Your Committee recommend that from and after the first of September next, the bonus to pensioners, resident outside of Canada, be the same as that payable to those living in this country, but that the practice of paying all pensions in Canadian funds be continued.

The increased liability incurred by this recommendation is estimated at slightly more than \$650,000 per annum divided about evenly between disability pensioners and widows or dependent parents.

4. (a) The position of widowed mothers in relation to pension has received the attention of every previous Committee and has, as well, been discussed by the House during this and former sessions. The widow of a soldier receives her pension as of right, wholly without reference to her financial position. A widowed mother, on the contrary, has heretofore by our Pension Law been called upon to prove as a condition precedent to award of pension, substantial dependency—either actual or prospective —upon her deceased soldier son.

(b) It is suggested that this distinct variation in treatment arises from that provision of the law which binds every husband to support his wife, while save in the Province of Quebec, no such legal obligation towards a mother is laid upon her son. Even in that Province your Committee is advised a mother must be in need, or in the words of the Pension Act must be in a "dependent condition" before she can substantiate her claim for support.

(c) Parliament has during the past two years ameliorated the position of widowed mothers by providing that no reduction be made in the pension of a widowed mother because of her personal earnings or because she has the advantages of free lodgings, by reason of the ownership of her home or otherwise, nor if she be resident in Canada because she is in receipt of income from outside sources of not more than \$20.00 a month. In so far as that income exceeds the sum of \$20.00 a month the pension is reduced. A reduction is at present also made on account of actual contributions made by other members of the family and not less than \$10.00 a month is deducted on account of each unmarried son residing with her whom the Pension Commissioners consider should be able to contribute to her support.

(d) To the above extent it will be noted there has been a departure from the original and perhaps unreasonable rule, that even the smallest income or emolument accruing to a widowed mother must be deducted from her pension. What is now urged is that a widowed mother shall be paid a pension as of right, without reference to her dependence upon her son or to her own financial resources; or to put it in another way, that widowed mothers shall be placed upon the same basis as widows.

(e) Your Committee has given this subject very earnest consideration. To abolish the existing restrictions and award pension as of right to every mother of a deceased soldier, as and when she becomes a widow, would add many millions to the pension bill. It would moreover result in the anomaly that mothers with ample income would receive an added supply from the country's treasury, while she, who is less fortunate in worldly wealth, although her sacrifice was as great, would have nothing save her pension upon which to live. That a similar anomaly exists in the case of widows does not justify the proposal and your Committee therefore is unable to recommend same.

(f) The question of deducting from pensions the contributions of children has also been carefully considered. The Committee considers that public opinion generally supports the contention that it is the duty of unmarried sons living at home to contribute to their mother's support when able. However, to do away with the objection that a widowed mother's pension is reduced on account of the sons living with her while it is not reduced on account of income up to \$20.00 a month, your Committee is of opinion that the law might well be modified so that the widowed mother's income is considered to include any contribution from children with or away from