

Canada Prize Act

money is regarded as an anachronism. To quote again from the *Times* of December 20, 1945:

There is a widespread feeling that it would suit modern conditions of service better for this historical relic to be assimilated into the normal grant of gratuities on future occasions.

Hon. members will observe from clause 4 of the bill that the proposal is to pay the naval share to the naval benevolent fund and the air force share to the R.C.A.F. benevolent fund. No difficulty is encountered in connection with the air force share; there is no precedent for payment of individual shares in the case of the air force.

I think I should clear up one or two points. There was no undertaking, express or implied, that prize money would be paid on a share basis to personnel of the Royal Canadian Navy. We were therefore free to choose the method of distribution most appropriate to Canadian conditions, and best calculated to benefit naval personnel generally.

The various possible methods of individual distribution were carefully considered, and one by one they were eliminated as unfair and inappropriate to modern conditions of service.

The solution of paying a share to all who served in the navy without regard to rank or sea service was obviously impracticable. The proposal that only persons who had service at sea should benefit is also open to serious objections, because some of those who served on land might have contributed as materially to the taking of a prize as many of those who served at sea. Indeed only two prizes were taken by the Royal Canadian Navy throughout the course of the war. Moreover, if a period of sea service was laid down as a prerequisite, how long a period should it be? One day, one year, or the British qualifying period of 180 days? But what about men who were killed in action after a period of less than 180 days at sea? It became apparent that any arbitrary minimum period would make for unfair discrimination and would be quite unrealistic.

Then of course the question whether or not rank should be taken into account gave rise to difficulty. After the first great war an admiral received 283 times as much as a seaman, and in the United Kingdom on this occasion the differential is reduced to ten times; but still what is the proper differential?

I suggest too that the reason for prize money has long since disappeared. Today officers and men of the navy are paid on exactly the same basis as officers and men of the army and air force. The conditions of service are similar. The sacrifices involved are similar. It was our aim to treat everyone

[Mr. Claxton.]

alike. On these accounts we could not see any justification for continuing what everyone regards as something that is utterly out of date. Therefore rather than wait until the next war—if there is to be a next war—to abolish this, or to refrain from making the payment, the naval board recommended to the government that we should adopt this course as in the interests of the great body of sailors, and as a disposition of the matter which would please the greatest possible number.

It has been suggested that we should have adopted another approach to this matter, and consulted the men who might have benefited. Well, before we could consult them we would have had to ascertain who they were, and that was exactly one of the matters which gave rise to the greatest difficulty and one of the chief objections to the whole matter. Of course, the naval officers on the naval board themselves would have benefited from prize money, and they themselves unofficially consulted many of their comrades.

I submit, Mr. Speaker, that the manner in which it is proposed to dispose of the fund is one which best meets the circumstances. The proceeds of prize money are very similar in their nature and origin to the proceeds from canteen sales and sales of commodities made through the savings of ships' companies themselves, and should therefore be disposed of in the same way as proceeds of canteen funds, and the like, which are paid over to the naval benevolent fund.

That was the course decided upon by this parliament before with respect to canteen funds, and we believe that it is the right course to follow in this case. Therefore, Mr. Speaker, I hope that the house will agree with the proposals put forward in this bill.

Mr. Coldwell: Will the hon. gentleman permit one question? He has told us about the anachronism of prize money, and how it was paid in the past. How does it originate? On what basis?—on the basis of the number of ships captured and sunk, the number of men in those ships who are captured or killed, or how?

Mr. Claxton: It has varied through the centuries; but substantially the prize money is the actual value of the ship and cargo that is taken in prize from the enemy.

Mr. Macdonnell (Greenwood): How measured?

Mr. Claxton: By the disposal value of the ship.