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Compensation
for
Ex-Members
of the
C. E. F.

By

"Gunnar"

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Carl
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G.

Great War Veterans Association of Canada



*Success can only be achieved by united
action backed up by public opinion.
Members of all Veteran organizations
should forget all personal differences
and unite on this one question.*

The case for ex-members of the C.E.F. as outlined in this booklet does not exhaust all the arguments which may be produced in support of Compensation.

In its present form, however, the argument has been unanimously endorsed by the Toronto and York County District Command, comprising the following branches of the G.W.V.A. :

TORONTO BRANCHES.

1. Riverdale Branch.....Jas. Hawkins.....453 Broadview Ave. Ger. 130.
2. Central Branch.....Geo. Murrell.....41 Isabella Street. North 2506.
3. West Toronto Branch...G. E. Brunton.....749 Dovercourt Road. Ken. 365.
4. Parkdale Branch.....J. R. Nicholson.....9 Sheridan Avenue.
5. Earls court Branch.....V. T. Major.....144 Ascot Avenue. Ken. 3903.
6. Mt. Dennis Branch.....H. Britton.....5 Chryessa Avenue, Mt. Dennis.
7. North Toronto Branch..A. Ford.....23 Erskine Avenue. Bel. 2673.
8. Beaches Branch.....A. J. Shaw.....169 Kenilworth Avenue.
9. Silverthorne Branch...B. Stittle.....549 Blackthorn Ave., Silverthorn.
10. General Mercer Branch..W. H. Brown.....15 Macauley Ave. Jct. 7383.
11. East Toronto Branch...L. Taylor.....1 Rosevear Avenue. Bel. 3247W.
12. Roden Branch.....R. H. B. Jones.....347 Rhodes Avenue. Ger. 6884.
13. Weston Branch.....J. P. Allan.....Weston, Ont.
14. Lake Shore Branch.....W. H. Balchin.....Box 444, New Toronto.
15. Swansea Branch.....D. Green.....16 Kennedy Av., Swansea. Jct. 832.
16. Todmorden Branch.....C. Redfern.....136 Gamble Ave., Todmorden.
17. Lambton and District..J. Vaughan.....26 Florence Cres., West Toronto.
18. Fairbank Branch.....J. E. Walsh.....6 Bude Street, Fairbank.
19. Scarboro Branch.....E. T. Shaw.....566 Pinegrove Ave., Birchcliffe P.O.
20. Woodbine Heights.....T. Gatenby.....62 Savoy Ave., Woodbine Heights.
21. Oak Ridge Branch.....F. G. Mills.....99 Wanstead Ave., East Toronto.
22. Willowdale Branch.....T. Jarrett.....Willowdale, Ont.

The joint Executive Council of the above-named Branches authorized the printing of this booklet for distribution at cost price, and its circulation, in the first instance, has been ordered with the hope that it will result in united action by all Veterans in support of Compensation for ex-members of the C.E.F

WILFRED W. PARRY,
President,
Toronto and York County Dist. Command, G.W.V.A.

Compensation for Ex-Members of the C.E.F.

FOREWORD

By "THE GUNNER."

In endeavouring to construct a logical and reasonable argument for ex-service men, and their dependants, in the matter of **compensation for the loss in purchasing power of the dollar during the period of the war**, the writer desires to point out to those interested that it is not to be confused with any so-called **\$2,000 or bust** gratuity proposals whatever. Indeed, it were better that the term "gratuity" (which means **something for nothing**) be dropped from the Veterans' vocabulary forever, and that the problem, in future, be correctly defined as **compensation**, to which ex-members of the C.E.F. are entitled.

It should be clearly understood by the public at large that the ex-member of the C.E.F. does not **ask for, or expect**, any extra grant of money **for any services he may have rendered the State, but he does expect, and has a right to expect**, that when the cost of living increased to such a degree that the wages of 1914 became insufficient in subsequent years to provide the wage-earner with the ordinary necessities of life, then, as stated, the soldier-wage-earner has a right to expect the same consideration at the hands of the State as was given to every other class of wage-earner, State or Civilian, viz., **compensation for the shrinkage or loss in purchasing power of the dollar, during the period of service.**

It is hoped that this argument will be carefully considered by every Branch, and as far as possible, **every member of the G.W.V.A.—not as a new scheme, for it is not that—but as an argument which we may all use**, without any hesitation: an argument devoid of sentiment—but based on cold reason sustained by facts, in support of the Montreal resolution, adopted at the last Convention, which calls for a **bonus payment**; or, in our judgment, more properly defined as **compensation for the loss in the purchasing power of the dollar**, at the rate of \$1.00 a day, from date of enlistment to date of discharge,

for those with service on a belligerent front ; with lesser amounts for those with service in England and Canada only. There is also a minimum provision of \$1,000 for those men, who joined up voluntarily early in the War, and who were returned to Canada and discharged for disabilities due to wounds, **with probably less than one year's service.** In fixing a minimum for such men, it should be remembered that their pensions at that time were miserably inadequate, and it is a simple matter of justice that a minimum amount of compensation should be stipulated in such cases.

It should be emphasized that the recognition of the principle, and the granting of **compensation** to ex-members of the C.E.F. by the Government, based on the average loss in the purchasing power of the dollar, during the period of the War, **will enable Veterans to largely re-establish themselves.** Furthermore, this is not a question of **need of re-establishment**, it is a matter of right ; the State has yet to fulfil its obligation to ex-service men, in the matter of Pay and Allowances, and the manner or method of using such monies, which it is claimed should be paid to ex-members of the C.E.F., is **not so much the concern of the State, as it is the duty of the State to pay the money or compensation.** There is not the slightest doubt but that the uses to which the ex-member of the C.E.F. would apply the proposed monies, **would result in tremendous industrial activity** and would open up an era of prosperity in Canada, spreading from coast to coast, to the general benefit of all citizens.

Frequent use has been made of the phrase "fundamental principles," also that of "Canada first," by those who either openly or covertly profess unctuous disapproval of the claim of the ex-member of the C.E.F. for **compensation**, but with due respect for the opinions of members of the organization who may disapprove of this argument, we would point out that the "fundamental principles" which have been considered sufficient to secure, from Parliament, various financial grants to Civil Servants, Members of Parliament, and Railway Companies, are the same "fundamental principles" upon which we have endeavoured to construct our case. Furthermore, to those admirable gentlemen, who ask us to place **Canada first** as a principle, we may indeed point out and insist that **those who desire to place Canada on the highest pedestal of honor**, must see to it that Canada discharges her obligations **in full** to her greatest creditors—**her Ex-Soldiers.**

In conclusion, let us take the greatest care that **we have a just cause** ; then let us **fearlessly prove it to the public at large.** Our duty will then have been done ; we shall be acting in accordance with our Constitution, and we can rest assured

that just as soon as our friends the "general public" are convinced that we are "right," we shall no longer have to reckon with an irritated public opinion, rather a mandate will be given to Parliament to bring down legislation making the necessary provisions to **compensate every ex-member of the C.E.F. for the loss in the purchasing power of the dollar.**

"GUNNER,"

Member Central G.W.V.A.,
Toronto & York County Dist. Command.

January 18th, 1920.



SUMMARIZED REPORT OF PARLIAMENTARY COMMITTEE ON RE-ESTABLISHMENT

The following extract from the final report of the Parliamentary Committee on Re-establishment is a clear indication of the Government's attitude towards the ex-member of the C.E.F. :

"Summing up the whole situation, your Committee are convinced that as regards the problem of re-establishment generally, the Canadian people and their representatives in Parliament, as well as the Government, have always shown an earnest desire to meet any real need that has arisen or may exist. Parliament, heretofore, has not been parsimonious in the voting of money, whenever, and wherever the expenditures were shown to be necessary. Frequently, however, the opinion was expressed in Parliament that the greatest care should be taken to **avoid any action that would tend to deprive the soldier of his self-reliance and self-respect.** It was thought to be against the best interests of the soldiers themselves **that they should rely unduly upon the State** in the period following discharge.

Your Committee concur in these views. After hearing all the evidence they agree that the best policy towards the soldier is to **surround him with conditions that will tend to strengthen his self-confidence and self-reliance."**

In commenting upon the foregoing summarized findings of the Parliamentary Committee, we may presume that when the members of Parliament voted themselves an extra Gratuity of \$2,500 each, at the end of the year 1919, and later in 1920 the same members of Parliament, and Cabinet Ministers, voted themselves a permanent increase in Sessional Indemnities of \$1,500 a year, and more, **far from being parsimonious, they weres surrounding themselves with conditions which tended to develop and strengthen their own self-confidence and self-reliance.**

We may add at this point, that if Parliament still desires to surround the ex-member of the C.E.F. **with conditions that will tend to develop his self-confidence and self-reliance,** they can most successfully do so by **paying each ex-member of the C.E.F. what they owe him, not for any services rendered,** but Compensation for the recognized loss in purchasing power of Pay and Allowances from date of enlistment to date of discharge.

THE PREMIER AND THE VETERANS

The following questions were submitted by the G.W.V.A. Toronto District Command to the Premier, Hon. Arthur Meighen, at the Massey Hall on November 19th last. The Premier gave answers as stated :

- (1) Will the Government consider the re-opening of the **Gratuity Question** during the next session of Parliament? Answer.—No.
- (2) Will the Government give consideration—for the benefit of Veterans—to the **application of the governing principle of bonuses**, as applied to
 - (a) Civil Service Bonuses.
 - (b) Increase of Sessional Indemnities to Cabinet Ministers and Members of Parliament.
 - (c) The granting of Increases in Freight, Passenger and Pullman Car rates, to Railway Companies. **viz., the shrinkage in the purchasing power of the dollar.**

Answer.—The Government has, AND ALWAYS WILL.

We will refer to the Premier's answer to the second question, hereinafter. In the meantime, we desire to particularly emphasize the statement of the Premier that the Government **always** will give consideration to the **application—for the benefit of the Veterans—of the governing principle of bonuses.**

The members of Veteran organizations who have constantly studied the problems affecting ex-service men must be impressed with one outstanding fact, that whereas the Government has spared no effort to instil in the mind of the public at large, how much more Canada has done for the ex-soldier, than any other Allied country, the Veteran organizations have yet to make a National Effort for the purpose of presenting to the public, the case for the ex-service men ; to expose some of the discriminatory legislation, omitted from the Premier's speeches when in the West, and show in a fair manner, **what the Government has not done for large and important numbers of returned men.**

It must be admitted that the Premier (according to Press reports), made a very favourable impression upon his audiences throughout Western Canada, due, no doubt, to a generous reference to various Orders-in-Council, and a still more generous use of huge figures representing monies stated to have been allocated by the Cabinet for the re-establishment of the returned soldier. It is suggested, however, that a review of the Orders-in-Council affecting returned men, will convince unbiassed citizens that in one or two important respects **the Government has not yet fulfilled its obvious duty to the ex-member of the C.E.F.**

ORDER-IN-COUNCIL CLOTHING ALLOWANCE.

During the period, August, 1914, to April 1st, 1918, approximately 30,000 men—all Volunteers—were discharged from the C.E.F. with a clothing allowance of \$8.00 in summer and \$13.00 in winter, a ridiculously inadequate allowance—yet notwithstanding the inability of men so discharged to re-clothe themselves, either in summer or winter, with the pittance allowed by the Government, it did not occur to the Minister of Militia to make any recommendation for the granting of a more reasonable allowance. It fell to the three soldier members of the Repatriation Committee—members of the G.W.V.A.—to forcibly impress the Cabinet with the need for an increased clothing allowance. It was recommended that at least \$50.00—not an extravagant amount—be provided for the purpose of re-clothing a man on discharge. However, **the Government considered \$50.00 too much** and substituted an allowance of \$35.00—winter and summer—as an adequate provision for civilian clothing, in spite of the fact that the retail prices of clothing had risen at least 300% to 400% during the war period.

As an example of gross discrimination against the men who joined up early in the war, it should be noted that the Order-in-Council was made operative—**not from the beginning** of the war—**but from the 1st April, 1918, only**, thereby giving the benefit of the increased allowances to all those discharged from the C.E.F. subsequent to that date (including all M.S.A. enlistments), **but actually penalising each and every one of the 30,000 Volunteers who were discharged prior to the 1st April, 1918**, with the miserable allowances of \$8.00 in summer and \$13.00 in winter.

It is no excuse for the Government to claim that clothing was not quite so costly when these 30,000 men were discharged, **because the allowances of \$8.00 and \$13.00 never were sufficient at any time in the history of Canada**, and it is the duty of the Government of this Dominion to remedy this

odious discrimination against a class of men who have earned every cent. of the increased clothing allowances, and of which the Government, by its arbitrary action, has deprived them.

WAR SERVICE GRATUITY.

This Order-in-Council provides for the payment to ex-service men, on discharge from the C.E.F., of from **one to six months' pay and allowances** (according to length and place of service) calculated on the daily rate of pay and allowances on discharge, except that in the case of "Other ranks," a married man would not receive more than \$100.00 a month, and a single man (without dependents) \$70.00. This limit does not apply to "Commissioned Ranks," who received full pay and allowances, without limit.

It is stated by those who are well informed that this Order-in-Council, W.S.G., was, in fact, a measure of military expediency, having some direct connection with that clause in the Service Attestation Papers, signed by every man on joining the C.E.F., and by which he pledged his body and soul—for King and Country—**during the period of the war, and six months after.** However, several interpretations of the Order have been offered by the Government, and one of the first was that given by a Major Beatty, of Ottawa (one of the originators of the Order-in-Council) who endeavoured to explain why the Government provided twice as much financial recognition for the man who went to England, as they did for the men who, for various reasons, served in Canada only; also why the men who fought in France were rated the same as the men who served in England only. The Major, on behalf of the Government, pointed out that the men who went to England ran the risk of submarines while crossing; furthermore, were subjected to air raids while in England, **and for which reason the Government gave them twice as much as they gave to the men who did not cross to England, and consequently ran no risks.** The Major was quite unable to explain why the Government failed to provide any extra recognition for the men who actually went to France and fought; his only observations being that after the Government had made provisions for the England and Canada men, **there was no money left for the men who went to France.**

The explanation offered by the official representative (Major Beatty) was abandoned by the Government, as it exposed the Government to **the charge of wilful discrimination against the fighting men of the C.E.F.,** but as some official interpretation of the motive behind the Order-in-Council was essential, it was left for the Acting Prime Minister, Sir George E.

Foster, to give the official and now accepted understanding of the Government's interpretation of this legislation. It was stated in the House of Commons by Sir George E. Foster, that War Service Gratuity was not intended as any recognition for any military service whatever, **but was merely intended to tide a man over the critical period after demobilization ; to protect a man against unemployment on discharge from the C.E.F.**, but this explanation brings with it also the charge against the Government of discrimination **against that class of men who needed the most protection on discharge.**

The financial protection provided by the Government for those ex-members of the C.E.F. (for whom we have every respect) who held the higher ranks while in the army, and who on demobilization had the pick of most of the worth-while positions at the disposal of the Government, **is out of all proportion to the supposed risk of unemployment ;** the protection given being from \$2,500 to \$4,000 or \$5,000 according to rank.

Oh the other hand, for the ordinary ex-member of the C.E.F., **threatened with actual unemployment on discharge,** with the probable added responsibility of providing a new home for his family, the protection offered by the Government **amounts to no more than from \$300.00 to \$600.00.**

The figures speak for themselves, and taken in conjunction with the statement of Sir George E. Foster, proves that this boasted legislation, involving an expenditure of \$170,000,000, **gives the most protection to those who need it least, and the least protection to those who need it most.**

PENSIONS.

In the matter of Pensions the Government have taken a great deal of credit for what they regard as the most generous scale of pensions in the world, but we may with truth remind them, that the honors in this respect rest with the Great War Veterans' Association, who have at all times urged upon the Government that the Pensions for the Widows and Orphans, and disabled ex-service men, **must be adequate and in full proportion to the high cost of living.**

It is not generally known by the public that the actual total disability pension is only \$600.00 a year, supplemented by a bonus of 50%, which may be removed at will by Parliament after August 31st, 1921, although in the light of recent events **it will be difficult for members of Parliament to vote for the removal of the Pension Bonus, unless they are also prepared to recommend, at the same time, a reduction in their own salaries** (which is most unlikely).

It is also not generally known that the Canadian Pensioners who suffer from disabilities contracted on active service, and who, for reasons of health and on the advice of medical officers, are compelled to live elsewhere than in the Dominion of Canada, **only receive a bonus of 20% on their pensions, and this bonus will cease on and after September 1st, 1921.**

A glaring instance of Parliamentary selfishness may be cited when the Parliamentary Committee on Pensions, which sat in March, 1920, made their recommendations to Parliament about June, 1920, to increase the Pension Bonus to widows and Orphans and disabled ex-service men.

The members of the House approved the recommendations of the Committee on Pensions, **but made the increased bonus effective from the ensuing September 1st, 1920.** On the other hand, when the same members adopted an Act to increase their own salaries **\$1,500 a year—from \$2,500 to \$4,000—the increase was made retro-active to the beginning of the session.**

Can the members of Parliament justify this discrimination against the widows and orphans and disabled ex-service pensioners? What does the Premier say about it?

SOLDIERS' SETTLEMENT BOARD.

As a measure of business designed to develop the Canadian West, and as a means of enabling owners of large tracts of agricultural land to dispose of their holdings to ex-service men at a handsome profit, **no fault can be found with the Order-in-Council.** It is a hard business proposition from the Government point of view, and cannot be regarded as a philanthropic or disinterested measure specially created for returned men. This method of disposing of Western lands has been in force for a considerable length of time prior to the outbreak of the war; and was operated for colonisation purposes by the C.P.R. when disposing of "Ready-made farms" along the railway lines.

Appropriations have been made by Parliament approximating \$80,000,000, which amount is required to establish about 20,000 ex-service men on farms, providing **they have the necessary agricultural qualifications, and are physically fit.**

This measure may, indeed, be regarded as a boon and blessing to certain interested landowners, and possibly about 8% of the ex-members of the C.E.F., but what about the remaining 92% comprising the vast army of physically unfit, as well as the business and professional men, who have no agricultural qualifications or inclination, **all of whom are debarred from any benefits under the S.S.B., but who through the Federal taxes are compelled to pay their portion of the \$80,000,000.**

Illustrating incomprehensible discrimination against a certain class of returned men—take the ex-soldier **fishermen** of British Columbia, and the Maritime Provinces, who, as important **national producers** of fish from the seas are as much entitled to the same **loan privileges** as are granted to the farmer class, on the ground that they produce food from the land. **The Government think not**, yet they tax the fisherman to establish the farmer on the land ; **but apparently are loath to tax the farmer to establish the fisherman at sea.**

We feel inclined to ask, whether the daily risks, common to the lives of our fishermen, are regarded as being too great to be accepted by the Government ; or is it that there are no friends of the "Mighty" at Ottawa yet in control of the seas and oceans, **and the fish therein**, who might profitably exploit the ex-service fishermen.

Possibly some official of the Government may offer an explanation why such discrimination should exist. What does the Hon. Mr. Calder or even the Premier himself say about it ?

INSURANCE.

Provision has been made by the Government for insurance, without medical examination, of any ex-member of the C.E.F. who may be unable to secure insurance from ordinary life companies, at ordinary rates, owing to various disabilities.

While this insurance may be of some benefit to the dependents of the ex-service men suffering from slight or non-pensionable disabilities, inasmuch as insurance benefits would be paid to dependents of insured on death—no matter whether death might be attributable to a war disability or to other causes.

In the case, however, of a pensioner suffering from a serious disability, and for which he may be in receipt of a substantial pension, if such pensioner takes out insurance for the benefit of his dependents **the provisions of the Government insurance state that in the event of such pensioner's death being directly attributable to a war disability, the dependents of such pensioner shall receive no insurance benefits whatever**—the Government merely undertaking a refund of the insurance premiums—plus interest at 4%.

This is simply a case of penalizing the dependents of a pensioner who, in the service of his country, contracts a serious disability, which results in his death.

D.S.C.R.

This department was created for the purpose of providing re-training for partially disabled ex-service men, and minors. Approximately \$60,000,000 allocated for the use of this Department.

Regulations provide that any man suffering from a war disability which prevents him from following his pre-war occupation, may be given vocational re-training in **some other occupation**, together with pay and allowances (less pension, if any) while on the strength of the D.S.C.R.

However, the following should be noted as proof of the existence of regulations which do not add to the efficiency or usefulness of the Department :

- (1) A man on enlistment is a bank clerk—in line for a Bank Accountancy. Wounded during the war to such an extent as to impair his general efficiency. Applies for course of training in the D.S.C.R. as a Bank Accountant. Course refused by the Department on the ground that **he already knows something about bank accountancy**, having been employed in a bank on enlistment. However, the D.S.C.R. is prepared to re-train this man **as a cobbler** (at an approximate cost to the country of from \$1,000 to \$1,500.)
- (2) A man (son of a farmer) farming at time of enlistment. Intended to follow farming as a life occupation, on return from overseas. Loses his right leg as an infantry officer. Discharged from the infantry ; accepted as a flying officer in the Air Force, and in spite of physical disability—the loss of his leg—was flying for two years on the Western front. Demobilized in Canada. Refused Agricultural Course by the D.S.C.R., also refused **loan by the S.S.B.** on the ground that he is physically unfit. **D.S.C.R. would be prepared to give this man a course** (costing approximately \$2,000) **in assembling parts of a cash register.**

This man is now carrying on as an efficient farmer— notwithstanding the adverse decision of the Department.

The real point in these cases is that the men in question were eminently suitable for training as Bank Accountant and Farmer respectively, for the reason they were already grounded in those occupations ; yet for the same reason they were disqualified by the Department, although the D.S.C.R. were quite prepared to spend three or four thousand dollars in training these men to follow occupations for which they were not suited, with the result they would have considerable difficulty in successfully establishing themselves in civil life on a permanent basis after discharge from the D.S.C.R.

Notwithstanding statements published by the D.S.C.R. that 95% of the men who have been re-trained by the Depart-

ment, have been successfully and permanently placed in good positions by the Service Department of the D.S.C.R., there are large numbers of their ex-students (it is stated by those qualified to know, there are thousands) who are unemployed and in distress throughout Canada to-day, because of the fact that they were thrown on the skilled labour market **only partially trained** to compete with mechanics in various occupations whose training had taken years to accomplish.

The unemployment situation as it exists in Canada to-day, winter, 1920-21, is a sad commentary on the efficiency and success of the D.S.C.R., when it is borne in mind that a large proportion of the unemployed ranks in Canada to-day are filled with men who have been retrained by the D.S.C.R., which would point to at least one conclusion, that there has been a tremendous waste of public money.

D.S.C.R. MEDICAL TREATMENT.

A study of the table of Pay and Allowances for ex-members of the forces, who are on the strength of the D.S.C.R. for medical treatment in Canada, is a startling revelation of the fact that the Government **do not regard men on discharge from the C.E.F. as equal.** Differences in rank, with the accompanying differences in rates of pay and allowances were a necessary part of the Army organization, but, surely, in this boasted democracy of the Dominion of Canada, one would have thought that when the ex-members of Canada's democratic army—the C.E.F.—were re-clothed in civilian glad-rags, and once again in their right mind—the former distinctions of rank might well be forgotten, except as a matter of courtesy. However, the authorities of Ottawa, steeped in traditional red tape, who are responsible for the table of Pay and Allowances for those taking treatment on the strength of the D.S.C.R. **consider it proper for one man, taking medical treatment on the strength of the D.S.C.R. (who happened to be a private soldier in the C.E.F.) to receive \$45.00 a month while taking such treatment ;** on the other hand, those same authorities consider it right and proper to pay another man, taking similar treatment in the same hospital, on the strength of the D.S.C.R., from **\$225.00 to \$670.00 a month, according as he may have been either a colonel or a major-general in the C.E.F.**

The ex-member of the C.E.F., **whether an ex-private or an ex-major-general becomes a man in civil life, upon whom Federal taxes are levied irrespective of any rank he may have held in the army.**

PAY AND ALLOWANCES AND C.P.A.

Much has been said on many occasions by Cabinet Ministers and others that the Pay and Allowances of the Canadian soldier were higher than those paid by any other Allied Government. Quite apart from the fact that both the Australian and New Zealand soldiers were paid a higher rate than that paid the Canadian soldier, **the real question is—Did the Canadian Government pay enough ?**

According to the findings of the Parliamentary Committee on Re-establishment, as contained in the fourth and final Report, October 31st, 1919 (page 47), "The term" wage is but relative. A wage is low, sufficient or high, only in proportion as it enables the wage-earner to **reasonably provide for his wants in the country where he lives.**

The daily wage of the ex-member of the C.E.F. was \$1.10 for a single private—plus \$20.00 a month (subsequently increased to \$30.00 a month) as separation allowances for married men. **This rate was fixed, no doubt, after taking into consideration the current cost of the necessaries of life in 1914.**

Was this rate **low, sufficient or high ?**

That it was certainly not high, but low, cannot be disputed ; that it was **not sufficient** is more than proved by the action of the Government in allowing the Canadian Patriotic Association—a semi-state charity—to **assume the obligations of the State in the matter of adequate pay and allowances which it was the bounden duty of the Government to shoulder themselves.** The fact that it was necessary to supplement the Government scale of Pay and Allowances with contributions from the funds of the **Canadian Patriotic Association** proves conclusively that the rate of Pay and Allowances fixed by the Militia Department was not only **low**, but **insufficient** to provide for the reasonable wants of the soldier wage-earner and his family in the country in which they live.

If the term "wage"—or \$1.10 a day—is but relative, and it is to be regarded as **sufficient** only when it enables the **wage earner to provide for reasonable wants** (such as sugar, butter, bread, beef, milk, bacon, house rent, clothing, and coal, etc) at **prices ruling in 1914**, then it is obvious that any person in receipt of wages based upon commodity prices in 1914, could not possibly purchase the necessaries of life at **1918 prices**, unless a corresponding increase in wages had been granted, and as **no such increase of soldier's pay and allowances was ever granted**, it is equally certain that specific portions of vital daily food disappeared from the table of the soldier's family for the **simple reason that their daily rate of pay did not enable**

them to purchase the necessaries of life at the increased prices, and over which they had no control.

The soldier and his family were **entitled** to a daily wage which could be regarded as sufficient to **reasonably provide for the necessaries of life—no matter what their cost might be**. If the soldier's wife and family are entitled to a ration of butter when it costs 25c. a lb. they are equally entitled to just as large a ration of butter even if, and when, it costs 50c. a lb. Again, if the soldier's family is **entitled** to Pay and Allowances calculated to provide a lb. of sugar at 6c. a lb. they are equally entitled to a full lb. of sugar when it costs 24c. a lb., **or to increased pay and allowances** to enable them to purchase the sugar at the increased price of 24c. a lb.

It could never be considered just or right that the soldier's family be required to **lower their standard of living** (by going short of necessaries) in order to meet the new economic condition that had arisen. Such being the case, it must then be admitted that just as soon as prices of the necessaries of life increase, and create conditions such as make it impossible for the soldier wage-earner to **make both ends meet**, then the wage of the soldier becomes **insufficient** and it was, and is now, the duty of the Government to remedy that condition by **granting an adequate increase of pay and allowances**, based on the loss in the purchasing power of the dollar.

What did actually take place in this regard? According to the Parliamentary Report, already referred to (see page 47), it states:

"During the war millions of men were withdrawn from production—millions of others devoted themselves to purely war work. There was a tremendous shortage and destruction of the necessaries of life. As a result, **the prices of all classes of commodities gradually increased and with the increase came the demand on the part of labor for higher and higher wages to meet the new economic condition that had arisen**. Throughout the last three years of the war, the world round, **labour struggled to make both ends meet**. Unrest, disturbances and strikes were the order of the day, **not that the workman desired to amass wealth, but because conditions of living were such as to make it impossible to live upon wages received in pre-war days.**"

A comparative statement of the prices of the necessaries of life in the years 1914 and 1918, shows how very necessary it was for the wages of the workman to be increased:

	1914.	1918.
Sugar.....	6c. a lb.....	24c. a lb.
Bread.....	6c. a loaf.....	16c. a loaf.
Butter.....	25c. a lb.....	70c. a lb.
Beef.....	25c. a lb.	60c. a lb.
Milk.....	7c. a quart.....	17c. a quart.
Bacon.....	25c. a lb.....	60c. a lb.
House Rent....	\$15 a month.....	\$45 a month.
Coal.....	\$6.50 a ton.....	\$18 a ton.
Clothing.....	\$15 a suit.....	\$45 00 a suit.

The foregoing figures speak for themselves, and prove that for a considerable period of time an economic condition existed, so far as the soldiers' families were concerned (over which they had absolutely no control) which made it impossible for them to make both ends meet. **It was the obvious duty of the Government to compensate every member of the C.E.F. for the indisputable loss in the purchasing power of their wages,** which had been calculated on a pre-war basis.

In support of the contention that **compensation** should be granted, the following additional arguments are submitted.

CIVIL SERVICE BONUS.

The attention of the Premier, the Hon. Mr. Arthur Meighen, is drawn to the statement of the Minister of Finance, Sir Henry Drayton, who in the early part of the year 1920, brought before the House of Commons a bill, providing for the payment of bonuses to civil servants, and involving the appropriation of \$12,000,000. Speaking on behalf of the bill, Sir Henry Drayton, Minister of Finance, informed the House that it would be an injustice to withhold the bonuses in question from civil servants, who by virtue of the fact of being **state employees** were unable to take advantage of the high wages prevalent in the industrial world during the period of the war, and as a consequence suffered financial losses which adversely affected their material comfort, and this taken in conjunction with the existing high cost of living, was urged as proof **that it was the duty of the Government to protect the self-sacrificing servants of the State by granting them a bonus to compensate them for the high cost of living.** The Government granted the bonus asked for ; and the members of the House apparently approved the arguments used by Sir Henry Drayton.

In presenting the case for the ex-member of the C.E.F., we agree with the arguments used by so eminent an authority as the Minister of Finance on behalf of the Government. **The arguments appear to us to be reason-**

able and fair ; but wherein lies the difference between the State Employees who served their country in Ottawa, or any other administrative centre, and that other important class of **State employees who also served their country (suitably clothed with tin hats and gas masks)** any place, and every hour of the day and night, for \$1.10 per day.

The pay and allowances of the servant of the State, when in France or some other belligerent front, suffered more by **loss of purchasing power**, than did the pay and allowances of the civil servants of the State in Ottawa or any other part of the Dominion. **The dollar of the soldier's wife in Canada** could not buy any more than the **dollar of the civil servant's wife**, which is a very good reason why there should be no discrimination.

Furthermore, the value of the French franc shrunk from 20c. to 10c. (see page 42, Parliamentary Report), yet the Paymaster's Department paid the troops in France **at the rate of five francs to the dollar**—ignoring the fact that the equivalent of the dollar, **if paid in French francs in Paris would at least be at the rate of ten francs to the dollar ; and twenty francs to the dollar if paid to the troops by the Battalion Paymaster in the up-line billeting area.**

All of which proves that the servant of the State, even though he be dressed in khaki—gratis—is **just as much entitled to compensation for the loss in purchasing power of the dollar**, as those civil servants of the State whose claim for compensation has already been successfully championed by the Minister of Finance, and **approved by Parliament.**

INCREASED SESSIONAL INDEMNITIES.

It is interesting to note that the arguments advanced by 95% of the members of Parliament in support of their claim to an increase in sessional indemnity from \$2,500 to \$4,000 a year are simply those used by the ex-members of the C.E.F. The invariable argument used by the members of the House was that the \$2,500 indemnity, due to the high cost of living; was in fact, only **worth \$1,200**, which reduced to dollar proportions, means that the dollar of the member of Parliament was worth 48c. Therefore, if the shrinkage in the value of the dollar of the member of Parliament—worth only 48c.—is regarded as a sufficient reason for a general **increase of sessional indemnity amounting in each case to \$1,500 a year**, then it is contended with equal force and justice by every member of the C.E.F. that there is no difference between the dollar of the member of Parliament and the dollar of the ex-member of the C.E.F.—that the loss of purchasing power affects both classes equally, **and if**

it is right to compensate the member of Parliament for the loss in purchasing power of his dollar, by granting an increase of pay, it is equally right for the Government to compensate every ex-member of the C.E.F. for the loss in purchasing power of their dollar, in precisely the same manner.

INCREASES IN RAILWAY RATES.

The precedent established by the Dominion Railway Commission when granting the following increases to the Railway Companies of Canada :

Freight rates.....	40%
Passenger rates.....	20%
Pullman rates.....	50%

should not be overlooked by those presenting any case for the ex-member of the C.E.F., especially as the increased rates tax the ex-member of the C.E.F. from \$20.00 to \$30.00 per head per annum.

On August 20th, 1920, counsel for the C.P.R., Mr. W. N. Tilley, K.C., in opening for the Railway, stated "that the application for the increased rates was based primarily on the fact that the purchasing power of the dollar has decreased. At the close of 1916, following the hearing of what were known as the Eastern and Western rates cases there had been a complete re-adjustment of the railway rates in Canada, but since that time there had been a complete change in the situation, that what was then a dollar, having regard to its purchasing power, is now only fifty cents."

The term "railway rate" is relative ; it is in fact the wage which the general public pay to Railway Companies for transportation services, and it may be considered sufficient only when it enables railway companies to meet all reasonable operating expenses and pay a fair dividend on capital invested.

Counsel for the C.P.R. produced evidence to show there had been large increases in operating expenses, as follows :

Increased labor costs.....	\$21,000,000
Increased coal costs.....	10,000,000
Maintenance of way.....	6,000,000
Also fixed charges and Pension Fund	11,000,000
Income tax, 10½%.....	4,398,500
Dividends.....	22,427,000

It is important to note that after all the extraordinary increased expenditures have been taken care of by the revenues from the increased rates, there remains a surplus of \$15,064,500

over and above the ordinary surpluses of the company. It should be further noted that the extra surplus may be added to the existing surplus of the C.P.R., which amounts to more than \$317,000,000.

Defending the judgment of the Dominion Railway Commission, of which he was chairman, the Hon. Mr. Frank Carvell stated as follows :

"That it is a national necessity that the 'Canadian Pacific Railway Company be kept in a healthy financial condition."

"He admitted that these rates will be a substantial burden on the people of Canada—but he was confident the people, in the light of actual fact, **would cheerfully contribute their quota in order to keep these utilities in a position to transport efficiently the business of the country.**"

"It was admitted by all parties that the cost of everything entering into the operation and maintenance of railways has increased more than 100 per cent. during the past four years.

"The Chairman himself, indicated that from the increased rates granted, the C.P.R. alone will collect \$66,720,000 more from the people of Canada than it would have done if the increases had not been granted."

"The judgment acknowledges that the extra surplus of **\$15,064,500 is probably more than the Company should be entitled to**, and probably a little less than the actual surplus would be for the year's operation as possibly the increase in maintenance-of-way labor might not be realized."

On behalf of ex-members of the C.E.F., we do not quarrel with the judgment of the Railway Board, or with the subsequent approval given by the Government, but we do emphatically contend that the principle of the argument used by Corporation Counsel for the Railways **applies with equal force, and with probably more justice to every ex-member of the C.E.F.**

The cost of everything entering into the operation and maintenance of the soldier's family also increased very much more than 100% during the period referred to by the Hon. Mr. F. Carvell; the dollar of the soldier and his family could not purchase any more than the dollar of the railway company; the loss in purchasing power affecting the soldier's dollar as well as that of the railway, therefore if it is just and right to grant increased rates to railway companies to compensate them for the loss in purchasing power of the dollar **and so maintain them in a healthy financial condition**, it is equally just and right and the duty of the Government to compensate every ex-member of the C.E.F. for the loss in purchasing power of the soldier's dollar, and so maintain them in a healthy financial condition during the period of service.

CAN THE COUNTRY PAY?

This is a question which should be answered by such men as Sir Thomas White, ex-Minister of Finance, or Sir Henry Drayton, the present Minister of Finance, for the Dominion of Canada. However, both these eminent authorities have made statements indicating the inability of Canada to bear the cost of financing even such re-establishment plans as were submitted by the G.W.V.A. to the Parliamentary Committee on re-establishment, estimated to cost less than four hundred millions of dollars.

Before the Parliamentary Committee Sir Thomas White stated, "He did not believe, having regard to the financial position of the Government, **so large an amount could be raised by means of a loan.**"

Notwithstanding, the opinion of Sir Thomas White, the \$300,000,000 **Victory Loan** to which he referred in his address before the Committee, **was oversubscribed \$465,000,000**, from which we may conclude that the judgment of Sir Thomas White may not be as accurate as the Parliamentary Committee would have the ex-service man believe. The ability of Canada to raise hundreds of millions had by no means been exhausted at the time when Sir Thomas gave it as his considered expert opinion, **that so large an amount could not be raised by means of a loan.**

In response to a question Sir Henry Drayton stated that if Canada were required to raise the money to take care of the re-establishment proposals, as submitted by the G.W.V.A. before the Parliamentary Committee, estimated, as stated, to cost less than \$400,000,000—**That Canada would be like an orange sucked dry.**

Just how far these eminent financial authorities may be correct, it is hard to say; the average layman, or simple-minded tax-payer would naturally hesitate to challenge the statements of **Financial Wizards**—we will merely content ourselves with pointing out that the **Dominion Railway Commission** experienced no difficulty in providing channels through which the railway companies (privately owned and Government owned alike) could **extract hundreds of millions of dollars annually from the pockets of a cheerful public.** We would also remind Parliament that the capitalized value of the increased Sessional Indemnities, **granted by members of Parliament to themselves** runs into millions of dollars; also that millions more have been granted to Shipbuilding Interests, as subsidies or Compensation. In connection with these **specific cases**, which impose a heavy burden upon the public **the question of**

the "ability of the country to pay" is never raised; it is only raised as a "bogy" when it applies to the raising of money to be applied to ex-members of the C.E.F.

However, off-setting the pessimistic statements of ministers of finance—past and present—we venture to quote the bubbling optimism of the Minister of Railways and Canals, Hon. Dr. J. D. Reid, as contained in his speech given at the National Exhibition Banquet, Toronto. **Oozing optimism on behalf of the railway interests, the Hon. Dr. J. D. Reid stated:**

"Canada is a prosperous country. The value of our agricultural lands has increased 37% during the last five years. Our banks have very much larger deposits. Our post office deposits are increasing. With the advance we are making; with our natural resources; with our great future we have in this country, **let us not be pessimistic—let us be optimistic.** Let us carry on the good work and in the interests of the **railway companies**, and the country as a whole. **Do not let us be too hard on our railway systems. Give them a chance; give them an opportunity.** If you can't boost—don't knock".

Commenting upon the optimism of the Hon. Dr. Reid, Minister of Railways and Canals, we would draw the attention of the Premier, the Hon. Mr. Arthur Meighen, thereto, with the suggestion that it be placed in the hands of every Federal member of Parliament, **with the word "Veterans"** substituted for that of **"Railway Companies."** We should then have the Minister of Railways spreading his optimism in the following manner:

"**Let us not be pessimistic; let us be optimistic. Let us carry on the good work, and in the interests of the Veterans, and the country as a whole. Do not let us be too hard on our Veterans. Give them a chance; give them an opportunity.** If you can't boost, don't knock."

However, dealing with the ability of the country to pay the amounts required to discharge the country's obligations to the ex-member of the C.E.F., we have one suggestion to make, which as conditions exist at the present time, will not add to the present burden of the tax-payer:

We recommend to Parliament, that the extra surplus of \$15,064,500 accruing to the C.P.R. as a result of the increased railway rates, and which the Chairman of the Dominion Railway Commission, the Hon. Mr. Frank Carvell, thinks is rather more than the Canadian Pacific Railway Company are entitled to, be diverted from the Treasury of the Railway Company and used for paying the interest charges on

a fund created for the specific purpose of liquidating a **national debt of compensation** for every ex-member of the C.E.F.

In offering such a suggestion, it is not by any means to be supposed that there are no other channels available to Parliament. We are satisfied as to the justice of our **cause** : it is for Parliament to see that the obligation is discharged, in accordance with promises of such men as the ex-Prime Minister, Sir Robert Borden, who pledged **the last dollar**.

In conclusion, we would remind the Premier of his reply to the second question, found in the opening part of this argument, viz. :

Will the Government give consideration—for the **benefit of Veterans**—to the application of the **governing principle of bonuses, viz., the shrinkage in the purchasing power of the dollar** ?

The Premier's answer was : **The Government has, AND ALWAYS WILL.**

We submit this argument to the Premier, in the belief that he will recognize the justice of the Veteran's **claim for compensation**. We now look for a fulfilment of the Premier's pledge that the Government **always will** give consideration to the application of the governing principles of bonuses **for the benefit of Veterans** ; and that during the next session of Parliament legislation will be enacted to **compensate every ex-member of the C.E.F. for the loss in purchasing power of the dollar**.

Organized Veterans who believe in the justice of their cause, are making an earnest and sincere effort to demonstrate to all Veterans and the public at large, their absolute right to Compensation.



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