

## APPENDIX No. 4

## V. COMMUTATION OF PENSIONS.

It was represented to your Committee that much discontent was caused by the payment of small pensions for disabilities of fourteen per cent in extent and under. The basic pensions for these disabilities amount, at the present time, in the case of an unmarried private, to only two and one-half dollars a month for a disability of five to nine per cent and five dollars a month for a disability of ten to fourteen per cent. Many requests have been made for the payment of a lump sum in lieu of these pensions and your Committee, after a consideration of the evidence given, is of opinion that members of the forces pensioned for disability of fourteen per cent in extent or under should be offered the option of continuing to receive this pension or of accepting a cash payment in lieu thereof based on the extent of the disability and its probable duration. Those who are permanently disabled to an extent of five to nine per cent would be entitled to the maximum payment which would amount to three hundred dollars, and those permanently disabled to an extent of ten to fourteen per cent to the maximum of six hundred dollars.

## VI. GENERAL.

Your Committee received many suggestions on the subjects dealt with in the above clauses I. to V.; these suggestions have not been set out in full, as to do so would unduly expand this report; the decisions reached and here reported indicate they were duly considered. In addition to such suggestions others dealing with pensions were received, which, in the opinion of your Committee, could not be favourably recommended. It is thought well, however, to incorporate these latter suggestions in this report and to follow each by a short note of the reasons which compelled the Committee to reject the same.

*Suggestion (a)*—"That the inequality of pensions of officers and other ranks should be reconsidered and abolished."

NOTE.—This suggestion has been considered by every Parliamentary Committee on Pensions. In view of the undertaking given at the outbreak of the war it has been deemed impossible to reduce the pensions awarded to officers. As has already been stated, the increases now proposed bring to an equal basis the pensions of all below the rank of Captain: this means that nearly 99 per cent of those in receipt of pensions will be paid exactly the same amounts.

*Suggestion (b)*—"That pension be based on the earning capacity of the individual."

NOTE.—This suggestion has also been considered by earlier Committees. It has not appeared practicable in this country to adopt such a plan. To do so would discriminate against those pensioners who, prior to the war, were not earning so large an income as their more favoured comrades, and against those who, because of their youth, were until enlistment maintained by the parents. The increases suggested will bring the pension of a private soldier, if he be a married man with a family, up to and much beyond the maximum amount awarded to Imperial pensioners under a plan in force in Great Britain analogous to the one proposed.

*Suggestion (c)*—"That the dependents of a pensioner who contracted marriage subsequent to the appearance of disability or to discharge from the Forces be not discriminated against in the benefits of the Pension Act."

NOTE.—As the law now stands, a woman who marries a soldier after he is disabled is not entitled to a pension on the death of her husband. Should, however, her husband's death be due to service, his children may be awarded a pension. The above