result of representations made by the Great War Veterans' Association the government appointed a royal commission presided over by Colonel J. L. Ralston, which toured the country and took evidence about pension administration. Numbers of amendments followed this enquiry and one of major importance was the introduction of the right of appeal, through the establishment in 1923 of the federal appeal board.