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Minutes of 1955
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on Veterans Affairs, 1955.

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HOUSE OF COMMONS

Second Session—Twenty-second Parliament
1955

SPECIAL COMMITTEE

ON

VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

BILL 164

An Act to Amend the War Veterans Allowance Act, 1952

WEDNESDAY, MARCH 9, 1955

FRIDAY, MARCH 11, 1955

WITNESSES:

Very Reverend Dean John O. Anderson, M.C., Dominion President, and
Mr. D. M. Thompson, Chief Welfare Officer, of the Canadian Legion,
B.E.S.L.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1955.

SPECIAL COMMITTEE

ON

VETERANS AFFAIRS

Chairman: W. A. Tucker, Esq.,

and

MESSRS.

Balcom
Bennett (*Grey North*)
Brooks
Cardin
Carter
Cavers
Croll
Dickey
Dinsdale
Enfield
Forgie

Gauthier (*Portneuf*)
Gillis
Goode
Green
Hahn
Hanna
Harkness
Henderson
Herridge
Jones

MacDougall
Murphy (*Westmorland*)
Pearkes
Philpott
Quelch
Roberge
Tucker
Weaver
Weselak
White (*Hastings-
Frontenac*)

R. J. GRATRIX,
Clerk of the Committee.

ORDERS OF REFERENCE

MONDAY, March 7, 1955.

Resolved,—That a Special Committee consisting of 31 Members, to be designated by the House at a later date, be appointed to consider a bill to amend the War Veterans Allowance Act, 1952, and a bill to amend the Veterans Benefit Act, 1954, and such other legislation relating to Veterans Affairs as may be referred from time to time to the said Committee; that the said Committee shall have power to send for persons, papers and records, to print from day to day its minutes of proceedings and evidence, to sit while the House is sitting and to report from time to time; that the quorum of the said Committee shall consist of ten members; and that the provisions of Standing Orders 64 and 65 be suspended in relation thereto.

MONDAY, March 7, 1955.

Resolved,—That Messrs. Balcom, Bennett (*Grey North*), Brooks, Cardin, Carter, Cavers, Croll, Dickey, Dinsdale, Enfield, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Hanna, Harkness, Henderson, Herridge, Jones, MacDougall, Murphy (*Westmorland*), Pearkes, Philpott, Quelch, Roberge, Tucker, Weaver, Weselak and White (*Hastings-Frontenac*), constitute the Special Committee on Veterans Affairs appointed this day to consider certain bills relating to Veterans Affairs.

MONDAY, March 7, 1955.

Ordered,—That the following Bill be referred to the said Committee: Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

Attest.

LÉON J. RAYMOND,
Clerk of the House.

MINUTES OF PROCEEDINGS

WEDNESDAY, March 9, 1955.

The Special Committee on Veterans Affairs met at 10.30 o'clock a.m. this day.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Cardin, Carter, Cavers, Croll, Enfield, Gauthier (*Portneuf*), Green, Hahn, Hanna, Henderson, Herridge, Jones, MacDougall, Pearkes, Quelch, Roberge, Tucker, Weaver, Weselak and White (*Hastings-Frontenac*).

A quorum having assembled, Mr. MacDougall, addressing himself to the Clerk of the Committee, moved that Mr. Tucker be Chairman of the Committee.

There being no other nominations, and the question having been put on the said motion, Mr. Tucker was unanimously elected Chairman and took the Chair.

The Chairman expressed appreciation for the honour bestowed on him by the Members in again electing him to preside over the Committee.

The Order of Reference was taken as read.

On motion of Mr. Roberge,

Resolved,—That a Subcommittee on Agenda and Procedure to be comprised of the Chairman and eight Members be appointed.

Whereupon the following Members were designated to act with the Chairman on the said Subcommittee: Messrs. Bennett (*Grey North*), Brooks, Croll, Gillis, Green, MacDougall, Quelch and Roberge.

On motion of Mr. Cavers,

Resolved,—That the Committee print from day to day 1,000 copies in English and 200 copies in French of its Minutes of Proceedings and Evidence.

It was agreed that the Committee would hear representatives of the Canadian Legion on Friday, March 11th, at 3.00 o'clock p.m.; and representatives of the National Council of Veteran Associations in Canada, on Monday, March 14th, at 10.30 o'clock a.m.

At 10.50 o'clock a.m., the Committee adjourned to meet again at 3.00 o'clock p.m., Friday, March 11th, 1955.

R. J. GRATRIX,
Clerk of the Committee.

FRIDAY, March 11, 1955.

The Special Committee on Veterans Affairs met at 3.00 o'clock p.m. this day. Mr. Walter A. Tucker, Chairman, presided.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Carter, Dinsdale, Enfield, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Hanna, Harkness, Henderson, Herridge, Jones, MacDougall, Pearkes, Philpott, Quelch, Roberge, Weaver and White (*Hastings-Frontenac*).

In attendance: The Honourable Hugues Lapointe, Minister of Veterans Affairs, and the following departmental officials: Mr. G. L. Lalonde, Acting Deputy Minister; Mr. G. H. Parliament, Director General of Welfare Services; Mr. J. L. Melville, Chairman of the Canadian Pension Commission; Colonel F. J. G. Garneau, Chairman, War Veterans Allowance Board; Mr. F. L. Barrow, Secretary; Mr. W. Gordon Gunn, Q.C., Director of Legal Services; Mr. E. J. Rider, Research Adviser, and C. N. Knight, Director Social Services Division. Also, the Very Reverend Dean John O. Anderson, M.C., President; Mr. T. D. Anderson, Dominion Secretary; Mr. D. M. Thompson, Director of Service Bureau; Mr. T. A. Kines, Director of Administration, all of the Canadian Legion, B.E.S.L. Also, Mr. John Hundevad, Editor in Chief, and Mr. Lorne Manchester, Assistant Editor of The Legionary, and Mr. J. B. Bowler, C.B.E., Ministry representative of the British Ministry of Pensions.

The Committee commenced consideration Bill 164, An Act to amend the War Veterans Allowance Act, 1952.

The Minister of Veterans Affairs welcomed the delegation of the Canadian Legion on behalf of the Government and the Committee.

Dean Anderson was called and introduced the members of his delegation. He then presented a brief, was questioned thereon and retired.

Mr. Thompson was called, answered various questions arising out of the Legion's brief and was retired.

The Honourable Mr. Lapointe and Messrs. Lalonde and Garneau answered questions specifically referred to them.

The Chairman, on behalf of the Committee, thanked the Legion delegation for their brief and extended an invitation to them to appear again in the event of a further reference being made to the Committee in which the Legion is interested.

The Chairman informed the Committee that representatives of the National Council of Veterans Associations in Canada would appear at the next meeting of the Committee.

At 4.05 o'clock p.m., the Committee adjourned to meet again at 10.30 o'clock a.m., Monday, March 14.

R. J. GRATRIX,
Clerk of the Committee.

EVIDENCE

March 11, 1955.

3.00 p.m.

The CHAIRMAN: Gentlemen, if you will take your seats, we have a quorum and shall proceed.

The first item will be a word of welcome from the Minister of Veterans Affairs to the delegation from the Canadian Legion appearing before us this afternoon. If the minister will commence he can introduce the delegation and welcome them. Also we can welcome him to the committee this afternoon.

Hon. HUGUES LAPOINTE (*Minister of Veterans Affairs*): Well, Mr. Chairman, I wish to thank you for giving me this opportunity as a non-member of this committee to welcome, on behalf of the government of Canada—and I am sure on behalf of the members of this committee—the delegation from the Canadian Legion.

We are all very pleased, I am sure, at seeing our good friend, the Very Reverend Dean Anderson, the president of the Dominion Command, and his executive.

For some years past it has been the established practice—and a very good one indeed—that the Dominion Command of the Canadian Legion, representing the largest ex-service men's organization in this country, should be afforded an opportunity to express their views on the legislation pertaining to veterans which is introduced in this House. For this reason it has been the desire of the Committee on Veterans Affairs to hear them at the earliest opportunity.

Such presentations on their part have always proved to be very useful indeed, and from the exchange of ideas which result from such presentations, a lot of good has come to all the veterans in this country.

For this reason I am particularly pleased to welcome the delegation today on behalf of the members of this committee. That is all, sir. The president, the Very Reverend Dean John O. Anderson, M.C., is ready to present his brief, and I am sure that the members would like to hear from him now.

The CHAIRMAN: This, gentlemen, is the President of the Canadian Legion, the Very Reverend Dean John O. Anderson, M.C. On your behalf I extend to him a most cordial welcome here today.

I think probably it would be better for him to introduce those who are associated with him in his delegation today. Will you please introduce them now, Dean Anderson, and if you want them to sit alongside of you to assist you, that will be fine.

The Very Reverend Dean John O. Anderson, M.C., President of the Canadian Legion, called.

The WITNESS: Thank you very much, Mr. Tucker.

On my left is Mr. T. D. Anderson, Dominion Secretary of the Canadian Legion. Occasionally he is ordained and occasionally he is not ordained, depending upon who answers the telephone.

The Director of Service Bureau, Mr. D. M. Thompson, and Director of Administration, Mr. Thomas A. Kines, are on his right.

I want to thank you, Mr. Minister, for your kind remarks of welcome.

Now, Mr. Chairman, gentlemen, and members of the committee, I believe you have copies available of our brief, so with your permission, sir, I will just read it to you.

Mr. Chairman and Members of the Parliamentary Committee: we sincerely appreciate the opportunity of appearing before a Special Parliamentary Committee on Veterans Affairs. It is our opinion that referring new veterans' legislation and proposed amendments to such legislation for the consideration of parliamentary committees is a good practice. We know that successive special parliamentary committees have played a very important part in the preparation and adoption of the many items of legislation which today provide substantial benefits to Canadian ex-service men and women. We hope that we will continue to enjoy the privilege of appearing before parliamentary committees on Veterans Affairs and that our representations will at all times be considered as helpful and constructive as they are intended to be.

We understand that the terms of reference of this committee permit consideration only of Bill 164 presently before you. However, we will address our remarks to certain specific recommendations with respect to war veterans' allowances. We regret that some of these do not come within the terms of reference of the committee, but we would express the hope that in such cases the committee might see fit to refer these matters to the government with a request that they be given earnest and early consideration.

We would urgently request that this committee recommend to the government the immediate adoption of the following measures:—

1. Basic rates of war veterans' allowance

Recommendation

That the basic rate of war veterans' allowance be increased to \$60.00 per month for a single veteran, and \$120 per month for those who are married.

Comment

We are pleased to note that the basic rate for unmarried recipients as set forth in Bill 164 meets in full the Legion's requests, and we wish to commend the government for the action taken in this regard.

We now understand from the minister's statement to the House of Commons on March 4th, that the regulations governing the assistance fund will make it possible to supplement the married rate—and the single rate too—to \$120 per month where the need is established. This means, however, that before the supplementation is forthcoming the veteran must be subjected to a second means test. There is also the possibility that assistance may be denied in some legitimate cases. Surely it is more equitable to set the basic rate for married recipients at \$120.

The arguments in support of our request for the increase to \$120 per month are as valid today as ever. They are:—

1. The war veteran has always been recognized by the Canadian people and by successive Canadian governments as meriting special consideration, and there can therefore be no basis for serious criticism if W.V.A. rates are higher than those payable to old age pensioners.

Canada's old age pension at 70 without a means test is largely financed by taxes designated for that particular purpose. Old age pension before the age of 70, in cases of need, requires only 20 years' residence in Canada to qualify—surely not a harsh or onerous requirement. But the basis of eligibility for W.V.A. is service in a theatre of war—a very different matter. The benefits available must therefore be measured by a different yardstick.

2. Under the existing rates proposed in Bill 164, the veteran, his wife, and in some cases minor children, who must depend entirely on war veterans' allowance will suffer privation.

2. CEILINGS ON PERMISSIVE INCOME

Recommendation

That the ceilings on total permissible income under W.V.A., be increased to \$1,200 per year in the case of a single recipient and \$2,000 per year in the case of those married.

Comment

We must again reiterate that, even if this section of the Act is amended as proposed in Bill 164, the act will still tend to defeat its own purpose. If the allowance is intended to assist the aged and needy veteran the low ceilings on permissive income prevent him from supplementing the allowance sufficiently to enjoy a reasonable standard of living.

The legislators of Canada consider that a married couple require the first \$2,000 of income in order to subsist, and the Income Tax Act so provides. Yet the proposed ceilings on total permissible incomes will make it necessary for a married couple in receipt of W.V.A. to live on \$1,440 a year.

The War Veterans' Allowance Act recognizes that the ceiling is too low, and under section 4 and the regulations governing casual earnings, permit it to be substantially exceeded. Yet for those unable to avail themselves of these provisions no exceptions are permitted.

Section 4 and the provisions governing casual earnings also recognize the desirability of self-help, but this recognition is not extended to those who by forethought and thrift have gained for themselves small pensions or retirement annuities. The great merit of our Old Age Security Act is that it recognizes the desirability of encouraging individual thrift and saving, but the War Veterans' Allowance Act discourages it.

Our pension laws recognize that pensions for disabilities cannot be affected by the earnings of the individual, but the small pensioner who must also use war veterans' allowance, finds his pension of little value because its amount is practically deducted from his allowance.

These and other anomalies would be largely eliminated if the ceiling on permissible income were increased to \$1,200 and \$2,000.

3. ALLOWANCES TO MINOR CHILDREN

Recommendation

That allowances on behalf of minor children of W.V.A. recipients be paid on the same basis as such allowances are now paid to the children of disability pensioners.

Comment

While there are veterans over 60 in receipt of the allowance who would certainly benefit by this change, it is particularly essential in the case of the veteran under 60 who is in receipt of W.V.A. because he is incapacitated. In some cases the veteran in this category is at present trying to support a wife and several small children on \$90 per month. Under the terms of Bill 164 he will receive \$108. We submit that this is still an insufficient income upon which to support both a wife and children and special allowances for the children are sorely needed in such cases.

4. CANADIAN VETERANS RESIDENT OUTSIDE CANADA

Recommendation

That Canadian veterans resident outside of Canada and otherwise qualified, be granted war veterans' allowance.

Comment

Some veterans of the Canadian forces, for various reasons, reside outside of Canada. We feel that these veterans should not be denied the right to war veterans' allowance. The numbers are small and the cost would not be great if this recommendation were acted upon.

5. WIDOWS OF ALLIED EX-SERVICE MEN

Recommendation

That widows of Allied ex-service men be granted W.V.A. in cases where the husband died before completing 20 years' residence in Canada provided that the widow herself lived 20 years here, and the husband was otherwise eligible.

Comment

In many cases the husband may have lived in Canada for a lengthy period of time, paid Canadian taxes and seen his sons and daughters serve in the armed forces of this country. If the widow has continued to live and work here for 20 years or more she should be eligible for W.V.A. provided she is otherwise qualified.

6. VETERANS OF WORLD WAR I WITH SERVICE IN ENGLAND ONLY

Recommendation

That veterans of World War I who saw service in England only be granted war veterans' allowance.

Comment

Veterans of World War II who served in England only are eligible for W.V.A., and many who served in the same theatre during World War I suffered equal, if not greater, hardship.

The WITNESS: Mr. Chairman, Mr. Minister, gentlemen of the committee that is our presentation at this time. I noticed in *Hansard* that the minister mentioned when the committee was set up that it was being set up to consider such legislation as might be presented to it from time to time. We would be very happy to appear again if there is any other item which comes before you on which we have any recommendations to make.

Thank you very much, sir.

The CHAIRMAN: Are there any questions of Dean Anderson.

Mr. GOODE: I do not have a question, but I wish to make a comment. The tone of the brief, if a private member may be allowed to say so, is much more happy than some we have listened to before and I think that the co-operation of the private members will be that much more effective.

Hon. Mr. LAPOINTE: I hope you do not believe that the minister prompted that comment.

The CHAIRMAN: Does anyone else wish to make a comment or ask a question?

By Mr. Brooks:

Q. On page 3 of the brief, half way down, it says:

There is also the possibility that assistance may be denied in some legitimate cases.

I wonder if Dean Anderson would care to enlarge on that?—A. With your permission I have the Director of Service Bureau here who deals with more specific cases. With your permission I would ask him to give you the information on that point.

Mr. D. M. THOMPSON: Mr. Chairman and gentlemen, the point there I think is that although the man may be able to have his allowance supplemented by the assistance fund from the \$108 to \$120, as was referred to earlier in our brief; there is the fact that the man must initially be on the \$108 a month basis. He must then on his own make application for the additional assistance from the assistance fund. That must be then investigated, reviewed, and there is always, no matter how conscientious the departmental officials may be, a certain time lapse before the case is fully investigated, and the assistance fund put into operation. The point there is that we feel that during that lapsed period the man is getting \$108 instead of \$120, and upon subsequent investigation where the need is proven and the maximum of \$120 is granted.

Mr. FORGIE: The word "denied" surely is improperly used there. It is not a denial of the rights.

The CHAIRMAN: The suggestion is you were saying that it will be delayed and in the brief it says denied.

Mr. THOMPSON: There is a certain amount of discretion left to the people administering the assistance fund and it is quite within the realm of possibility that there can be legitimate cases which will be denied which may be subsequently reconsidered and granted. But, I think the records will probably show under the present assistance fund that there have been cases denied and on subsequent reconsideration granted.

Mr. BROOKS: They are subject to a means test?

Mr. THOMPSON: There is a means test and other procedure to be followed during which time they do not have the benefit of that additional money.

Mr. GREEN: Is there a regular form of application which must be made for this assistance?

Mr. THOMPSON: Actually the departmental officers could give you the full details, but I understand the man must ask for the supplementary assistance and then, I believe, there is a form. The department has a formula by which the man's circumstances are compared to see if he merits assistance. They do have a definite procedure and a definite investigation.

Mr. GREEN: I wonder if the departmental officers could let us see a copy of the application form which has to be completed by the veteran? I wonder whether, Mr. Chairman, one of the officers could let us see a copy of the application?

The CHAIRMAN: We shall have it before us at the meeting on Monday.

Mr. GREEN: Do I understand you to say, Mr. Thompson, that no assistance could be given unless a man was in receipt of the full war veterans allowance.

Mr. THOMPSON: He must be receiving the maximum war veterans allowance. They cannot help him beyond the total permissible income.

Mr. GREEN: Suppose he has a certain amount of income over \$10 with the result that he does not get the full war veterans allowance. Is he then entitled to any assistance through the fund?

Mr. THOMPSON: As I understand it in the case you mentioned the man's income is already at the maximum. My understanding is that he would not be eligible for the assistance fund.

Mr. GREEN: Because having got this allowance it would bring his income up over \$120 yearly ?

Mr. THOMPSON: That is what we understand.

Mr. BROOKS: The total income cannot exceed the ceiling, that is really the point.

Mr. HERRIDGE: I am interested in recommendation 4 on page 7 that Canadian veterans outside Canada, in other parts of the world, should be granted an allowance. My experience is this: that I know several cases of men who receive no war veterans allowance, and who have found it absolutely necessary to move into another climate for reasons of health. One man I know lives in Mexico because he has a lung infection and the altitude and the dryness of the air suits him. He does not receive an allowance, he has very little money, and I wonder if Mr. Thompson can tell the committee whether this type of case is general across Canada, that is cases of veterans who have of necessity to live outside the country for health reasons.

Mr. THOMPSON: I cannot quote you any statistics on that point, because we have not got any. But certainly there is not a month goes by when we do not get one or two letters from men with Canadian service who are now residing in the United States, men who have reached the age of retirement, and sometimes they do not come within the provisions of the social security program in the United States. They write to see whether there is some Canadian counterpart to the United States non-service connected disability pension. I can remember a few cases in recent months, including a case of a man in Arizona who had gone there because of chest trouble. Most of our inquiries come from the United States. These men are no longer employable, and in some cases their families have grown up there. If they came back to Canada it would inflict almost more hardship upon them than if they were to stay in the United States and try to eke out an existence, possibly with the help of the children, on such small incomes as they can get.

Mr. CARTER: I would like to go back to this question of supplementary assistance on page 3. When a veteran applies for this supplementary assistance, an investigation has to be carried out and what I would like to know is this: what is the practice in awarding that assistance? Does it date from the date of the board's decision, or is it made retroactive from the date of the first application?

Mr. BENNETT (*Grey North*): It is retroactive, Mr. Chairman. The veteran is not prejudiced because of delay in processing the application.

Mr. HENDERSON: I was going to follow on, Mr. Thompson, and ask a further question about veterans who are now living outside of Canada. Is it not true that some of these veterans in special cases do get assistance as far as medical services are concerned?

Mr. THOMPSON: There is no provision except for the man who has a disability pension. The department takes care of the disability pensioner, and that applies in any part of the world, through reciprocal arrangements which have been made with other countries. That does not apply to what is referred to as class 13 under the Veterans Treatment regulations. This regulation does not apply to the man living outside Canada.

Mr. PHILPOTT: With reference to the point raised on page 5 about the extra permissible income. I wonder if I can check this point with the Legion officers—are they sure they are taking all possible steps to publicize just what is possible in the way of permissible extra income, because I know that at least

some of the branches are not clear about the extra ways in which veterans can make additional money. I have had to point out only in the past 24 hours that under the regulations which went out last year there is a "ceiling" in one category of \$50 a month, but there are four other categories of odd jobs and jobs on race tracks, and that sort of thing, on which there are no "ceilings" whatever. Are the Legion officers sure they are publicizing this sort of information and distributing it to their branches?

Dean J. O. ANDERSON: We certainly do our best, but we do not perhaps have the opportunity of contacting all the veterans in the country, whom we would like to contact. We let them know about these things as widely as we can through our publications. Otherwise, we have discovered that no matter what good news we have to disseminate there is always somebody who never hears it.

Mr. GILLIS: I would like Mr. Thompson to clarify something for me in respect to a supplementary question which he was asked. Are you arguing that the "ceiling" should be stepped up to \$120 a month, and the assistance fund completely abolished? That is what I would gather from your arguments, and there is merit in it from the standpoint of administration.

Dean J. O. ANDERSON: In this connection, sir, our submission is that the rate should be \$120. Our reaction in so far as the fund is concerned, is that it would be a good thing to continue the assistance fund for those who have no other income.

Mr. HAHN: Referring to these war veterans residing outside Canada, I was wondering, referring more specifically to those who are ill and disabled from causes other than war causes, whether it would apply to them also.

Dean J. O. ANDERSON: It would have to be all those who qualify.

The CHAIRMAN: Would you apply it to everybody down there who can qualify, or only to those who have to live there on account of health?

Mr. D. M. THOMPSON: We have not brought in any reference to health. We feel that since they served in the Canadian forces, their service is no less valuable now they are living outside of Canada, and we are asking that they should have the same entitlement as if they lived in this country.

Mr. HAHN: My reference to the question of health was made for the reason that you yourself have been dealing with that.

The WITNESS: I referred to that aspect of the question because I was asked if we knew of many cases.

Mr. GOODE: Are you asking the committee to approve that any veteran who now lives in Canada and draws a war veterans allowance, should be permitted to go and live in the United States, willy-nilly. For example, if John Smith, who lives in Vancouver, wants to live in California, are you asking that he should be paid a war veterans allowance regardless of his health?

The WITNESS: That is not dealt with in our brief, but I would say that I cannot see why it should not be logical.

Mr. HANNA: What is the policy of the department with regard to counselling or advising veterans as to their rights regarding the assistance fund, and their ability to earn a supplementary income? When a veteran is in receipt of a war veterans allowance, what is the attitude of the department toward counselling him about further assistance which may be available to him?

The CHAIRMAN: You are asking a question of the Legion?

Mr. HANNA: Not necessarily. I should like to know the department's policy because I think it has a bearing on this point. We have found out, Mr. Chairman, that the Legion counsels these veterans. However, there might be cases that have not come to the attention of the Legion but have come to

the attention of the department. I was wondering what the departmental policy is with regard to counselling veterans as to their rights with respect to the assistance fund and also with regard to casual earnings.

Hon. Mr. LAPOINTE: May I answer this point?

The CHAIRMAN: Yes.

Hon. Mr. LAPOINTE: From my knowledge of the matter, the district office, under whom the administration has been decentralized for some years now, has made every recipient aware of his rights under the Act as it exists. Our welfare people keep in touch with these recipients, and they are advised of the possibility of having their allowance supplement through the assistance fund. In some cases, in fact—and this brings up a point which was mentioned by Mr. Thompson—there is no need for a further application or the application of a second means test, because when the recipient makes his application for war veterans allowance and his case is fully investigated, it is found out at that time from the information gathered that, not only does he qualify for war veterans allowance but that his case meets the formula under which the assistance fund is administered. He is granted the allowance, plus the supplement through the assistance fund, so to speak, through one procedure. But every one of these recipients is told by the officers of the department and by our welfare people of the possibility of qualifying for assistance under the fund or of the type of earnings which he can make through casual earnings and through section 4. So at this stage I do not believe that there can be any question of the recipients not being informed of the existence of the fund.

By Mr. Enfield:

Q. Mr. Chairman, I do not know whether this question has been indirectly answered, but can the Reverend Mr. Anderson say what the Legion's experience has been with the new regulations regarding casual earnings? Quite a change was made last year. I should be interested to know how you have found the department's attitude in respect to these casual earnings. While we are on that point, can the Legion say how many veterans who are fully employed are earning less than \$2,000 a year and hence would be affected by their recommendation and the increase in the permissive ceilings? Do they have any idea of the number of veterans who would be affected? I think that would be a nice point to know.

Dean J. O. ANDERSON: If I might just answer the first part first: certainly, from our experience, the new regulations on casual earnings have been very helpful indeed, have been very liberally applied and have met a real need. The same applies to section 4, although very few have, I think, qualified under section 4. We have no idea, nor have we any way of finding out how many would qualify, other than the people who apply to us for guidance or help in making their applications under the permissive ceiling. I imagine that the department would have a better idea of that than we have. We know only that the need does exist.

Q. You cannot say what proportion of applicants who are fully employed are turned down because of the permissive ceiling?—A. We do not know how many were turned down.

Mr. MACDOUGALL: We had a question by the hon. member for Kootenay West relative to the comment on page seven of the brief about war veterans allowances. Recipients of war veterans allowances might be desirous of going to the United States in the winter, where it is a little sunnier than in portions of Canada. I hope that that action might be taken, for those cases that are definitely in need of that type of sunshine treatment. Some investigation could be made, not only by the government but also, I think, for the protection of various branches of the Legion, or you might find rather widespread abuse.

Would it not be a good idea, in the event that that was adopted, that the district officers pass upon the need for the egress of a particular veteran from Canada to the United States? If that were made possible, you would then, I think, be able to separate the sheep from the goats in deciding in cases of veterans who would like to transfer for a period of time into the warmer and drier climes of certain states of the United States. As a wide-open proposition, I am not too sure that it would work successfully, either for the Legion or for the administration of the D.V.A.; but if some safeguard along the lines that I have suggested were adopted, I would personally be quite happy to see this additional provision made.

The CHAIRMAN: I understand that the Legion's representations are that it should apply to everyone, and I take it that they do not want to be drawn into that suggested limitation.

The WITNESS: We cannot very well differentiate. If the department did, of course, that would be their concern. We bring forward the views that our organization has passed at conventions.

Mr. PEARKES: I was very interested to read what you have to say towards the end of page 5 in your presentation. It reads:

Section 4 and the provisions governing casual earnings also recognize the desirability of self-help, but this recognition is not extended to those who by forethought and thrift have gained for themselves small pensions or retirement annuities.

If I understand the regulations correctly, a man who is capable of working and earning by casual work may augment his allowance by \$50 a month, but a person who is unable to work and who by this very thrift and forethought which you have mentioned has saved up a little income, he is limited to only \$10 a month over and above his allowance. I would ask whether you have had any experience with regard to veterans who are not eligible to come under the War Veterans Allowance Act because the amount that they have saved in what is termed under the Act liquid assets exceeds \$1,000 for a single man or \$2,000 for a married man. I did make the suggestion, when this bill was being debated, that possibly there might be a change made in connection with these liquid assets in order to place them under the same principle which applies to the Old Age Assistance Act, whereby these liquid assets are assessed on an annuity basis, and the income arising from the annuity would be deducted from the monthly allowance.

I wondered whether any representations along that line, or any considerations had been given by the Legion to that particular point, and whether you had any suggestions as to how greater recognition might be given those who by their forethought and thrift had already saved up a little pension and retirement annuity. Could you elaborate on what you thought should be done in order to implement that point?

Dean J. O. ANDERSON: Thank you, General Pearkes. I would say offhand that you have a very handy yardstick in the \$50 allowed in casual earnings.

Q. Does that mean that you would allow a person to have an income from bonds up to \$50 per month?—A. Yes.

Q. Is that the recommendation?—A. I would hardly put it in the class of a recommendation. My immediate thought suggests that you have a handy yardstick to use and one of course which has been applied in the case of casual earnings.

The CHAIRMAN: Now, Mr. Quelch.

By Mr. Quelch:

Q. Mr. Chairman, the bill provides, in section 4, for "a female veteran or widow". What has the experience of the Legion been in regard to the operation of section 4? Suppose a veteran comes under the monthly ceiling, and suppose his income goes up and his allowance stops during that time. Now, suppose he stops working. Once more his income would be dependent on the allowance. Have you found there was any undue delay in the restoration of the allowance, or have you found that within the succeeding month the allowance is paid?

Mr. THOMPSON: We have not had any specific cases of complaint bearing on that question. We know of very few veterans who have availed themselves of section 4. We made a point in 1952 when this was brought out, of giving publicity to it. In that respect the department was very cooperative in providing material and a sample outline of how section 4 would operate. We have tried to point out that there are certain advantages to the men who can qualify for section 4. There are not very many who can qualify, because of the type of employment available to these veterans. We have not received any complaints at our headquarters of any delay in their getting back on the allowance.

The CHAIRMAN: Mr. Philpott.

By Mr. Philpott:

Q. Could the Legion indicate the number of men who would be affected by section 6, who are veterans of World War I? Have you made any survey of distress among these people? In many cases they are pretty old by now. In many cases they were anxious to go to France, and probably rendered better service in England. But there must be distress in a certain proportion among them, just as there is among the burned-out veterans.

Mr. THOMPSON: No. But the department would probably have a record of the figures. As far as this is concerned, I think it would be proportionate to the picture of those veterans who are eligible for veterans allowance.

The CHAIRMAN: Could the deputy minister give the committee the number of people who would be affected by the suggestion that the veterans of the first world war who served only in England, be permitted to receive the war veterans allowance?

Mr. GARNEAU: I believe there would be about 11,400, Mr. Chairman.

The CHAIRMAN: That is the total number of veterans who could apply?

Mr. GARNEAU: That is the total number of veterans who could apply. The probable number living is about 52,000 and we figure with the average payment to those veterans that approximately about 11,400 or 11,500 would probably come under the Act.

The CHAIRMAN: Mr. Quelch.

By Mr. Quelch:

Q. Have you any idea how many of those would be totally disabled?

Mr. GARNEAU: This is only an off the cuff guess, but if we took as a yardstick the age of other recipients on account of age and disabilities, it might be 45 to 55 or 50-50, and possibly more as they are in an older age group.

The CHAIRMAN: Mr. Pearkes.

By Mr. Pearkes:

Q. Are there any records to show the year of arrival in England? There would appear to be some difference between the men who arrived in 1914 or 1915 and the men who arrived in 1919.

Hon. Mr. LAPOINTE: No, we would have to look up the individual files for that.

The CHAIRMAN: Mr. Green.

Mr. GREEN: Would that figure given by Colonel Garneau include widows?

Mr. GARNEAU: No, just the veterans.

The CHAIRMAN: I suppose, Colonel Garneau, you have made a study—and I think the committee would be interested in having it if you are able to give it—based upon the average amount of war veterans' allowance which is paid to people in the same age group, what this would likely cost if this were extended to all veterans who saw service only in England.

Mr. G. L. LALONDE (Acting Deputy Minister): We have taken the number of veterans who served in England only during World War I, and we have applied to that figure the percentage of those who are receiving war veterans allowance, and who were in a theatre of actual war. By transposing that figure to the number of those who served in England only, we estimate that about 11,500 of those would probably become recipients under the Act.

If you take that figure as a basis and you multiply it by the average payment made to present recipients, that gives us the estimated cost of adding to the number of recipients those who served in England in World War I.

The CHAIRMAN: What is the figure?

Mr. LALONDE: It amounts to \$9,650,000 per year, and that is based on the rates of allowance included in the bill.

Mr. PEARKES: Would it be possible to get those figures by years of arrival in England? I think there is a lot of difference between the men who went through all the hardships of Salisbury Plains in 1915 and the men who arrived in England at the end of 1918.

Hon. Mr. LAPOINTE: The only way those figures could be obtained would be by an examination of each individual file. As the deputy minister has explained, our estimates are based on the average of our experience with regard to these actual recipients. So we would have to look up each individual file to ascertain the date of arrival in England.

Mr. PHILPOTT: We have been using that figure of \$50 a month. I think it is unfortunate, but we keep on using it. When I was congratulating the Legion on the brief before on the point about the minor children, I wonder if they noticed what seems to me to be a small error at the end of page 6 in which they say:

In some cases the veteran in this category is at present trying to support a wife and several small children on \$90 per month.

And under the terms of Bill 164 he would receive \$108. In addition to that, if they have small children they would also be drawing family allowance and I think we should be clear on this if we are trying to get this past the treasury.

Mr. HARKNESS: Mr. Chairman, I wonder if the Legion officers, or its president, could tell us why they have made a recommendation on permissible income of \$1,200 and \$2,000 for single and married rather than on the income tax level of \$1,000 and \$2,000?

Dean J. O. ANDERSON: I presume, sir, the reason for the figure of \$1,200 would be that it is \$100 a month. This subject has been discussed by us, as indeed by you gentlemen, for some years now and I believe the origin of some of these things happened before I came into the picture.

Mr. THOMPSON: We arrived at those figures as a result of a committee of council which studied a number of reports on living costs across the country combined a number of resolutions from Legion branches. They arrived at

these rates and ceilings as a sound basis, bearing in mind the figures that were available of living costs. On a consensus of opinion, as reflected in resolutions throughout the country, those rates and ceilings were put forward by the Dominion Executive Council prior to a Dominion Convention. The Dominion Convention ratified those amounts and they have continued to be the amounts recommended by the Legion.

Mr. HARKNESS: You would say it is basically as a result of a study of living costs?

Mr. THOMPSON: That is right.

Mr. HAHN: According to your argument the war veterans allowance for a single man if \$60 would be only \$100 for a married man if your ratio is 6 to 10.

Mr. THOMPSON: I think when you get down to basic amounts it is not true that a married couple can always live more cheaply than two single people. This applies when you deal in irreducible minimums. When you get above the minimums there is a bit of leeway, and I believe that was the thinking of the committee in arriving at the figures of \$1,200 and \$2,000.

Mr. HAHN: I quite agree with you. I have used the same argument in the House in asking for it. But, by the ratio you have proposed in your request you have it two to one and in your argument now as to the income tax level it would work out to \$60 a month and \$100 a month instead of \$120 as you propose. I was wondering why the difference exists?

Mr. THOMPSON: I think those amounts were arrived at without consideration of income tax. It was as a result of living costs and the thinking of the Legion. I think the income tax, as you suggest, provide exemptions of \$1,000 and \$2,000, but we thought those ceilings of \$1,200 and \$2,000 were a reasonable level and if people had that much income and that much leeway they could live with some degree of decency which we did not feel was possible on less money. There may appear to be an inconsistency, but it is because of the different sources which the committee used to arrive at their figures. It so happens that \$1,000 and \$2,000 are in the Income Tax Act.

The CHAIRMAN: Any further questions on the brief?

Mr. GREEN: Are there any figures on the numbers of widows of allied ex-servicemen who would be eligible if the recommended change were made?

Hon. H. LAPOINTE: I think we could get estimates on that.

The CHAIRMAN: Are there any other questions?

Mr. QUELCH: As a result of the operation of the ceiling I wonder what the legion's experience has been as regards overpayment?

Mr. THOMPSON: We have found that the War Veterans Allowance Board has been pretty reasonable on the whole on the way that they have recovered the overpayments.

Mr. QUELCH: I know in the early days they deducted the whole amount but I think the practice has been discontinued and put down to a small recovery. Is that the case?

Mr. THOMPSON: I can only answer from our experience at dominion command, and we have found the War Veterans Allowance Board very reasonable when all the circumstances of a case were brought to their attention. We have not found the War Veterans Allowance Board hard to deal with when it came to the question of trying to recover overpayments.

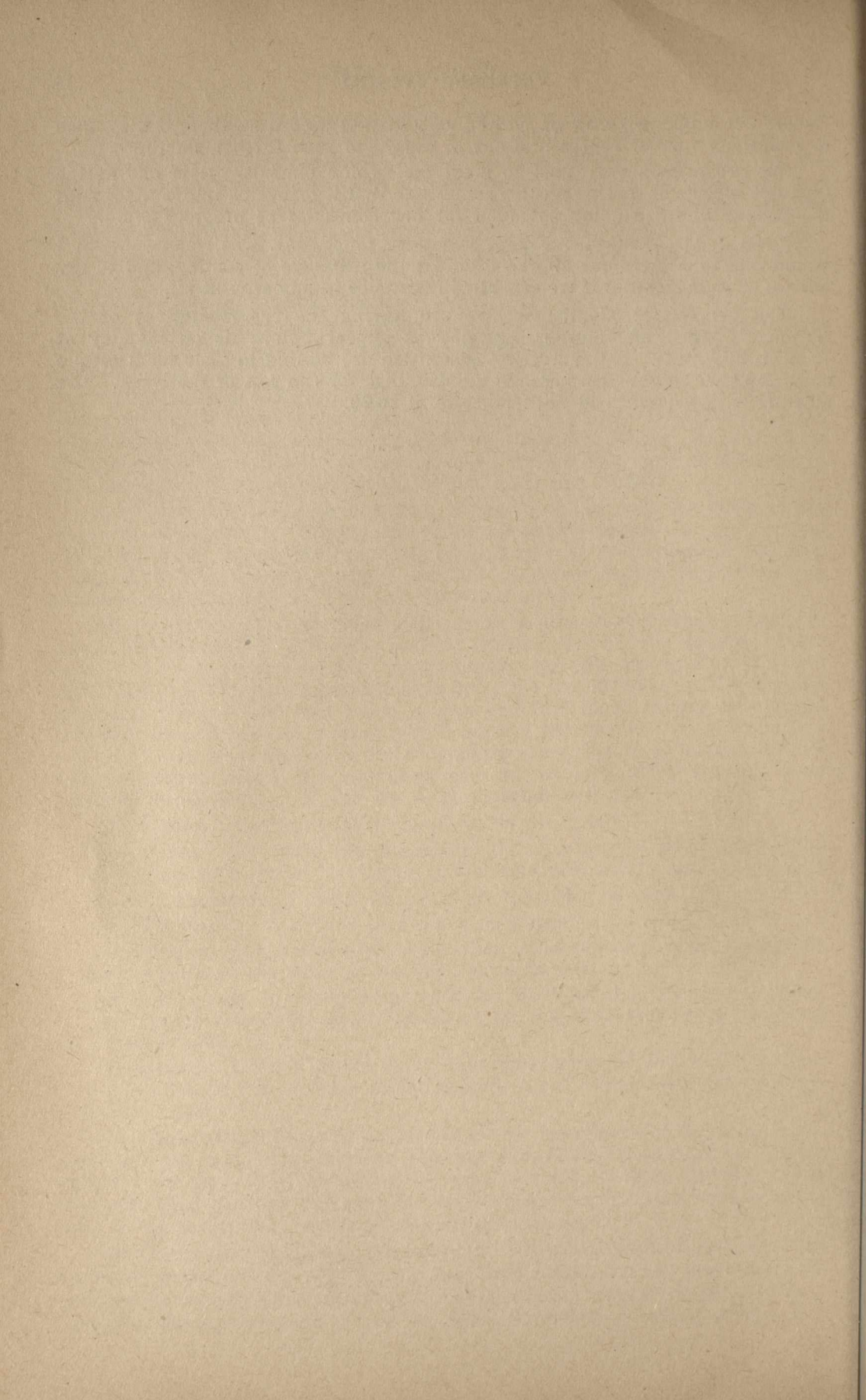
The CHAIRMAN: Gentlemen, on your behalf I would like to thank the Very Reverend Dean Anderson for a very fine brief which he has presented and the very fine way in which he and Mr. Thompson have answered our questions. I think we can assure them that if we receive any further reference from the

House, as I expect we will, we will be very glad to hear from them if they wish to make any further representations in regard to such further reference.

We are always very glad to meet the Legion officials. It is one of the pleasant aspects of serving on this committee that it brings us into contact with the people who are doing so much for our comrades of previous wars.

Dean J. O. ANDERSON: Thank you very much, Mr. Chairman. Again I would like to express our appreciation for the privilege of coming, and to say we are at your disposal if we can be of assistance in any way at all.

The CHAIRMAN: Gentlemen, we are having the representatives of the National Council of Veterans Associations appear before us on Monday at 10.30 in this room. If the steering committee are willing to wait for a couple of minutes we might then arrange the meetings for the rest of the week. The meeting is now adjourned until Monday at 10.30.



HOUSE OF COMMONS

Second Session—Twenty-second Parliament
1955

SPECIAL COMMITTEE

ON

VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 2

BILL 164

An Act to amend the War Veterans Allowance Act, 1952.

MONDAY, MARCH 14, 1955

WITNESSES:

Major A. J. Wickens, President, and Mr. J. P. Nevins, Secretary, of the
Army, Navy and Air Force Veterans in Canada;
Mr. K. E. Butler, War Amputations of Canada;
Mr. Fred Woodcock, Sir Arthur Pearson, Association of War Blinded;
Mr. A. E. Lanning, Canadian Corps Association;
Mr. A. T. Pollock, War Pensioners of Canada;
Mr. J. A. L. Robichaud, Canadian Paraplegic Association.

SPECIAL COMMITTEE

ON

VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.,

and Messrs.

Balcom	Forgie	Murphy (<i>Westmorland</i>)
Bennett (<i>Grey North</i>)	Gauthier (<i>Portneuf</i>)	Pearkes
Brooks	Gillis	Philpott
Cardin	Goode	Quelch
Carter	Green	Roberge
Cavers	Hahn	Tucker
Croll	Hanna	Weaver
Dickey	Harkness	Weselak
Dinsdale	Henderson	White (<i>Hastings-</i> <i>Frontenac</i>)
Enfield	Jones	
	MacDougall	

R. J. GRATRIX,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

MONDAY, March 14, 1955.

The Special Committee on Veterans Affairs met at 10.30 o'clock a.m. this day. Mr. Walter A. Tucker, Chairman, presided.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Cardin, Carter, Cavers, Croll, Dinsdale, Enfield, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Harkness, Henderson, Herridge, Jones, MacDougall, Pearkes, Philpott, Quelch, Roberge, Weaver and Weselak.

In attendance: The Honourable Hugues Lapointe, Minister of Veterans Affairs, and the following departmental officials: Mr. G. L. Lalonde, Acting Deputy Minister; Mr. G. H. Parliament, Director General of Welfare Services; Mr. J. L. Melville, Chairman of the Canadian Pension Commission; Colonel F. J. G. Garneau, Chairman, War Veterans Allowance Board; Mr. F. L. Barrow, Secretary; Mr. W. Gordon Gunn, Q.C., Director of Legal Services; Mr. E. J. Rider, Research Adviser, and Mr. C. N. Knight, Director, Social Services Division. Mr. T. D. Anderson, Dominion Secretary and Mr. D. M. Thompson, Director of Service Bureau of the Canadian Legion, B.E.S.L., and Mr. J. B. Bowler, C.B.E., Ministry Representative of the British Ministry of Pensions.

Also the following representatives of the National Council of Veteran Associations in Canada: Major A. J. Wickens, President, and Mr. J. P. Nevins, Secretary, of the Army, Navy and Air Force Veterans in Canada; Messrs. K. E. Butler, A. J. Parsons, A. Bell and A. Piper, of the War Amputations of Canada; Messrs. F. Woodcock, W. Mayne, D. Ferguson and W. Dies, of Sir Arthur Pearson Association of War Blinded; Mr. A. E. Lanning of the Canadian Corps Association; Mr. A. T. Pollock of the War Pensioners of Canada, and Mr. J. A. L. Robichaud, of the Canadian Paraplegic Association.

The Committee resumed consideration of Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

The Chairman presented the First Report of the Sub-committee on Agenda and Procedure as follows:

Your Sub-committee met at 4.15 o'clock p.m. Friday, March 11th, with the following members present: Messrs. Bennett, Brooks, Green, Quelch and Tucker, and agreed to recommend:

- (a) That the Committee hear the Non-Pensioned Veterans' Widows Association on Tuesday, March 15th at 3.30 o'clock p.m.,
- (b) That the Committee hear departmental officials and proceed with a clause by clause consideration of Bill No. 164 on Monday, March 21st at 10.30 o'clock a.m.,
- (c) That the Chairman be authorized to order the printing of such additional copies, of the day to day Minutes of Proceedings and Evidence, over and above the numbers already approved by the Committee on March 9th as he may deem necessary.

All of which is respectfully submitted.

On motion of Mr. Croll, the said report was adopted.

The Minister of Veterans Affairs welcomed the delegation from the National Council of Veteran Associations in Canada.

Major Wickens was called and introduced the members of his delegation.

Mr. Nevins was called and read the Council's written submission.

Major Wickens then made a statement in support of the Council's submission, was questioned thereon and retired.

Mr. Butler, on behalf of War Amputations of Canada, Mr. Woodcock, on behalf of Sir Arthur Pearson Association of War Blinded, Mr. Lanning, on behalf of the Canadian Corps Association, Mr. Pollock, on behalf of War Pensioners of Canada, and Mr. Robichaud, on behalf of Canadian Paraplegic Association, were called and made statements in support of the Council's submission, and were retired.

Mr. J. B. Bowler, C.B.E., Ministry Representative of the British Ministry of Pensions, answered a question specifically referred to him on the benefits received by Canadian Veterans residing in the United Kingdom.

The Honourable Mr. Lapointe and Mr. Garneau answered questions specifically referred to them.

The Chairman expressed the regrets of the Committee that Colonel E. A. Baker, Chairman of the National Council of Veteran Associations in Canada, was unable to be present and thanked the members of the delegation for their submissions.

At 12.40 o'clock p.m., the Committee adjourned to meet again at 3.30 o'clock p.m., Tuesday, March 15.

R. J. GRATRIX,
Clerk of the Committee.

EVIDENCE

MONDAY, March 14, 1955.

10.30 A.M.

The CHAIRMAN: If the committee will come to order, the first item of business is the report of the subcommittee:

Your subcommittee met at 4.15 o'clock p.m. Friday, March 11, with the following members present: Messrs. Bennett, Brooks, Green, Quelch and Tucker, and agreed to recommend:

- (a) That the committee head the Non-Pensioned Veterans' Widows Association on Tuesday, March 15 at 3.30 o'clock p.m.,
- (b) That the committee hear departmental officials and proceed with a clause by clause consideration of Bill No. 164 on Monday, March 21 at 10.30 o'clock a.m.,
- (c) That the chairman be authorized to order the printing of such additional copies, of the day to day minutes of proceedings and evidence, over and above the numbers already approved by the committee on March 9, as he may deem necessary.

All of which is respectfully submitted.

(sgd) Walter A. Tucker,
Chairman.

Mr. CROLL: I move the adoption of the report.

Carried.

We have with us this morning the National Council of Veteran Associations in Canada. I will call on the Hon. Mr. Lapointe to extend a word of welcome to them.

Hon. HUGUES LAPOINTE (*Minister of Veterans Affairs*): Mr. Chairman, it is a pleasure indeed again this year before this committee to welcome the delegates from the National Council of Veteran Associations. The association, as you know, is made up of various autonomous bodies of veterans organizations: The Canadian Corps Association, The Canadian Paraplegics, The War Blind, The War Amputees and The War Pensioners of Canada. This means that the association is a very representative group of ex-servicemen throughout this country. I understand, from the constitution of the association, that such representations as are made by the national council before this committee or before the government, are only those which have met with unanimous approval by all the members of the association. This does not, of course, preclude those various associations from making representations on their own when they feel like it.

On your behalf, Mr. Chairman, and on behalf of the members of the committee it gives me great pleasure to welcome the delegation of the National Council of Veteran Associations in Canada and, in the absence of Colonel Baker, the president of the Council, who was unable to attend today, I would ask Mr. Wickens, who is the president of the Army, Navy and Air Force Veterans in Canada, to introduce the delegation to the committee.

Mr. A. J. Wickens, President, Army, Navy and Air Force Veterans in Canada, called:

Mr. Chairman, Mr. Minister, and members of the committee, first on behalf of my fellow delegates and myself I wish to thank you for your kind words of welcome and I wish to say that it is always the same; when we have the honour to attend before a committee of the House of Commons on veterans affairs we are invariably welcomed in the same warm-hearted way.

On behalf of Colonel Baker I must explain that he has another appointment today dealing with public welfare work in the city of Toronto which he was unable to have postponed, and on behalf of His Honour Judge McDonagh of Toronto who also is committed to public welfare work on an appointment which he was unable to adjourn.

The usual procedure has been, as you gentlemen will know, for Eddie Baker to present the brief prepared by his chairman. With your leave, Mr. Chairman, I will introduce the members of the delegation: first of all, from the Sir Arthur Pearson Association of War Blinded, Bill Mayne, Dave Ferguson, Fred Woodcock, Bill Dies; from the Canadian Corps Association, Bert Lanning; from the Army, Navy and Air Force Veterans in Canada, myself and Mr. J. H. Nevins, who is the secretary of the Army, Navy and Air Force Veterans in Canada and also the secretary of the National Council of Veteran Associations; War Pensioners of Canada, A. T. Pollock; War Amputations of Canada, A. J. Parsons, K. E. Butler, A. Bell, A. Piper; and from the Canadian Paraplegic Association our comrade in the wheelchair, Comrade J. A. L. Bobichaud.

We have decided, with your leave Mr. Chairman, to ask the secretary of the national council, on behalf of the delegates, to read our brief following which I would like to say a few words and then to call on the representatives of the various associations.

Mr. J. H. NEVINS: Mr. Minister and Mr. Chairman, and gentlemen,

This submission is made on behalf of the National Council of Veteran Associations representing the following organizations:—

	<i>Organized</i>
Army, Navy & Air Force Veterans in Canada	1840
Canadian Corps Association	1934
Canadian Paraplegic Association	1945
Sir Arthur Pearson Association of War Blinded	1917
The War Amputations of Canada	1920
The War Pensioners of Canada	1922

We are grateful for the privilege which has been accorded us to present recommendations and comment in respect to the revision of the War Veterans Allowance Act of 1952 and the Veterans Benefit Act of 1954. While regretting the limitations of the order of reference, we trust that you will permit us at this time to present for purposes of record and attention at the earliest possible date, proposals affecting the Canadian Pensions Act and treatment regulations.

Reference Bill 164:—An Act to amend the War Veterans Allowance Act, 1952.

Recommendation No. 1:

That the existing war veterans allowance rate for the single man be increased to at least \$60 per month and the married man's rate be increased to \$120 per month.

Comment:

For some years it has been obvious that recipients of war veterans allowance have been labouring under a serious difficulty because of the inadequacy of the amounts provided. We realize that our recommendation may in part be in excess of the provisions proposed. We are simply endeavouring to be realistic in assessing the needs, especially of the individual who is, because of age and/or incapacities, incapable of supplementing income through even casual earnings to any appreciable extent. These are the hardship cases for whom we bespeak your earnest consideration.

Recommendation No. 2:

That the total annual allowable income including war veterans allowance permitted under the War Veterans Allowance Act be the amount set as statutory exemptions under the Income Tax Act, subject to supplementation of \$200 in the case of the single man.

Comment:

We note with concern the means test limitations proposed by this bill for the single man is \$840 per annum. This would permit only \$120 per year or \$10 per month through income from earnings or other sources. We consider that the means test for the single man should be at least set at the level of \$1,200 which would permit \$480 of supplementation.

In the case of the married man who must maintain a home, however modest, we consider that it should be advanced proportionately and suggest again the statutory exemption in respect to income tax, namely \$2,000.

Recommendation No. 3:

That the recipients of war veterans allowance, upon qualifying for old age security, should receive the old age security, without reductions in the W.V.A., except insofar as the total income exceeds the total allowable income under the W.V.A. Act.

Comment:

Increasing age is generally attended by gradual reducing possibilities of supplementing allowance through casual earning. Therefore, the aging recipient of war veterans allowance who may have been able through his efforts to supplement and enjoy a few comforts will under the proposed provisions of this Act be reduced to the subsistence level of the war veterans allowance recipient who has never been able to supplement. The individual who has never been able to supplement has undoubtedly suffered hardships to which he may have become more or less reconciled. The individual who is forced to reduce his living standard by reason of age and more completely disabling physical capacities, experiences discouragement amounting to tragedy. It would seem only humane to permit the W.V.A. recipient to enjoy the old age security allowance, coupled with sufficient war veterans allowance to the total of permissible income from all sources.

VETERANS BENEFIT ACT, 1954:

Comment:

We heartily support the humanitarian administration of this Act to the end that those who have suffered and are dependants may be benefited notwithstanding restrictions actual or implied heretofore. The more generous intent of the amendment is greatly appreciated.

TREATMENT:

Recommendation No. 1:

THAT war disability compensation cases in classes one to eleven be afforded treatment without charge by the Department of Veterans Affairs for non-entitlement conditions.

Comment:

We have been in agreement and have made representations on previous occasions, notably in 1954, that the war disabled in classes one to eleven should be given treatment without charge for conditions which have been ruled as not related to service. Falling within this category are conditions that in the mind of the individual concerned and/or his relatives, friends and even medical consultants are considered to be directly or indirectly related to disabilities for which he has entitlement or to conditions under which he served. In addition, there are conditions for which the individual and his medical consultant are of the opinion that a strong relationship obtains because of the strain of wearing an artificial appliance or of treatments required for the condition for which he has entitlement. A serious disability of any type imposes strain on the physical, nervous and even the mental condition of the individual concerned. We appreciate the fact that the War Veterans Allowance recipients are automatically accorded free treatment at any time for any condition. We applauded these provisions as being essential and humane. We have tried to rationalize the position of the seriously disabled who because of war disability compensation and income from any other source are substantially barred from free treatment for any condition that has not been ascribed to service. We believe that while we applaud the improved hospital standards and the efforts of the medical services to adjust and insofar as possible to meet the needs of the seriously disabled, we are forced to realize the existing limitations. We urge, therefore, that consideration be given at the earliest opportunity. In 1954, we suggested that if no other satisfactory means be found of meeting this problem that the government of Canada should look into the matter of establishing a medical service and hospitalization policy under a contributing plan through which the veteran might authorize deductions from whatever pension he may be in receipt of to meet the premiums.

Recommendation No. 2:

THAT the practice of deducting \$15 per month from the allowance payable to a disability pensioner, when he goes into a Department of Veterans Affairs hospital for treatment of a disability which has occurred as a result of active service, be eliminated. This Council on previous occasions, notably in 1954, has continued advocating this policy and are still of the same opinion.

Comment:

We are certain that the disability pensioner was not charged \$15 per month while being treated in dressing stations or in general hospitals before being discharged. It is our opinion that the people of Canada are not aware that their disabled veterans are being charged this \$15 a month for treatment of disabilities incurred on active service. We are further of opinion that there is no provision in the Canadian Pension Act which would provide for said deduction, and that any such regulation passed under the provisions of the Department of Veterans Affairs Act is inconsistent with the intent of the provisions of the said Act and is repugnant to the principle of all veterans' legislation com-

monly referred to as the Veterans' Charter. Any regulations, in our opinion, which may have been made to cover this deduction have in fact no authority in the Act and the money deducted from the veterans mentioned has been wrongfully charged.

Conclusion:

We deeply appreciate the consideration being given by veteran members of the House of Commons to veteran provisions intended to meet the needs and relieve problems of ex-servicemen whose disabilities are directly due to or in some degree related to war service. We are grateful to the Minister and the Department of Veterans Affairs, including treatment administration to which they have exercised a humanitarian attitude in the administration of provisions enacted. We wish to assure you that from our intimate associations with the many ex-servicemen who have problems, we are anxious to co-operate with you and the department in developing a thorough appreciation of the problems involved and in making recommendations where we think improvement could be effected advantageously.

We appreciate your considerate attention.

The WITNESS: With your leave, Mr. Chairman, I should like to make a few remarks, now that the brief has been read. Firstly, I think that we should realize, gentlemen, the fact that the administration of the War Veterans Allowances Act, more particularly in recent years, has changed to such an extent that we now have to regard it as a war disability pension. We have to recognize the fact that, in granting these allowances and in administering the Act, the underlying principle which has been conceded in order to approach the question has been the fact that these unfortunate men, who through war service are no longer able to maintain themselves, have suffered some unidentifiable disability due to that war service.

I think that position is unassailable and from that position certain conclusions must be properly drawn, the first of which is that undoubtedly such men are entitled to receive the most kindly and benevolent consideration of their problems and be given, as they have the right to be given, sufficient income to maintain themselves in accordance with the standards of decency and respect which were theirs when they were fighting for us. That is the burden of our brief and of our presentation here today, and from that position will stem several matters which I wish to mention to you. But before going into these matters I want to make these observations.

Unless I am mistaken in my recollection of budgetary figures, our annual budget for defence purposes runs into billions of dollars. I notice that when our friendly competitor and collaborator the Canadian Legion made its presentation, some information was asked from them as to what they felt the recommendations they made would cost. Frankly, it is useless asking me any such questions because I do not believe in guessing at things and any attempt of mine to answer such questions would be unsuccessful for the simple reason that I have not got this information, nor have I any means of getting it, or obtaining access to information upon which I could base my replies. But I do make this submission: that no matter what it would cost, within the bounds of reason, we could not say to our veterans: "We know how to fight for our freedom and privileges, but having fought for them, we are going to count our pennies to find out whether you can share in the benefits for which you made the sacrifices." And if we are going to count the cost too seriously we are bound to accept ourselves as being in that position, and I do not think there is a man in this room, or a man or woman in Canada, who would support such an attitude. Therefore I feel that while it is the responsibility of the government of the day and the House of Commons on all sides to consider the burden

on the taxpayers of Canada, I do not think that that should be the supreme consideration here, particularly in view of the fact that we find it necessary now—and I agree wholeheartedly with this policy—to put ourselves in a state of preparedness to defend ourselves against any future aggression at the cost of billions of dollars a year. I think it would be a shameful thing if we were to say, for the sake of a few million dollars, that these men were to be obliged to work out the remainder of their lives in misery and poverty when at the same time, in order to engage in activities which would reproduce their kind, we can spend billions without any hesitation.

Our main submission today is on two things—the amount of war veterans allowances and the “ceiling” on earnings. I see that the Act provides for the single man’s allowance to be the same amount as our brief recommends, and that is a very gratifying thing.

I do feel, as our brief says, that it costs a war veterans allowance recipient just as much to maintain a wife as it does to maintain himself, and we feel that a wife of one of these veterans is entitled to live at the same standard as her husband is, and we do not feel that because a man has taken unto himself a wife, as he is entitled to, that he should either require the wife to live at two-thirds of the standard he is authorized to live at, or that he should average his income out, and thus reduce his own standard. I do not think there is much more which can be said about that. It is fairly evident that the cost of maintaining a war veterans allowance recipient’s wife should at least be fixed at an equal level. If that is accepted the total for a married couple would be \$120 a month, and if any gentleman in this room can show me how my wife and I can live in decency and moderate comfort on that sum, I would be very grateful to him for dealing with the question, because that information would be invaluable.

Mr. BROOKS: May we ask questions before the witness leaves one subject and goes on to another?

The CHAIRMAN: No, I think we had better wait until he is through, and then take the submissions up item by item.

The WITNESS: In the main, questions will be answered by representatives of the various groups who have made a special study in that particular field, and if there are any general questions and I can answer them, I will.

I want first of all to say that on behalf of my association and of the National Council of Veterans, we deeply appreciate the approach which has been made to the matter of accountable income by the board and the Department of Veterans Affairs. We note with great appreciation and interest the directives which from time to time have been issued as to what will be, and will not be regarded as casual earnings, and it could be that the present proposed “ceiling” in the Act which, as I read it, is \$120 per year for a single man and double that for a married man above his war veterans allowance, would meet the case under the provisions of the Act, and in this directive about casual earnings that “ceiling” would seem to be not too low. But there is a group of war veterans allowance recipients who are not able, perhaps for one of a number of reasons—the area in which they live, or the nature of their disability—to take advantage of those provisions. Such men, I think, are limited to their \$60 a month and the additional \$120 a year, which is totally insufficient to maintain them in anything approaching decent conditions, apart from any question of their being able to participate in the good things of life which, as we all know, because in this room we are all of us veterans, are among the things for which we offered our services, and which all of us should have the right to enjoy.

We believe that the reasonable and sensible income “ceiling” for the recipients of the war veterans allowance is the income tax exemption estab-

lished under the Income Tax Act. Surely if a vigorous, healthy civilian is entitled to have an exemption of \$1,000 in order that he may live a normal and decent life, the man with a disability which will involve him in a good deal of extra expense for medical treatment and other expenses which do not fall to the lot of the physically fit person, should be entitled to have the same exemption, and entitled to benefit to the same figure.

Our brief suggests an extra \$200 for the single man. I go along with that brief and I want to be frank, and my fellow members of the delegation may feel a little critical of my views, but I would feel quite satisfied if the government would establish as a "ceiling" the income tax exemptions. If they wish to put the extra \$200 onto the single man, I will not quarrel with them, but I do feel we could justify beyond any argument our claim that the ceiling on chargeable income to affect war veterans allowance should not be less in any event than the exemption for income tax purposes.

I want to enlarge a little on that, in this respect: I notice in our friendly rival's brief that they suggest that the children of the recipients of war veterans allowance be treated in the same way and that the war veterans' allowance recipients be given the same allowance for their children as the war disability pensioners receive for their children.

While I support that recommendation I am afraid that I cannot personally—nor can my association—support the actual content of it. We feel that our recommendation that the war veterans allowance recipients receive the same exemption in chargeable income as the taxable citizen for income tax purposes would take care of these cases.

It is true that in our brief we mention \$1,000 and \$2,000. That is because it happens to be the income tax exemption for single men and for married couples.

But if our recommendation is taken in its overall form, it means, if the war veterans allowance recipient has children, that he would receive by way of addition to the income ceiling the amount that he would be allowed, as an exemption from income tax purposes under the Income Tax Act.

If the bill were amended to agree with that well known principle, the same as income tax exemption, it would save bickerings in the future as well as innumerable amendments to the Act, because, for all time, if it was changed in the income tax, the exemption of war veterans allowance recipients would be automatically affected in the same way.

I feel that position can be justified. Why should little Johnny Jones, whose father is a recipient of the war veterans allowance, be required to live on a lower standard than Tommy Brown who lives next door and whose father—for perfectly justifiable reasons, and not to his discredit—did not serve his country at all?

We must give some recognition to the fact that war veterans allowance recipients are human beings, and do get married, and, having got married, do as married people do, have children. And we must endeavour to see that those children are entitled to live the full, rich life that we are so proud of our children being able to live in Canada.

Unless we appreciate that fact we are discriminating against them unjustly and unfairly. These are men who deserve our every sympathy and support.

I sometimes think that the man who is suffering from a non-identifiable disability is—with apologies to the very seriously injured veterans of the associations who are with me—sometimes more to be pitied than the man who is suffering even from a great injury because it is the unknown which bothers a person. The men who are blind know that they are blind and they know where their trouble is and they can compensate for it, as our comrades have. It makes us all proud of them.

But the man who has got something wrong with him which neither he nor his doctors can find needs more help for the remedying of it.

There is another point, that is in connection with the allowable income. Having started off, as I did, by contending that the war veterans allowance now be treated as a form of war disability pension, it brings up the matter of old age security.

At the present time, as I understand it, when a recipient of war veterans allowance reaches the age of 70—the few who live that long—he loses in his war veterans allowance to the extent of the old age security, which affects his allowable income.

We in the National Council of Veterans and in our own organization particularly do not feel that that is right. The disability pensioner should properly receive old age security and it should not affect his pension at all. We feel that the recipient of the war veterans allowance—if he should manage to live as long as 70—should receive it, together with all others who are 70—every citizen of Canada who is qualified to receive old age security to which he has contributed if he has been taxable during his lifetime—without it affecting his war veterans allowance.

It is a small thing to give to the disabled veteran even when his disability is not identifiable, to give him for the last few years of his life the same \$40 which everybody—from the richest man in Canada down—gets without question.

There is another question which has been raised. It has not been raised in our brief, but in other briefs, and therefore is before your committee. It is the payment of the war veterans allowance to Canadian veterans not resident in Canada.

Our council in discussing that matter informally as we did this morning, approached it with some difficulty.

We understand that wherever the veteran lives outside of Canada, he will have available to him whatever social services and other welfare assistance that is available to all residents in that country.

We do feel, however, that if a veteran has once received the war veterans allowance in Canada, or has qualified for it in Canada—although he may not yet have actually received it—that it becomes necessary for him, under competent medical advice—perhaps I should not go so far as to say “necessary”, but if it becomes desirable for him, for his health, to go and live under climatic conditions which are not available in our country—with reasonable safeguards—such as a reviewing of his medical examinations, or the medical evidence by competent departmental doctors, for instance, to afford safeguards to make sure that the facts were as alleged—if it is necessary or advisable for a man entitled to the war veterans allowance to go to a climate not available to him in Canada, then we feel, in justice to him and to our own consciences, that he should receive the same considerations under the War Veterans Allowance Act as if he remained in Canada.

I do not think that any reasonable or decent person could quarrel with that position.

There have been some recommendations that any veterans who served in Britain during World War I should receive the benefit of this legislation.

We have considered that at some length and while we are not prepared at the present time definitely to say “No. We would not support such a position”, we are not prepared at the present time to support it, for two reasons. The first is, that we believe the position we are taking now, and the things we are now recommending we can justify beyond any question; and until we have given more study and consideration to the other question, we do not feel perhaps that we can justify such a recommendation.

I do not think it would be fair to future veterans affairs committees for us to do all the work and leave them without anything to do. We feel that we should leave a little something for some future committee to do.

The argument has been advanced that because the men and women who served in Britain in World War II are entitled to the war veterans allowance, therefore those who served in Britain in World War I should be equally entitled.

Those of us who were in Britain in World War I and in World II have got to admit that there is no earthly comparison between the conditions in World War I and those in World War II.

We have always felt, in presenting a brief from the national council, that the strength of our case has always been that we have never put ourselves behind something which we did not feel we could push to the limit and justify.

The day may come, however, when we or our successors may feel that we can justify extending the war veterans allowance to those who served in Britain only in World I, but we do not feel that we can do it now. We have yet to make a first recommendation to this committee or to the government that we did not feel that we could justify to the limit. I do want to make this one observation, that we are very happy in the National Council about the approach taken by the War Veterans Allowance Board and the department and I think it is due the minister to say particularly since the Hon. Mr. Lapointe took over the office of the Minister of Veterans Affairs. Those words of appreciation extend to all the heads and officers of the department. We have found them cooperative and interested and—this I believe is attributable to the minister—they have held in many instances the same views which we do in the questions we have to approach. There is one observation I wish to make about that situation. Looking at the directives which the War Veterans Allowance Board issue from time to time I have to admit frankly that they appear to be quite generous in dealing with casual earnings; their interpretation of the directives as to what are casual earnings appear to be quite generous. The only observation we wish to make further than that is we would like to be able to feel that that attitude will not change and that there will be no restriction in the generosity of those directives following any action which the House may take in amending the bill and increasing the allowances. Our main point here today on the question of allowable income is toward and on behalf of those who do not have available, because of disability or lack of opportunity, the access to these various casual earnings which on the face of the matter appear to be quite generous, but it does not matter how generous one is if you cannot gain access to his generosity.

I feel I have taken sufficient time. If there is anything which I have overlooked I am sure my colleagues will prod me and I will be glad to answer, or call on my associates to answer, any questions which you wish to ask. There are some of my colleagues who wish to make verbal representations on their own behalf. Would it be preferable to have them make their presentations now?

The CHAIRMAN: I think it would be preferable to have them speak first.

The WITNESS: I would call on Mr. Butler.

Mr. GOODE: Mr. Chairman, I wonder if I may ask Mr. Wickens how many members are in these combined six or seven organizations?

The WITNESS: We have approximately 200,000 in ours. I will have to ask the others to speak for theirs.

War amputations, roughly 5,500; war blinded, 330; Canadian Corps Association 10,000; war pensioners, approximately 900; paraplegic, approximately 250.

The CHAIRMAN: You wish to call on Mr. Butler?

The WITNESS: Yes. Mr. Butler represents the War Amputations of Canada.

Mr. BUTLER: Mr. Minister, Mr. Chairman, and gentlemen, I believe that Major Wickens has covered as well as I could hope to, or better, the first portion of the brief, namely the war veterans allowance.

I would like to say a few words on the hospitalization treatment for non-pensionable disabilities. First of all, I wish to explain that I feel, and I know the group with me feel likewise, that we are ultimately going to make every effort possible to get free treatment for all non-pensionable disabilities. However, I also realize, speaking practically, you very often are better to accept a portion of your resolution than you are to attempt to get the whole thing all in one bite.

In the present situation as far as hospitalization is concerned we are very grateful to Dr. Warner and his group and for the government in allowing us the percentage of non-pensionable free treatment we are now getting. Roughly it entails a means test of allowable income for six months before or after. Assuming a person is in hospital for a year it is averaged across that period. Then, his pension is also included and there are adjustments allowed for a wife and child. At a certain level he is permitted extra free hospitalization for non-pensionable disabilities. If his total income for that period is over that amount he pays the shot. I would like to explain what we feel a war disability pension is. The compensation is for pain and suffering incurred in the past. The present difficulty we are all having is with awkwardness of getting around, additional cost of transportation, and hiring help for jobs we are unable to do. This all adds up to the fact that under the present situation the high pensioner, the 100 per cent pensioner—75 and up—actually are being discriminated against under the present hospitalization situation. The compensation which we receive is recognized as far as income tax regulations are concerned—they are not taxable—and I feel it would be a tremendous step in the right direction if we could have our war disability compensation, or whatever you may call it, excluded from this means test. If I am on a 100 per cent pension I do not feel it is fair that I go into hospital and have a \$15 a month deduction from my particular pension and on top of that am unable to qualify for free hospitalization. I know that the government is now going into the matter as to what is and as to what is not actually attributable, but it is logical that a chap with both legs off is more apt to fall downstairs or slip on the ice than someone who has a leg off below the knee and there is no entitlement for that. I feel that the discrimination against the high pensioners is unfair and I feel it would be a step in the right direction if pension could be excluded when this means test is being taken.

I do not think I have anything further to say on that. I would be glad to answer any questions which I may be able to answer.

The CHAIRMAN: Since we are taking individuals now, perhaps we could have the questions. This is a definite point which Mr. Butler has raised.

Mr. CROLL: It is also raised in the brief.

The CHAIRMAN: Yes, perhaps we had better hear from all the others first.

Mr. FRED WOODCOCK: (*Representative of the Sir Arthur Pearson Association of War Blinded*): Mr. Chairman, I would like to say a few things about free hospitalization for classes 1 to 11, and also about the \$15 deduction from the 100 per cent pensioners only. I know that perhaps there is someone here who will differ with me in the statement, but the only person being charged for hospitalization for disability in Canada today is the 100 per cent pensioner; the rest have their pensions made up to the 100 per cent pensioner's amount less the \$15. I may put it perhaps a little more simply if I said, Mr. Chairman,

if you and I worked for the same firm, for the same wages, and I received the 100 per cent pension and you received a 50 per cent pension and we both went into Sunnybrook Hospital in Toronto you would have your pension made up to 100 per cent pension less \$15. The firm would continue to pay your wages and continue to pay my wages but my income is reduced by \$15. You gain and I lose. That has, over a long period of time, been a very galling factor to our group who are in the main 100 per cent pensioners, 100 per cent, 150 per cent, 200, 300 per cent pensioners. We seem to speak of that group as being 100 per cent pensioners, but we forget that if you add up the total of disabilities they are far in excess of 100 per cent.

Speaking of that \$15 deduction and those disabilities in excess of 100 per cent brings me automatically to free hospitalization. No man here that is not blind can tell a blind person what he has to live with. Not even one's own wife and one's own family doctor can assess half the troubles he experiences. Generally they put it down to the tension under which we live, and that is quite true. A blind person is not distracted by sight associations around him at all. He has to remain tuned in from his awakening in the morning until he closes his eyes at night, tuned in at all times to sense of touch and to sense of smell and of hearing. He cannot sit on a streetcar and let his thoughts stray to something else; he has to be conscious of every sound along that route in order to get off at the right stop. That is just a little example. As has been said here today, perhaps some of us have—shall I use the expression—taken the "bull by the horns", gone out and tried to do a good job. But perhaps those same few—and we could name them—Colonel Baker, Mr. Dies, Dave Ferguson and a few more, and you might even include myself—have made blindness seem a little too easy to sighted people. I do not know. But in attempting to set a pattern for others I hope that we have not impressed our friends around us with the fact that we are getting along too easily. No one will know what is in the mind of the veteran who is disabled. There is only one means to pacify what is in his mind, and that is by legislation that will give him free hospitalization for non-entitlement conditions. Time and time again, I know that the gentlemen on the floor here have had experience with veterans' difficulties. They know that, although there is no tangible proof of it, perhaps what is wrong with such veterans is that they are living with handicaps caused by their war services in the past. I would gladly answer any questions of this committee, Mr. Chairman. Thank you very much.

The WITNESS: For the Canadian Corps Association, Mr. Bert Lanning.

Mr. A. E. LANNING (*President, Canadian Corps Association*): Mr. Chairman, Mr. Minister and members of the committee, the Canadian Corps Association is particularly interested in the brief this year. Whilst we have had a certain interest in the previous briefs that we have attempted to support, the war veterans allowance is part of the Veterans Charter in which the members of the Canadian Corps Association in particular are interested. We are in the National Council, with the blind, paraplegics, amputations and so on. But we represent a group of the older first war men who, before the days of company pension schemes, were not able to get into pension schemes that would look after them in the twilight of their lives and are now out on pensions or allowances—you might call them gratuities—from their firms of very small amounts, \$6, \$7, \$9 a week—a mere pittance. The war veterans allowance, by the good nature of the Canadian government, is their only means of existence. We certainly believe that \$120 for the married man and \$60 for the single man is the minimum on which those men can exist. For that reason we think that the amounts should be \$60 and \$120, as our brief says.

With regard to hospitalization, those who were on the committee last year and the year before will remember that on one occasion I spoke of free hospi-

talization, and said that if it were not possible to secure free hospitalization, there should be a contributory type of hospitalization. Now, I am not quite sure whether I am correct or incorrect, but I believe that it was not politically expedient to have contributory hospitalization, on account of the very many medical associations that were interested in that. If the government gave us free or contributory hospitalization, then that would make inroads on their market of perhaps a million veterans to whom they might sell their schemes. Certainly, if we cannot have free hospitalization, our organization would like to see a contributory scheme, but not to the point of taking \$15 a month for pensionable disabilities. That is a contribution with which we do not agree.

The means test is another thing with which we are concerned. Not long ago, on Bay street, I heard one of our wealthy friends quipping facetiously that he was buying a big new car. His friend said, "You are going to get only about 14 miles to the gallon with that." He said, "Yes, but my birthday is in February and I am going on the old age pension; and I figure that the government can pay for the gas for the new car." That is all very well, but the veteran on war veterans allowance is not going to be able to buy a big car and run his car on gas paid for by an allowance without a means test. So we think that the means test is a little harsh on war veterans, and every opportunity should be given to the older man who is ambitious enough to go out and do something. You set a ceiling of \$10 a month, but you have to pay a boy \$10 a month to come and cut your grass. What is a man going to do to keep his earnings down to \$10? It is a ridiculous figure.

Now, I was in England and on the continent last year. This question of war veterans allowances for Canadian veterans outside Canada is a very moot point. I do not know just what the answer today is, but I will say this, Mr. Minister, that the D.V.A. in England is doing a first-class job. They have many problems, and I know that you will get many approaches from the London office on that.

I might take one moment to express the appreciation of the Canadian Corps Association to the minister for a very kind message which he sent to Bramshott last year when a memorial was unveiled. Three hundred to four hundred men are buried at the little Bramshott church and a memorial was placed there last year. A very nice message from the minister was received, which made the people of that community very happy.

Now, I do not want to go over any of the other points which have been touched on here today. I believe, certainly, that our brief is quite correct, and very modest in asking the same exemptions for war pensioners or war veteran allowance recipients as the Income Tax Act provides. I cannot see how you can differentiate between the two, and we are certainly behind everything which we have put in this brief.

The WITNESS: The next to give evidence is Mr. A. T. Pollock of the War Pensioners of Canada.

Mr. POLLOCK: Gentlemen, I realize that you are here in an effort to do something for your constituents. You are the elected representatives of the people. The gentlemen to whom you have been listening are also elected representatives of a very important section of the people of Canada, people who made it possible for you and I to be here today in the circumstances in which we are now meeting. I am quite in accord with everything which Mr. Wickens said in presenting our brief. This was not a hurried "deal" at all. This was a seriously considered brief, and I believe that what Mr. Wickens, and the other representatives who have spoken have told the committee is an absolutely honest estimation of what not only the veterans but the people of Canada think this country should do for those who offered their very lives for the country. I am quite in accord with what Mr. Wickens said when he

stressed that there were men carrying disabilities which were not tangible, disabilities which could not be seen, and those men are suffering 24 hours a day, 365 days a year from disabilities which are not quite apparent, and it is my thought that this government—I do not say this particular government, but the government of Canada—did create a preferred class of pensioners when it issued directive number 66, inasmuch as they then said that seriously wounded, gun-shot wounded veterans should have automatic pension increases. We have drawn attention to this matter on two or three former occasions, and it was also presented in one of our briefs. It was pointed out by members of the committee that the medical disability pensioner was eligible to go before a board and if his case worsened he could have an increase also.

Nevertheless, I believe the government of Canada created a preferred class of pensioners because, after all, a pension or compensation is paid for a disability from which a person is suffering and if a man returned from the war in 1919 with a leg off, or shrapnel wounds, or bronchitis, or a heart condition he was compensated for that disability.

As time goes on, age catches up with these people and they are less capable of coping with their disability, regardless of whether it is the loss of an eye or the loss of a leg, bronchitis, a heart condition or whatever the case might be. The seriously wounded cases qualify for an automatic increase in the amount of their pensions. Why? Have their cases worsened? They have got the same disability but on account of age they are less able to cope with that disability. They are now 35 years older. The same should apply to the man with a bad heart condition, but they say to such a man, after they have examined him: "Oh well, you are 35 or 40 years older now, and your case is no worse". Nevertheless he is in exactly the same position as the man with the gun-shot wound. He is less capable of coping with his disability. Both are in the same category. Both are suffering from a disability and on account of age they are less capable of coping with the disability. That is all I wish to say on this subject, which might be outside the committee's jurisdiction under their terms of reference. I do feel that it is absolutely unfair to expect a recipient of war veterans relief to lower his standard of living by reason of his age, yet that is what has been proposed.

I feel that the government have set a fair mark when they said \$1,000 should be exempt from taxation for all and sundry, whether they have disabilities or not. There can only be one reason, according to my mind, why they decided on this exemption: they knew people could not get along with less. A further \$1,000 is allowed for a wife. Thus I think the delegation presenting the brief today are asking for something which is just and fair and I think that you gentlemen will agree with it. I cannot see how you can say on one hand that \$1,000 should be exempt from income tax,—\$2,000 in the case of a married couple—but when a veteran is concerned, this should not apply. It should work both ways.

I know that members of the committee are fair, and I honestly believe despite what some people say about elected representatives, that all the members here are trying to do a job for Canada, and we submit our brief today feeling that you will do for the veterans what they did for us. They elected themselves to serve Canada, and in electing themselves to that service they agreed to go anywhere and do anything which they were told to do for Canada. They carried this service out to the very best of their ability, and if they have suffered as a result of discharging these duties I feel sure members of the committee will see that they are justly dealt with, and that they get their just desserts. Thank you.

The WITNESS: We have reserved to the last, not particularly by design—the rear guard is usually the strongest part of the army—Mr. J. A. L. Robichaud, of the Canadian Paraplegic Association.

The CHAIRMAN: What is your first name Mr. Robichaud?

Mr. ROBICHAUD: Lorenzo Robichaud.

The CHAIRMAN: You are president of the Paraplegic Association?

Mr. ROBICHAUD: I am not the president. As a matter of fact, Mr. Chairman, I would like to express the regrets of the president, Mr. John Connsell of Toronto, that he has not been able to attend here this morning. Members of the committee will easily realize that persons confined to a wheel-chair do not find it always possible to travel. As I live in Ottawa, he has asked me to represent the association.

We of the Canadian Paraplegic Association fully endorse all the recommendations which have been made this morning by the National Council of War Veteran Associations and if you would allow me, Mr. Chairman, I would like to enlarge somewhat on one point in which we are particularly interested, but which, unfortunately, does not, again this year, come within the terms of reference to your committee. I refer to recommendation No. 2, on page 6 of the brief, regarding the deduction of \$15 per month or 50 cents per day when a pensioner undergoes treatment for a service related condition. As far as I know the committee on Veterans Affairs has never been called upon to inquire fully into this provision of the veterans legislation and I trust that the following remarks will help to convince all concerned of the necessity of doing so in the near future.

It is a recognized principle of the veterans legislation that when a former member of the forces sees his power, his capacity to compete on the general labour market reduced to nil by disabilities entirely related to his service he is entitled to a pension at the rate of 100 per cent and I can vouch for the fact that in such instances the Canadian Pension Commission does not hesitate to award a 100 per cent pension. You will agree that a person detained in hospital for treatment is at least temporarily unemployable and for all intents and purposes should be considered completely disabled. In the case of a pensioner the Pension Act provides that when he is admitted to hospital for treatment of a condition for which he holds pension entitlement he will draw instead of his pension a treatment allowance. This allowance is equivalent to a 100 per cent pension less 50 cents per day.

As a result, the most seriously disabled, those whose disability is assessed at 90 per cent or over suffer a reduction in the compensation they are receiving for their service related disablement while they are undergoing treatment in hospital, and those who are pensioned at less than 90 per cent see their compensation increase but not to an amount equal to a 100 per cent pension although as I said they are certainly completely disabled during the time they are confined to hospital.

Moreover, it is reasonable to assume that a person totally disabled will be or should be confined to hospital oftener and for longer periods than a person suffering from a disability assessed at let us say 30 per cent or 40 per cent and it would seem, therefore, that the regulation providing a deduction of 50 cents per day during treatment is not only inconsistent with the intent of the legislation enacted by parliament for the welfare of the veterans but also constitutes a serious discrimination against those whose health has been so impaired by their service that they now have to spend months and even years in hospital.

Let us hope that this problem will be given due consideration at the earliest possible opportunity.

The CHAIRMAN: Is that all, Mr. Wickens?

The WITNESS: Yes.

The CHAIRMAN: Then I suggest you come back to the table, and as questions are asked, you either answer them yourself or call on the various representatives of your supporting organizations.

The WITNESS: We may simply say that we cannot answer them.

The CHAIRMAN: We are now ready for the questions.

By Mr. Brooks:

Q. I was going to question Mr. Wickens with reference to the brief. He did not mention allied veterans widows. Would he please comment on what has been recommended by some of the organizations? If an allied veteran had lived 20 years in Canada and if he otherwise qualified, he could receive the war veterans allowance. But if he died before the expiration of that 20 years, then his widow who may have lived here for 20 years, cannot qualify.—A. That is covered, Mr. Chairman, by the Canadian Legion's brief. That matter was not called up for discussion in the meetings of the National Council. Therefore, I must speak solely for myself. If an allied veteran had lived 20 years in Canada he could qualify. He had lived for a substantial time in Canada. In other words, he did not come here just because he knew that he was going to die. But we have not dealt with the matter. I am speaking solely as a private person. Although I believe the National Council would agree with me, yet I am not authorized to say so. I think it is a maintainable position.

In other words, this woman has lost her husband. The couple came to Canada at a time when there was no notion of that sort of thing being available to them. It may seem a hardship, and I agree that it could be properly considered a hardship, to say to her: "You have not only lost your breadwinner, but you have also lost the advantages which you as a resident in Canada would have obtained, had you not lost them."

For myself I would support that position, but I am not authorized to speak on behalf of my colleagues, or the association, or the council.

Q. One further question: with reference to your brief. You recommend \$60 and \$120 allowances. Is that founded on any cost of living basis. In 1952 I remember when this organization was before the committee they said that their asking for living allowances of \$60 and \$120 was vis-a-vis the cost of living at that time. Are you using the same basis for your recommendations at the present time?—A. As far as our personal experience with the cost of living goes, it has not decreased substantially. Apart altogether from that, the recommendation is made, as far as I am concerned—and it is my understanding of it—I presume that in some cases that will be the total income.

I think it is quite self-evident that \$60 per month for one person and \$120 per month for two people—to put it mildly—is the very lowest possible amount you would hope they could subsist on.

Q. Would you agree to \$90 for a single person and \$150 for a married couple? That was the information we were given in 1952.—A. I would be very happy if this committee and the Government of Canada could see its way to do that. I think it could be thoroughly justified.

Q. Do you agree that that would be the cost of living today if it were the cost of living in 1952?—A. There has not been sufficient difference to affect it. I am not wishing to go on record that I agree that it would be the cost of living in 1952. In my own experience I think it would be barely the cost of existence in 1952, which is a different thing altogether from the cost living.

Therefore, while I take the position there has been no appreciable reduction in the cost of living in 1955, as opposed to 1952, I am not prepared personally to agree that that sum was a sufficient amount to cover the cost of living in any year.

Q. But you will not say it was any less?—A. No.

The CHAIRMAN: Mr. MacDougall.

By Mr. MacDougall:

Q. I was interested in the various speakers who presented this brief today on behalf of their specific organizations, and I congratulate them on the way the brief was handled.

There are, however, some questions which arise, in my mind, in respect to some of the things which we discussed on Friday in this room when we heard the brief of the Canadian Legion.

I do not recall which speaker it was but one of them said today, that, with respect to the war veterans recipients who by reason of health conditions had to live outside of Canada, he felt that such recipients should be able to draw the war veterans allowance if they lived in a country extrinsic to Canada. I believe the delegate who mentioned that also said that additional information on it could be secured from the United Kingdom. I do not know if I am exactly right in that or not, but if that is the case, and if they are doing that in the United Kingdom, then it would seem to me, as far as we are concerned here, that the same condition should apply where a war disability pension or a war veterans allowance recipient pensioner has by virtue of medical necessity removed himself to a foreign country, and as far as we are concerned here in Canada that foreign country would invariably be the drier and warmer states in the United States. It seems to me that that is something that we could give consideration to.

The CHAIRMAN: I am wondering, Mr. MacDougall, if you are going to ask a question.

Mr. MACDOUGALL: I did ask a question: what information if any is available with respect to the remarks of the gentleman who said that in his opinion it is working out satisfactorily I believe in the United Kingdom.

Mr. BERT LANNING: Mr. Chairman, I think I said that the department would most probably be able to get the information. The Department of Veterans Affairs have war veterans allowance recipients in England and they would have the problem pretty well in hand.

Mr. MACDOUGALL: I can hardly understand why any Canadian would want to go over and live in the smog of London to recuperate his health.

I have another question which has to do with a remark made by the gentleman who presented the brief on behalf of the council that there was in his opinion a disagreement as to the brief that was presented by the Canadian Legion respecting the payment of a pension on a basis of those who served in the United Kingdom as opposed to those who served in active theatres of war. I brought up that question in the bill which came before the House and I am glad to see that this gentleman was fair and honest in his presentation of that fact because I think it is a matter—

The CHAIRMAN: I wonder, Mr. MacDougall, if you are going to ask a question. We were going to restrict this to questions, otherwise we will not get through by 12.30. We cannot at this meeting make speeches or we will not get through the questions members will want to ask. We will discuss this when we come to the actual bill. Mr. Herridge is next, then Mr. Henderson and Mr. Croll.

By Mr. Herridge:

Q. Mr. Chairman, I assure you I will not make a speech. I wish to ask Mr. Wickens a question. I was very interested in one suggestion that those who have to live outside of Canada on account of health reasons should be paid the allowance outside of Canada. There are one or two rather interesting cases

in that respect. Could Mr. Wickens give the committee any idea of the number of cases he has which would come into that category. I am of the opinion that they are very small in number roughly speaking?—A. Mr. Chairman, I am afraid that I cannot give you any figures which would be of any value. All I can say is this: as some of you may know I go every year to the annual convention of the American Legion, at their invitation, and to the annual convention of the Veterans of Foreign Wars of the United States, by their invitation, and every time I go there is at least one, and several times there were several, Canadians who if they lived in Canada would qualify for the war veterans allowance and who are living in dire circumstances there, some of them by contributions made by the local posts of the American Legion or the Veterans of Foreign Wars. However, I cannot give you any information beyond that. I have never yet gone—and I have been going for 8 years—to a veterans meeting in the United States where there has not been at least one case which has come to my attention of a Canadian veteran who cannot get benefits because he is living in the United States. As to the numbers there would be I am afraid I cannot help you at all.

Mr. CROLL: I am not clear on this, perhaps the officers will tell us later, but is there any discretion in the board with respect to a man who draws war veterans allowance and for purposes of health has to leave the country? There is under the Old Age Security Act.

The WITNESS: I believe they do use discretion when the absence is temporary and only for health reasons.

By Mr. Henderson:

Q. I wish to turn to Mr. Brooks' question about veterans widows of the allied nations here whose husband has died before 20 years residence. Could you give us some idea as to how an allied country like Great Britain and the United States treat the widows of our veterans who are there upon their decease?—A. As far as I am aware they do not receive any treatment at all. I cannot say they do not but I have not had any instance of it come to my attention. I see Mr. Bowler there and he may know.

Mr. G. H. BOWLER, C.B.E., (Minister Representative, British Ministry of Pensions): The only thing, of course, is that they would qualify under the ordinary social security measures which are all embracing to persons residing in the United Kingdom. They would not benefit from being a veteran's widow but they would of course receive the benefits as all citizens of the United Kingdom receive benefits under normal social security measures.

Mr. HENDERSON: Then, there would be no special consideration.

By Mr. Quelch:

Q. On page 3 of the brief, recommendation No. 3, reads:

That the recipients of war veterans allowance, upon qualifying for old age security, should receive the old age security, without reductions in the W.V.A., except insofar as the total income exceeds the total allowable income under the W.V.A. Act.

Then, over the page, at the fourth line:

It would seem only humane to permit the W.V.A. recipient to enjoy the old age security allowance, coupled with sufficient war veterans allowance to the total of permissible income from all sources.

That is the recommendation, but actually that is what is happening today, is it not? When a veteran reaches the age of 70 he can get the old age security and in addition enough of the war veterans allowance to bring his income up to the amount of permissible income.—A. That has not been my information.

Q. I take it then that you actually went a step beyond that in your suggestion. Did you not advocate that the recipient of war veterans allowance upon reaching the age of 70 should be able to receive the old age security payment plus the full amount of the war veterans allowance?—A. No. That was not our submission, not that we have any objection to it. Our submission was, having in mind the recommendations we made about this allowable income, that there would be no deduction by reason of the fact that he was receiving the old age security except in so far as war veterans allowance and old age security taken together would exceed his allowable income. In the case of a married man his war veterans allowance and old age pension would not exceed the allowable income. That is what we had in mind, but frankly I must confess—they say that confession is good for the soul—there are those who say that a lawyer does not have one, and so perhaps I do not qualify under that.

Mr. BROOKS: It would be increased by the increase of ceiling which you recommend?

The WITNESS: Yes, that was our position.

Mr. QUELCH: This really refers to the increase of the ceiling.

The WITNESS: My understanding of it, until I was informed here today, was that the war veterans allowance was reduced by the amount of the old age security allowance when he got it. If that is not now the case, it was at one time.

Mr. GREEN: I think that this recommendation No. 3 is perhaps not very clearly put. As I read it, I took it that when you referred to total allowable income you had in mind the total allowable income that you recommend, not the total allowable income as it will be under the bill. Is that correct?

The WITNESS: Yes.

Mr. CROLL: Major Wickens, this question has more point since you admit that you are a lawyer. Will you look at page 6 of the brief, please? Do you share that comment, and is there another view on that comment? Is there another view held by the department?

The WITNESS: As to what part of the comment?

Mr. CROLL: Do you share that comment?

The CHAIRMAN: He is not sure to what you are referring.

By Mr. Croll:

Q. There is only one comment on page 6.—A. There are several features to the comment. There is the \$15 per month, there is the opinion of the people of Canada—

Q. All of it leads to the conclusion at the top of page 7, which says in effect that every one of them should get a refund. Is there another view on that, because, on the basis of what you say there, I think that the department ought to write cheques by way of refund?—A. If the recital of facts in that comment is correct.

Q. I ask you as a lawyer and a man who holds a very responsible position in your association, would you say that that was correct?—A. If the facts as cited are correct, they should be entitled to the refund.

Q. Are the facts correct?—A. I was going to explain that. I am not the person who drew up this brief. I was at a meeting where the general principles of the brief were prepared, and until I got here yesterday I had not seen this comment. I am not saying that I disagree with the comment. You put the question to me as a lawyer, and as a lawyer I must state that I am not in possession of the personal knowledge as to whether the facts related in that comment are or are not correct. As to whether the Act covers that or not—

The CHAIRMAN: It was brought up before, and the suggestion was that there was ample power in the Department of Veterans Affairs Act to make regulations covering this point. There was no question in the minds of the department that there was a legal right to provide for this deduction.

The WITNESS: Could I make an observation here? It would not be the first time that the legal advisers of the department had been in error.

By Mr. Philpott:

Q. Mr. Chairman, I should like to ask Major Wickens this: are you sure that all your organizations are completely clear about the latitude allowed by the new regulations on casual earnings? For instance, without mentioning any names, we have had a comment this morning on earnings on cutting lawns. As I understand the instructions on casual earnings, they are very clear that a person can make all the money he can get if he cuts lawns for different people.—A. At odd jobs, yet.

Q. He can make up to \$50 a month, even on a steady job, but he may make any amount of money as long as he works for different people. Are you sure that all the organizations are clear on that?—A. I know that ours is. The one that you have in mind is the Canadian Corps Association representative. I also noticed that when he was speaking, but I was hoping that it would not be observed. I am sure that we will see that the personnel do understand it. It was for that reason, among others, that I carefully pointed out how satisfied we were with the breadth of the directives covering casual earnings, and expressed the hope that there would be no narrowing down of these directives as a result of any legislation that might be passed.

Q. From your experience so far, would you say that that provision, which was put in not so long ago, allowing people to take jobs up to 12 weeks a year, is worth while?—A. Yes, very much.

Q. Do you find that they have been taking any particular advantage of that offer in that section?—A. Not as often as you would expect, largely because, I think, the opportunity has not yet presented itself. Most of the men who come under this war veterans allowance scheme do not get many opportunities to take a full-time job at a good wage for a few months, but where the opportunity offers and the recipient is advised, he takes it with alacrity. However, I think that I am correct in stating that there have not been too many opportunities of that kind. There are not too many, because not many offers are made, but it is a very helpful provision.

Mr. BENNETT (*Grey North*): I should point out that the deduction of \$50 a month does not apply to an ordinary steady job; it applies to a steady part-time job.

The WITNESS: It is limited to \$2 a day for 25 days a month.

Mr. GREEN: With regard to the paying of \$10 a month for cutting grass, I think that that should be cleared up. My understanding of the evidence given was that the veteran himself had to hire a boy to cut his own grass and that would cost him \$10 a month. He had to hire the boy because the veteran was unable to do it himself. I should like to know from Mr. Lanning, who gave evidence, whether that is right. The questions asked of Major Wickens have been based on the possibility of the veteran himself earning \$10 a month. As I understood it, his submission was that the veteran was unable to do anything and had to hire a boy to cut grass for \$10 a month. That makes it completely different.

The CHAIRMAN: I think the reason why Mr. Philpott brought that point up was that he detected the thought in the mind of one of the gentlemen giving evidence that these casual earnings did not go as far as they actually do. I

thought he wanted this gentleman to know so that he could bring it to the attention of the members of his organization, as to how far this provision goes. I think that is what he had in mind.

Mr. PHILPOTT: Exactly.

Mr. QUELCH: Could we have that point clarified? I am certainly not clear in my own mind. I understood from what the gentleman here told me that you could earn up to \$50 a month without any deductions, if it is on part-time work. That is, you could get a job at \$600 a year as a janitor without any deductions. Is that correct?

The CHAIRMAN: Yes, it is, but I should like to have that made plain before the representatives of organizations, so that they can convey the information to their membership. Mr. Garneau, you might put it on the record.

Mr. GARNEAU: He could take a part-time job as a janitor. He might not know exactly how many hours he puts in on it. It would be considered as casual earnings.

Mr. QUELCH: Even if the salary is on a yearly basis?

Mr. GARNEAU: Yes. We did not have any actual cases of that kind, but we would take the average of \$600 a year. It is generally paid by the month, and we consider that as casual earnings.

Mr. GOODE: I have a request to make and a question to ask, Mr. Chairman. The War Veterans Allowance Board issued a directive in 1954 on casual earnings, and I think the members of this committee should be supplied with that directive, so that we shall know what we are talking about. I am not entirely conversant with the information it contains, and what was said with regard to casual employment came as a surprise to me.

The CHAIRMAN: I understood a copy had been sent to all the members of the committee.

Mr. GOODE: I have not got one.

Mr. BENNETT (*Grey North*): There is nothing mysterious about these casual earnings. They are simply divided into three classes. The first is what may be called "odd jobs"—mowing lawns, shovelling snow and so on. A man can earn as much as he wants to in this odd job class. The second class is part time regular employment, such as being caretaker in a Sunday school or in a school. This is where the \$50 limit is imposed. The third class covers seasonal full time employment, such as employment at a race track or helping in a store at Christmas time or at the Canadian National Exhibition. Within this class a man may earn as much as he wishes in any 12-week period of the year. There are these three classes, and that is all there is to it.

Mr. QUELCH: Mr. Chairman, could not a copy of the regulations be placed on the record?

Mr. CROLL: I just happened to write down what Mr. Wickens was saying on behalf of the group—that he was very happy at the generosity which was extended so far as casual earnings were concerned. Should we now continue to discuss this question to the point where we become somewhat less than generous? Mr. Wickens is perfectly happy; the rest of them are happy—we ought to leave the board alone.

The CHAIRMAN: As soon as this was brought to my notice I sent copies of it to the various Legion branches in my constituency because I thought it was such a splendid change that they should know about it, and I think it is a good thing that this has been brought out while there is such a splendid delegation here, because now if there is any doubt about it, they can take it up with their members, and draw attention to it.

Mr. POLLOCK: I listened to one of the gentlemen here speak on what he suggested a man could earn. Under section 4—I think it is a very good section—a man can augment his war veterans allowance to \$50 a month. That is O.K. But I think the point is being lost sight of that the job should count when the man gets the old age pension—the amount he can earn under section 4 should be allowed to old age pensioners.

Hon. MEMBERS: It is now.

Mr. POLLOCK: They can earn up to \$500 in three months—you can earn \$50 a week—

Hon. MEMBERS: No, no.

Mr. POLLOCK: Pardon me, I meant \$50 a month, and after that you earn nothing. You take $\frac{1}{25}$ off.

The CHAIRMAN: The evidence in regard to this will be gone into very carefully when we have the departmental officials before the committee, but I think enough has been brought out to indicate that these changes with regard to casual earnings have perhaps not been taken advantage of as fully as might have been the case if their full effect were known by all the membership of the veterans organizations, and I think enough has been said to warrant everybody following it up and bringing these matters before their membership. But it will be gone into very carefully when the departmental officials are before the committee.

Mr. GOODE: I wonder whether now, Mr. Chairman, I may proceed to my questions? Mr. Quelch asked a question of the relationship between old age security and the war veterans allowance, and although we are going to hear the officials of that department, I am quite sure there is a short answer to this problem, and I wonder if you would give your permission to ask the official to explain the relationship I have referred to.

The CHAIRMAN: Perhaps the minister would like to say a word on it.

Mr. GOODE: I wonder if we could have Mr. Quelch's question? He put the matter very well.

Mr. QUELCH: I do not know which question it was.

Mr. GOODE: Old age security and the war veterans allowance.

Mr. QUELCH: In the House of Commons the minister charged that I had advocated that the means test be lifted entirely on war veterans allowances. I have never done that. In the last session of parliament I did however stress the fact that in so far as the war veterans allowance was concerned there was a presumption when it was first initiated that a veteran had preaged by 10 years. I argued that if this were the case then surely in view of the fact that we have lifted the means test at 70 so far as civilians are concerned, we should lift it entirely at the age 60 in so far as recipients of war veterans allowances are concerned.

The CHAIRMAN: Is that the point you wanted dealt with Mr. Goode?

Mr. GOODE: That is not the question he asked, but if the minister will answer that—

Hon. Mr. LAPOINTE: The answer to that point is, I think, the same as I gave Mr. Quelch last year. If you take away the means test on war veterans allowance at the age of 60 you do in effect establish the equivalent of a service pension for any man who has served in a theatre of war, at the age of 60. Automatically everyone would get that pension which would be the equivalent of a service pension. I know that originally, when the war veterans allowance was first introduced in 1930, the various veterans' organizations discussed that very point, and it was agreed they would not seek what would be the equivalent of a service pension, but that they preferred finding some formula—

it eventually became the war veterans allowance—which would give help to those veterans who were in need, rather than provide an automatic pension. That has been the line which succeeding governments have always taken and I have no reason to think that this will be changed at this time. I may point out that I quite appreciate what Mr. Wickens said with regard to the expenditure which various amendments to the Act might involve, and I know that any figures which we may bring forward as an estimate of increased liability due to changes in the Act are always, to some degree, questionable; but my understanding is that to abolish the means test at 60 and make war veterans allowance payable to every veteran who has served in a theatre of war, would increase the liability by something over \$150 million. I do not think I would recommend that to my colleagues.

Mr. QUELCH: But you agree with the argument? At 70 we gave everybody a pension...

The CHAIRMAN: You made that argument before and if we do not restrict ourselves to questions we will not complete all the questions the members may wish to ask. We could quite easily sit until 1 o'clock, though it is usually expected we should adjourn at 12.30. But if we do not keep to questions we will not be through even at one.

Mr. CROLL: Did I understand the minister to say that the difference between the man who automatically receives a pension at seventy and the veteran who would receive it at sixty—is \$120,000,000?

Hon. Mr. LAPOINTE: My point is this: if we take off the means test at the age of sixty for every veteran who otherwise qualifies for the war veterans allowance by reason of his service, it would cost—I am told by the deputy minister—\$162 million more than our present expenditures for war veterans allowance.

Mr. CROLL: I merely point it out to you, so that you may give the problem some thought, I listened very carefully to what Mr. Wickens, had to say. I have known him for a long time.

Hon. Mr. LAPOINTE: He did not ask it at all.

Mr. CROLL: Yes, he did. I noticed his language and I particularly took note. He continually kept referring to the war veterans allowance as a pension, and he made a very great point of it. I am sorry that I was not here on Friday to hear the Legion. I could not be here. I do not know what they said. But Mr. Wickens continually said that and I think it is the most important thing he said today while, of course, other things were very important too; but the fact that he kept referring to it as a pension makes me feel that that is in the back of their minds and that you had better get your arguments ready because that is certainly the next thing that is coming up. I feel the figures you gave us today—you know more about them than I do—do not jibe with me.

Hon. Mr. LAPOINTE: You will have an opportunity to question the officials of the department on what basis these estimates are made. I can assure you they are quite accurate.

The WITNESS: I would like to make one point, Mr. Chairman. I referred to the war veterans allowance as a disability pension. As you know, there is a big difference between a disability pension and a service pension. The service pension is received simply because you served for so many years with or without a disability; whereas the war veterans allowance is a disability pension for a non-identifiable disability. So you see, there is a big difference.

Mr. BROOKS: Referring to old age security, you did not mention sixty years of age; you mentioned seventy years of age, and veterans who have reached the age of seventy.

The CHAIRMAN: In order to make it clear let me say that the minister's figures have to do with Mr. Quelch's suggestion. We can also put before the committee the cost of the suggestion that there be no means test at seventy—as indicated by the delegations here—the suggestion is that at 70 they be able to draw the full amount of the war veterans allowance plus old age security regardless of the ceiling on income. The suggestion is one which was made this morning.

The WITNESS: Not relating it to a ceiling on income.

The CHAIRMAN: Well, up to the ceiling on income which you advocate should be revised to \$1200 and \$2000 which would take care of both. But we can get the cost of it when we get the officials in front of us.

Please try to keep to questioning of the witnesses because we have a very splendid delegation before us today and there must be some more members who will want to ask some questions.

Mr. GREEN: May I ask one question in connection with the statement?

The CHAIRMAN: Order, gentlemen.

Mr. GREEN: May I ask the minister to indicate whether I am correct or not in believing that where the veteran is single and is in receipt of full war veterans allowance which, under this bill, would be \$60 a month—that when he reaches seventy years of age he can only benefit to the extent of \$10 from his old age security, because there is only a \$10 gap between the war veterans allowance and the total permissible income under the bill. Is that correct?

Hon. Mr. LAPOINTE: Well, the situation is that he gets his full old age security payment which is supplemented by the war veterans allowance up to the ceiling of income.

Mr. GREEN: I realize that the actual payment is made in that way.

Hon. Mr. LAPOINTE: His total income would be seventy dollars.

Mr. GREEN: But he gets the war veterans allowance reduced.

Hon. Mr. LAPOINTE: That is right.

Mr. GREEN: Insofar as the actual money in his pocket is concerned, he only benefits to the extent of \$10 when he reaches seventy years of age, whereas in the case of a single civilian, he would benefit to the extent of \$40.

Mr. BENNETT (*Grey North*): Yes, he gets \$70 instead of \$40.

Mr. GREEN: Do not mix this up. You can ask your own questions.

Married veterans, under this bill are drawing a maximum of \$108; and when they reach seventy years of age, they only get an additional \$12 a month, because the gap between the war veterans allowance for married couples and the total permissible income is only \$12. Am I correct in that figure?

Hon. Mr. LAPOINTE: That is correct.

Mr. CARTER: Mr. Chairman, could we not confine our questioning to the witnesses, because of the shortness of the time?

The CHAIRMAN: Yes, that is what I am trying to do Mr. Carter.

Mr. WESELAK: I listened to your argument carefully and I noticed you made no reference to a pension being based on pre-aging of the veteran rather than upon indefinable disability. Is the basis of your argument a change from that original principle?

The WITNESS: Quite; and the administration of the war veterans allowance in the light of the years indicates that it has been regarded as a disability alleviation rather a pre-aging old age pension.

Mr. DINSDALE: It seems to me that is a very important point. That is a question I have asked at two or three veterans committees.

The CHAIRMAN: Are you going to ask a question?

Mr. DINSDALE: At the last committee, I believe it was, the departmentals officials went out of their way to demonstrate that there was no validity to the ten year premature old aging theory.

The CHAIRMAN: That is a debatable point. I suggest that you just ask a question, because if you make a statement and I do not permit others to answer it, then we do not get a proper situation.

Mr. DINSDALE: This leads particularly to the point made by Major Wickens regarding the payment of the war veterans allowance to veterans of World War I who saw service in the United Kingdom only. You said that you were not supporting it because it was not the same basis of service. That would seem to indicate that the emphasis was shifted. Are you saying that your argument is based on that change?

The WITNESS: Yes.

The CHAIRMAN: Are there any further questions?

Mr. GREEN: I was just wondering about this submission on page 4 of the brief in respect to the Veterans Benefit Act. I wonder if we could have some word of the generous intentions? We have not seen anything about that Veterans Benefit Act yet. Could we not be told what those changes are to be?

Hon. Mr. LAPOINTE: You will know it when it is moved in the House. It is not proper for me to tell you what is in it beforehand.

Mr. BENNETT (*Grey North*): That comment in the brief is made as far as Veterans Benefit Act generally is concerned. It does not say anything about amendments.

Hon. Mr. LAPOINTE: There were amendments made last year.

Mr. BENNETT (*Grey North*): He was asking about the 1954 Act.

The CHAIRMAN: Last year's amendments?

Mr. BENNETT (*Grey North*): I can assure you that this year's amendments are not generous.

The CHAIRMAN: Well, gentlemen, probably I should say just a word on behalf of the committee to the members of your delegation, Mr. Wickens. First of all, I am sure that all the committee would want me to express our regret that our good old friend, Colonel Baker, was not able to be here today. We have met with him on so many occasions that we certainly miss him this morning. Of course we have a very high regard for him as have all the people of Canada, and I hope you will convey to him our warmest greetings and good wishes.

I am sure the committee would also wish me to say that we do appreciate very much the splendid presentation which you, and the various representatives of your organizations, gave to our committee this morning. I am sure that the committee would want me to say that they feel your case was very well presented and that we were certainly glad to see you all again.

I am sure that those who happen to be members of this committee in the future will look forward to meeting many of you again. One of the pleasures of sitting on this committee is that we meet the people who are doing so much for our comrades of past wars throughout the country, in trying to make their lot a bit better. So we do thank you all for your presentation and for the work you are doing.

We shall now adjourn until 3:30 tomorrow, but before we adjourn let me say that it will be the widows who will make their presentation at that time. If they should finish before 5:30, we may go on and take some evidence from some of the departmental officials.

HOUSE OF COMMONS

Second Session—Twenty-second Parliament
1955

SPECIAL COMMITTEE
ON
VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

BILL 164

An Act to amend the War Veterans Allowance Act, 1952

TUESDAY, MARCH 15, 1955

WITNESSES:

Mrs. M. Wainford, President, and Mrs. L. Caunt, Secretary of the Canadian Non-Pensioned Veterans Widows; Mr. G. L. Lalonde, Acting Deputy Minister of Veterans Affairs and Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1955.

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Roberge,
Tucker,
Weaver,
Weselak,
White (*Hastings-
Frontenac*)—31.

R. J. Gratrix,
Clerk of the Committee.

ORDER OF REFERENCE

MONDAY, March 14, 1955.

Ordered,—That the name of Mr. Johnson (*Kindersley*) be substituted for that of Mr. Jones on the said Committee.

Attest.

LEON J. RAYMOND,
Clerk of the House.

MINUTES OF PROCEEDINGS

TUESDAY, March 15, 1955.

The Special Committee on Veterans Affairs met at 3.30 o'clock p.m. this day. Mr. Walter A. Tucker, Chairman, presided.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Cardin, Carter, Croll, Dickey, Dinsdale, Enfield, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Hanna, Harkness, Herridge, Johnson (*Kindersley*), Murphy (*Westmorland*), Pearkes, Philpott, Quelch, Roberge, Tucker, Weselak and White (*Hastings-Frontenac*).

In attendance: The Honourable Hugues Lapointe, Minister of Veterans Affairs, and the following departmental officials: Mr. G. L. Lalonde, Acting Deputy Minister; Mr. J. L. Melville, Chairman of the Canadian Pension Commission; Colonel F. J. G. Garneau, Chairman, War Veterans Allowance Board; Mr. F. L. Barrow, Secretary; Mr. W. Gordon Gunn, Q.C., Director of Legal Services; Mr. E. J. Rider, Research Adviser, and Mr. P. J. Philpott, Special Adviser, Older Veterans. Also, the Very Reverend Dean John O. Anderson, M.C., President; Mr. T. D. Anderson, Dominion Secretary; Mr. D. M. Thompson, Director of Service Bureau, all of the Canadian Legion, B.E.S.L. Also Mrs. M. Wainford, President, and Mrs. L. Caunt, Secretary, of the Canadian Non-Pensioned Veterans Widows.

The Committee resumed consideration of Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

The Chairman presented the Second Report of the Sub-committee on Agenda and Procedure as follows:

Your Sub-committee recommends

That the travelling expenses incurred for attending before the Committee on March 15th be paid to the delegates of the Canadian Non-Pensioned Veterans Widows, namely: Mrs. M. Wainford, Verdun, Quebec, and Mrs. L. Caunt, Toronto, Ontario.

All of which is respectfully submitted.

WALTER A. TUCKER,
Chairman.

On motion of Mr. Bennett (*Grey North*), the said report was adopted.

The Minister of Veterans Affairs welcomed the delegation from the Canadian Non-Pensioned Veterans Widows.

Mrs. Wainford was called, laid on the Table certain resolutions of the Dominion Council concerning Veterans Widows and the various allowances. The witness was questioned thereon and retired.

Mrs. Caunt was called, made a short statement in support of the submission of Mrs. Wainford and was retired.

Mr. Garneau laid on the Table the following document:

War Veterans Allowance Board Directive No. 25/1953 in relation to casual earnings.

Ordered,—That the said document be printed as an appendix to this day's minutes of proceedings and evidence. (*See Appendix A.*)

Mr. Garneau was also requested to supply the Committee with a memorandum on the regulations pertaining to farm income and to income from rentals.

Ordered,—That the said memorandum when received by the Clerk of the Committee be printed as an appendix to this day's minutes of proceedings and evidence. (*See Appendix B.*)

Mr. Lalonde was called and laid on the Table six tables of statistical data in relation to War Veterans Allowance.

Ordered,—That the said tables be printed as an appendix to this day's minutes of proceedings and evidence. (*See Appendix C.*)

Mr. Lalonde, assisted by Mr. Rider, was examined on the statistical data placed before the Committee.

Mr. Garneau answered questions specifically referred to him.

At 5.30 o'clock p.m., the division bells having rung, the Committee adjourned to meet again at 10.30 o'clock a.m., Monday, March 21st.

R. J. Gratrix,
Clerk of the Committee.

EVIDENCE

March 15, 1955
3.30 p.m.

The CHAIRMAN: I see a very good quorum here to welcome the ladies. Before I call on the minister to say a word of welcome to them, which I am sure he will want to do, we should provide for their expenses. I am sure that they will not mind our doing that. I have a report of the subcommittee, on which I saw nearly everybody but Mr. Green, recommending that their travelling expenses be paid to Mrs. Wainford and Mrs. Caunt. Is that agreed?

Mr. BENNETT (*Grey North*): I move the adoption of the report.

Now we have before us two old friends who have visited us on several occasions in the past. We are certainly glad to see them again. I will call on the minister to say a word of welcome to Mrs. Wainford, president of the Canadian Non-pensioned Veterans' Widows, and Mrs. Caunt, who is their secretary.

Hon. HUGUES LAPOINTE (*Minister of Veterans Affairs*): Mr. Chairman, thank you very much. I think that I would be expressing the views of all the members of the committee in extending a word of welcome to the two ladies who are coming before the committee today, Mrs. Wainford, the president of the Canadian Non-pensioned Veterans Widows, and Mrs. Caunt, the secretary of the same association. Of course, I do not have to extend a welcome to Mrs. Wainford. She comes and sees me quite regularly, and she is always welcome. I have no doubt that the members of the committee will be interested in the views which these ladies wish to put before them today. Without saying anything further, Mr. Chairman, I would ask you to proceed.

The CHAIRMAN: Mrs. Wainford.

Mrs. M. Wainford, President, Canadian Non-pensioned Veterans Widows, called:

The WITNESS: Mr. Chairman, Mr. Minister, hon. members of parliament, and the gentlemen from various branches of the government, it is a privilege again to come before this committee. On looking around, I think that I see most of the members who were with us last year when we appeared before the committee. I am also pleased to see so many of the old members who have been on the committee since I first appeared before them in 1941. I would also like at this time to thank the minister, as I did previously about 10 days ago, when I visited his office to congratulate him on the extension of the new bill with the increases of \$10 a month on the basic scale for war veterans' widows.

You will notice that we have no brief to present to you. As in other years, we had a meeting of our convention with our delegation down here. In January of this year I had a feeling from our meetings—as the minister said, I often come to see him about little matters here and there—that something might happen this year. So I advised my secretary to hold everything in abeyance, to see what the government would do. About 10 days ago I came to see the minister. We discussed the resolutions that we would submit to

you; these resolutions are from our convention last year—after we had been before this committee—at our regular dominion convention. I do not think that there would be very much to tell you in regard to our brief, because we have usually gone through our resolutions one by one and discussed them, and if there were any questions to be asked by the members, we have tried to enlighten them on why we passed these various resolutions to be dealt with before this committee. I do not know whether the committee has a little more power this year than it had last year. I think I mentioned this before. The minister did not attend the meetings which I appeared before in May, 1954, but I understand last year that the committee had no powers to do certain things and that their plans were previously made for them. I am hoping that this year the members will have a little more leeway in their representations to the government. I have read a few of your *Hansards* in the last few days in the debates in the House of Commons, and I congratulate those who have taken part on our behalf in the many discussions which took place regarding the Canadian Non-pensioned Veterans Widows.

I understand that other veterans organizations have appeared and will appear before this committee. But as I come before you today, I appear strictly on behalf of the widows. As we go through these resolutions, I should like to ask the chairman just what time I have before this committee, so that we will try to get the work done in the limited time that we have. If not, I shall ask that we have at least half an hour tomorrow to finish them.

The CHAIRMAN: We generally adjourn at 5.30. That gives us two hours.

The WITNESS: That will suit me fine. At least, I shall try to do that for my own sake. I shall probably be pulled up on our first resolution, which was decided at our last convention, that the widows allowance under the War Veterans Allowance Act be increased to \$75 a month. This is necessary because of the high cost of living, especially increased rentals. On this question, I would like to say that, when I appeared before the committee last year a resolution asked in one part for \$60 and in another part for \$75. We were trying to place before the government that \$75, with an added \$300, would raise the ceiling of the permissible income to \$1,200. As I said, after we had gone back to our convention chamber, it was decided to add this to it. In my previous interview with the minister, when I met him about 10 days ago, we had a lovely interview. He said, "Well, Mrs. Wainford, you got what you asked for". I said, "No, we did not get what we asked for. We asked for \$75 a month at the last meeting". He said, "I hope you did not think you would get it". I said, "No, I did not think we would get it, but I thought that by asking for \$75 we would get \$60". Now that the minister has brought that through—and I say this very seriously—I am sure that this government of ours has made many of the widows very happy with this basic increase. I am very pleased with this basic increase. As far as other data in regard to our work is concerned, we will have to find out. Probably the minister or the chairman or someone else would enlighten us on what might take place, but we have definitely to speak about the present, and we have at present \$60 a month, with the hope that the \$70 will come in, as well as the other adjustments that are needed as we go through. Have any of the members questions to ask me on this first resolution?

Mr. HERRIDGE: I think that members are slightly confused between Mrs. Wainford's verbal representation and the first clause of the small memo that we have here. You are satisfied with the increase to \$60, are you?

The WITNESS: At the present time, sir. Does that answer your question?

Mr. HERRIDGE: Yes.

By Mr. Green:

Q. The first paragraph in the brief that we have been given reads:

That the widows allowance under the War Veterans Allowance Act be raised to Sixty Dollars per month, with a raise on the permissible income to the amount of Two Hundred and Forty Dollars per annum, as with the cost of living still increasing the widows find it impossible to meet their existing expenses.

Is this the wrong brief?—A. Have you not a copy of these resolutions?

Q. No.—A. I am sorry. This must have been copied from our last resolutions. I think that we will deal directly from our last convention resolutions. We are not discussing what is coming into effect at the present time. We are discussing what our present conditions are. Present conditions are that we are getting \$60 a month. That is why I explained that we have no brief to present to you, because the legislation came into effect before we were prepared to meet the government.

So that our new legislation—I am sorry there is a mistake in this—our new legislation which was drawn up from our convention, was to ask for \$75, because in the *Hansard* which I have here from our last meeting—if I could just turn it up, we could go into a discussion of it. I think it would be a waste of time for me to go through the *Hansard* because I can explain it.

Someone cross-questioned me at the last meeting, last year, and they said: “Mrs. Wainford, in part of your resolution you ask for \$60. That was because during our convention at the time our discussions were directed towards \$75 which brought in another matter—and I am going to have to repeat myself as I go along, because we, at that time, were figuring on the \$50 for war veterans allowance and the \$40 of old age pension.

That has gone on from previous years, when the old age security came in and we were trying to extend it to bring the old age pensioner in on a higher basis, of which we had complaints through our own organization.

I was hoping that that would clarify the first resolution that we were asking for \$75.

Mr. GOODE: Could I make this observation: if I have put your words down correctly, when you were speaking in the first instance, you said that the widows were very very happy at the action of the minister in recommending to the House of Commons the amount of \$60. Is that correct?

The WITNESS: That is right.

Mr. GOODE: Then the committee can take it that in this instance you are quite satisfied with what the minister has done?

The WITNESS: Yes sir.

Mr. BROOKS: It is a question of how to satisfy everybody.

The CHAIRMAN: Order, gentlemen.

The WITNESS: Are we now ready for the next question?

The CHAIRMAN: Order, gentlemen, please.

The WITNESS: The widows allowance under the War Veterans Allowance Act should be raised to \$60 per month with a raise of the permissible income to the amount of \$240 per annum, as with the cost of living still increasing, the widows find it impossible to meet their existing expenses.

That was brought up and discussed very thoroughly during our last meeting before the committee. I do not know if the government has it in mind with this basic raise of \$10 to make any added supplementation or what it might be. But as far as the bill is concerned, I understand that we will get

\$60 and have \$120 cash earnings. That would bring us again to ask the chairman, or the minister just what advantage this bill will have to it, at the present time, we have what they call or what are termed supplementary allowances from the assistance fund, which is administered by the various district offices, such as our office in Montreal. There, a widow who at the present time is receiving \$50 a month can make application, provided that she is not earning up to the amount of this \$120 per year.

In regard to this action, I do not know if the government have in mind in the way of an extension of this item, but I would like to say that I think that when this supplementation from the assistance fund was granted—I think it was in 1949 when it came into effect—we, as non-pensionable veterans widows—I felt that every widow who could not go out and earn, could get that full total amount of \$120 from the district office.

I do not know if the minister or the members of the committee are aware of this. I am speaking strictly for my own organization and with respect to what we discussed at our convention. This assistance fund did not work out according to what we thought it was going to do.

Anyway, back in 1949 or 1950 we would advise a woman to go down to the department to see what assistance they could give her in the way of clothing, fuel, or the necessities of life. But I would say that a big percentage of those widows never actually received the amount of \$120 from the district department.

I do not blame the government for it. Probably the department gets enough money to pay it out, but if they can keep it within their coffers down there, it will probably satisfy the government a little better. But I do not know.

Probably the department has full leeway to give the widows the \$120. Perhaps they do not. I never went into this with the minister, but we have discussed it on previous occasions before such a committee as this.

As to this \$120, in our opinion, where the widow was getting the total when this came into effect—she was getting \$50 a month with the added amount of supplementary allowance of \$120 a year—these widows did get that.

Upon application a widow might get it in a month or three months, while another widow might get \$10 in a year, but that was a rare case.

I have stated it already, but I do not think any of the women whom I have contacted have actually got their \$120 a year.

Mr. BROOKS: Was it on account of the application of the means test?

The WITNESS: Yes, the means test. I have been asked about it. I know that some of you—from my reading of Hansard—do not agree with the means test. If I was asked by one or two members what I thought about the means test I would say to carry it on, and for this reason: when we got this allowance granted to us in 1943 of \$20 a month, we had been before the committee in 1941 and it took until 1943 to bring this through. There was no means test or anything and we got the \$20 a month because we were indigent widows in necessitous circumstances.

Mr. BROOKS: There was a means test?

The WITNESS: There was also a means test at that time, and in that same year the allowance was raised to \$30 a month, and in two or three years it was raised to \$40 and \$50, while now it is up to \$60 but there is still a means test as far as the supplementary allowance is concerned. And of course there still is a means test as far as the applicant is concerned. Because you gentlemen will know, as well as I do, that there are certain regulations that have to be complied with in respect to these forms before any widow or even a veteran himself can get it.

Now getting back to the assistance fund, I am hoping that when the government gives us the \$60 a month, or the \$120 as cash earnings—I presume that is cash earnings, and with the permissible income—I think we will go into that later on. But still, speaking in regard to this assistance fund, it did not prove satisfactory in regard to the widows getting what we thought originally belonged to them as far as the government has given it to us.

By Mr. Quelch:

Q. If a widow was dependent entirely on the war veterans allowance with no other source of income, and she was in necessitous circumstances, she would not then have any difficulty getting the supplementary allowance, would she, the full amount of it?—A. Well, I think about four or five years ago I brought a case to the attention of someone in one of the departments where a widow was really in necessitous circumstances. Did you say, without a family, without anyone to help her?

Q. Without any other source of income?—A. Well, without any other source of income—in the earlier days I brought to the attention of the department, I believe it was to the attention of Mr. Parliament's department, as he is head of the social welfare department, that some of the widows had been investigated. Someone from the department phoned up a daughter of one of the widows at the place where she worked and asked her why she was not contributing more money to help her mother so that her mother would not have to get it from the assistance fund. I brought these letters which I had handed to me to the Minister of Veterans Affairs at that time who was the Hon. Mr. Gregg, and then Mr. Parliament went down to Montreal with me. There was more than one occasion where we felt that the families were being penalized. We have always brought forward that the widow gets this allowance as of right because her husband served in a theatre of war, and why should her family be penalized and have to give their earnings to their mother? The investigators will go into a home and ask what the family is earning and why they do not do this and why they do not do that for their mother.

Mr. HERRIDGE: Did this Mr. Parliament find things unparliamentary when he went to Montreal?

The WITNESS: Mr. Parliament is not here but he did find out what I had told him.

Mr. GOODE: Did he fix it up to your satisfaction?

The WITNESS: Yes.

By Mr. Brooks:

Q. Are you satisfied with the ceiling at the present time; the \$840 you will get?—A. These things always get so complicated.

Mr. HERRIDGE: I would suggest that someone should explain the section to the witness.

The WITNESS: Could I ask if this is on a new ruling of the House or from the old ruling?

Mr. BENNETT (*Grey North*): Mrs. Wainford, casual earnings under section 6 of the Act are exempt. Casual earnings are not counted as income under the new bill. You will receive \$60 at the new rate and an extra \$10 as far as permissive income is concerned; old age pension, annuity or interest on bonds, and so on, count against your ceiling, but, on top of that you are allowed casual earnings. As was discussed the other day there are three types of casual earnings. First the odd job where you can earn as much as you

wish under that category. That is for the man mowing lawns and shovelling snow and with the widow it could be baby-sitting. It is not counted against the ceiling. Second, if a lady goes out and takes a part time job as secretary she can earn up to \$50 a month which is called part time employment. The third class would be seasonable employment. For instance if you got a job in a store at Christmas time you could earn as much as you wish for any twelve week period in a year and this does not count as far as your ceiling is concerned. An important widening of the interpretation of casual earnings occurred last year when a directive was issued that anyone who took in boarders could exempt \$50, which again doesn't effect your ceiling. You have your \$60 which you will be paid as soon as the Act goes through, and you will have another \$10 which you can get by way of superannuation or by way of old age pension or regular income, and besides that you can supplement your income by way of casual earnings which by section 6 of the Act is exempt.

The WITNESS: This will be the new Act which is coming in.

Mr. BENNETT (*Grey North*): This is the old Act too. Casual earnings have always been exempt. However, this is a directive which exempts \$50 for lodgers and boarders and it is a pretty important one for widows.

The WITNESS: I have been fully aware of the one for widows last year, but the Christmas before last one of our women went to work at Henry Birks and she made a little bit over the income. She was checked and is at the present time paying \$5 a month back to the government because she overestimated the amount of money she should earn.

Last fall by coming to see the minister in October and some others I learned that this definition of the earnings had been changed and getting in touch with the department in Montreal I still could not get the definition worked out. General Burns came down to our meetings in Montreal to try to explain this and it was never mentioned because every one was confused.

Mr. PHILPOTT: You will be able to have a wonderful meeting now when you go back to explain exactly how these casual earnings work out.

The WITNESS: I am sure the widows will be very pleased to take advantage of it. The only thing that worries me at the present time is that there is so much unemployment in the country that I do not know where we are going to get the old widows a job. I do not mean old in appearance but old in body and soul. Since 1943 when this thing came through, we have been living on the same amount of money year in and year out. The government has given us permission to take in a roomer or boarder at \$50 a month. The government has set a price of \$50 a month which would be equivalent to keeping a person. But suppose one of our widows goes out to find room and board at \$50 a month—she is only getting \$50 a month from the government and has to turn that cheque in for room and board. I am hoping when this bill goes through there will be different adjustments, but at the same time if a widow on war veterans allowance has a roomer or two roomers and they pay her \$7 a week there is a certain amount of money, around about \$18 a month, classified as profit. It is then taken off the allowance.

Mr. BENNETT (*Grey North*): She is charged so much profit, according to a formula, but she is allowed a total amount of a further \$50 which she can keep, so she can make another \$50 a month on top of her "ceiling."

The WITNESS: That is in the new bill, then?

Mr. BENNETT (*Grey North*): No, that is the present situation.

Mrs. CAUNT: It was adjusted in the bill.

The WITNESS: But we never had all this properly defined for us. In the early days many widows got themselves into trouble by going out to make a few dollars and now they are so nervous they are afraid to do anything for fear of getting into trouble with the government. That was the most important thing I had to tell my widows. I had to advise them, "Don't go out and earn anything more than you are entitled to."

By Mr. Bennett (Grey North):

Q. The woman who takes in boarders has actually a "ceiling" of \$1440 now.

—A. Yes, in many cases now, I presume, because they can take in two boarders.

Q. It does not matter how many boarders—this is for a deduction of profit to the \$50 you are allowed to keep. The number of boarders is not important.—

A. I think you can take in as many boarders as you like, provided you can still get \$50 a month.

Mr. GOODE: I wonder if we can suggest to Mr. Bennett that he attend a meeting of this organization in order to explain these matters.

The WITNESS: I certainly would love to have him.

Mr. PEARKES: I am sure Mr. Goode would be very helpful.

The WITNESS: I would invite you all down. In fact, I think we did write to the minister and asked him to attend our Christmas dinner, but he was not able to come. Maybe one of these days he will. I think he is really afraid to come.

Mr. HARKNESS: He is a very modest and shy fellow.

The WITNESS: I don't think so.

The CHAIRMAN: I suggest, Mrs. Wainford, that you have dealt with this question now and I presume it is more or less clear now. You can, if you wish, have a conference with Mr. Bennett before you leave and get him to explain it further and perhaps get it put down in writing so that you can be absolutely sure you have got it right. As I say, I think you have pretty well covered the first point in your resolution (A).

By Mr. Brooks:

Q. I wonder if I may ask one question. We have been speaking about employable widows. Have you any unemployable widows in your organization—widows who would not be able to take advantage of these provisions?

—A. I am very glad you brought this question up. In my group, and I am speaking especially of my own group, I suppose the youngest—and they are all widows—would be around fifty-seven years of age, and some of them would be quite capable of taking work, but the bigger percentage are sixty-five, seventy, and up to nearly eighty years of age, and they would not be able to take employment.

Q. What proportion would you say that represented? Fifty per cent?—

A. Out of the number of women who have gone through my association, approximately 75 per cent would not be capable of finding any kind of "temporary-permanent" employment—I think that is the term which is used—employment for two months or three months or something.

Q. That is under section 4?—A. Yes. I would like to speak about this matter for a minute. We have got to think about the other class of widow who is older and who is incapable of going out to earn these extra amounts, and I think that if the government could see some way of setting up an assistance fund to provide them with something it would be a very good thing indeed, although of course I do not know what is in the new bill. There would be a very small percentage in that class because the older widow, who cannot go out and earn, can more

or less take in at least one boarder, and that can help her out a little bit. There would only be a very small number of widows who actually have to go out and "room" in somebody else's house. I think it would be a very small proportion, and of course that would bring back the means test. There would have to be a means test and an inquiry into these difficult cases.

Q. I understand then that there are about 75 per cent who would not be able to take permanent employment?—A. That is right, but there are a number of younger widows who are going through our organization at the present time; they would be very young people when they married during the first war, at the age of sixteen or seventeen. I am sure they would be able to derive benefit from these provisions about employment, and not only in the area from which I come but throughout the country. Any of the women would be only too glad to try to work in order to make more money to help themselves. I think this is a wonderful thing, providing these women are not going to go out to work and then find out, at a later date, that the government has decided that they are working too much.

Mr. HERRIDGE: Mr. Bennett will explain that.

Mr. BENNETT (*Grey North*): Mrs. Wainford, you will find the members from British Columbia have too much to say.

The WITNESS: I would not say that.

Mr. GOODE: You will always find that what we say is to the point.

The WITNESS: After reading *Hansard* I would say all of you do pretty well.

Now we are at resolution (c). I know there are other veteran organizations who are asking for this, namely, that veterans' widows in receipt of widows' allowance should receive free medical care. I do not think I am going to discuss this unless any of the members wish to ask me anything about it, because it has been brought up year after year with no avail. We are told it is a provincial item, and when we go to the provincial authority, they tell us it is a federal responsibility. We are therefore between the devil and the deep blue sea.

An Hon. MEMBER: Which one is the devil?

The CHAIRMAN: I think the members understand what you have in mind with regard to (c).

The WITNESS: Unless some member wants to ask questions on the medical issue. I am going to say a few words on that, because it has just been brought to my mind. I think there is something in one of the *Hansards* in which the minister himself spoke on this question of assistance for maintenance, extra clothing, food, etc. I could not take time to turn up the *Hansard* but that was definitely in a statement. Someone was asking in the House about this assistance. Whenever we have gone to the Department of Veterans Affairs in regard to hospitalization we have been told that the D.V.A. does nothing in regard to hospitalization. I would say in all sincerity that the department in Montreal works very closely with us, and the only way we might do anything for a widow who goes into hospital is by getting in touch with the hospital and finding out if the widow comes under the Province of Quebec Charities Act. That is very hard for us to do. I think that the minister will recall that about nine months ago I brought up a bill. One of my widows was in hospital, and her son-in-law received a summons to go to court if he did not pay his mother-in-law's bill. I showed that bill to the minister in a private interview, when we tried to get the government to do something by way of issuing an identity card so that we would not have to go through all this. That is penalizing the families. Each individual has enough to do, as I tried to explain to the hospital, to save money to look after his own hospital bills without having to pay for his mother-in-law's bills or anyone else's. I think that that could be done by the government. We have been told on more than one occasion that they cannot give us

free hospitalization unless they give it to a widow on a full pension of \$100 a month. A widow on a pension of \$100 a month is definitely entitled to it, because her husband was killed or died from war disability. Many young widows have drawn this allowance and they can earn \$1,000 a day, if they can get a job that pays it. We have been tied down.

Mr. HARKNESS: I do not think that you are right.

By Mr. Herridge:

Q. I have never heard of widows receiving any medical attention, drawing \$100 a month.—A. I said that a widow who has a \$100 a month pension has a right from the government because her husband was killed. That is from the Pension Act, not the War Veterans Allowance Act. She can earn more money. We have been told, when we brought this resolution before the government on previous occasions, that the government could not give us any identity card that would enable us to obtain free hospitalization, because of the fact that if they give it to the war veterans' widows they would have to give it to all widows who are drawing this \$100 a month pension.

Q. That is a very difficult question. For instance, in the province of British Columbia we have a hospital insurance scheme which covers everybody, whether they are veterans' widows or whatever category they are in. In addition, old age pensioners receive slightly more when over 70 years of age. Is there anything like that in Quebec?—A. The province of Quebec is the only province that does not have that kind of thing.

Mr. GOODE: With regard to the point you made as to the federal government and the responsibility of the provinces, we pay pensions for those over 70 in full, across the country. Yet the provincial government provides medical attention and hospital attention to those same people. I think we prove the point in this committee that although the federal government pays those amounts, the provincial governments provide hospitalization for them. So I think that you have a very good case when you are presenting your case to the provincial governments.

The WITNESS: Two or three years ago we had a joke about this when the Minister of Pensions was attending our meeting. I went with two ladies to see a provincial minister—you notice that I do not use the word "Prime Minister"—in regard to different matters applying to veterans' widows. The main point in which we were interested at that time was the keeping of the ceiling on rents, because rents were going so high. When we went to him, he threw up his hands and said, "Don't come to me; go to Ottawa, where you came from." I tried to explain to the minister that I wanted to see what the province was going to do about keeping the rents under control. I might tell you gentlemen that I have had some queer experiences in Ottawa in my earlier days, which I had never had before, but that was the only door I never got into. I can quite understand why the other provinces do what they do. They are very lucky. About six or seven years ago, when British Columbia and other provinces brought in this little extra security, as some of you hon. members are aware, they had that deducted from their allowances, because they earned more money than they should have. It did not do them any good in Vancouver or any other place to get \$5 over and above that from the generous government out there, because that was absolutely deducted from their war veterans allowance. It was very nice for the government to do it, but it was still taken off.

Mr. GOODE: It was not our government who did that.

The WITNESS: It is all our government. We, the people, are the government. I do not pay any taxes. We shall leave that in abeyance because I know there are other veterans organizations which are interested.

Now we come to (d).

Mr. BROOKS: You are skipping "b".

The WITNESS: That was the medical care we were talking about.

Mr. BROOKS: But you have skipped (b) "B" as in box.

The WITNESS: I am sorry. Do not tell me that I have skipped (b). Imagine skipping that one!

(b) That all non-pensioned veterans widows whose late husbands served in England with the Canadian forces be considered under the War Veterans Allowance Act, and that England be considered a theatre of war for men who served in the Canadian forces during the Great War, 1914-1918.

You did not even say what would be considered under the War Veterans Allowance Act as a theatre of war. But I do not think I need to read any further on in this because of what has been done in previous years. I have been practically told that there is nothing that will ever be done about this.

Mr. BROOKS: Do not be discouraged.

The WITNESS: I won't be discouraged. You know that they say: if you keep on coming, you will get there some time.

I think that has been very well discussed in the House and if there is any consideration going to be given to it, it will certainly be given at this time, or left over for another two or three years. My secretary said that we will all be dead, but I hope not.

Now, coming down to (d) I read as follows:

(d) That all widows of Imperial veterans who have resided in Canada twenty years and whose late husband died prior to having the necessary qualifications, be granted the War Veterans Allowance.

I would like to read to you another resolution which was drawn up at our last convention. We made a little change in that. I shall read it now because usually at this time of the year every member is sent a copy of what has taken place at our convention.

Last year it was supposed to read in our minutes and in our resolutions that we were asking for a fifteen year residence for the widow. Why we were asking for that was that the veteran who was drawing war veterans allowance has to attain the age of 60, but his widow who is drawing the war veterans allowance could attain it at the age of 55, which was five years earlier.

If the minister or the government with the cooperation of this committee are figuring on considering this "Imperial" question, we will be very pleased to accept the twenty years residence for the widow. There must be a borderline drawn somewhere on this "Imperial" question if it should come into force.

I am going to have to repeat what was in the previous *Hansard* from last year. The government itself subsidized many of these imperial veterans to come to this country. They paid for their passage here. Probably the veteran himself only lived two or three years and passed on. Maybe the widow had two or three children and could not make her way back to her homeland where probably all her people were, and had to bring her children up in this country.

Many of these imperial widows' sons have been at our last war, the last war we had in 1939. So I think that the widows came to this country in good faith. They worked and paid taxes, brought up families, and were good citizens in this country. I think the widows should be brought under this

legislation because I feel that way when we are talking about 1939. This was the widows' resolution—I definitely state this—this was the resolution from the non-pensionable widows' organization.

At one time I was called up by some of the Legion heads down here on Sparks Street and asked at that time what we considered should be the period of domicile for the widows. And we said, when we drew up our resolution, that we would draw it up to leave it at the discretion of the government for the widows.

This was carried on for two or three years and then the government announced that the imperial veterans were covered, without doing anything for the widows. That was one of the biggest disappointments that we, as representatives here today, got. We really thought that the widows would be included. I do not know the percentage; I intended to ask Colonel Garneau if he were here today, if he would indicate—just tell us how many imperial widows there are who would come under this Act if it were put into effect. I do not go to the department for figures, because we have no office in which to carry on our work.

However, I think it would be a very, very, small percentage of those widows who would come under this resolution. Because our own widows—I can tell you they are going fast each year, very fast. We know it from working among them.

I hope you have a little bit of authority to show the government the necessity of doing something here. It has been suggested to me that if you do this for the widows then the next thing we will be coming and asking for is to declare England a theatre of war. But I suggest we leave it as it is for the present.

Mr. BENNETT (*Grey North*): Might I say for your information that it is estimated that there are 700 widows who would be affected, and that the total estimated cost would be \$473,000 a year.

The WITNESS: I do not think that would be such a great lot, because the widows are passing on. We have had in my own organization in the last three months eight who passed on—just in three months, and they are passing and passing on, just the same as the veterans themselves. When one goes out another one is eligible to come in.

Mr. PEARKES: Is there any information on how many of these imperial widows were born in Canada?

Mr. BENNETT (*Grey North*): I do not know, but I shall try to find it out for you.

The WITNESS: Mr. Bennett, did I hear that correctly: how many imperial widows were born in Canada?

Mr. BENNETT (*Grey North*): General Pearkes asked how many widows of imperial war veterans were born in Canada, and I said that I did not know, but that I would try to get him the information.

Mr. GREEN: Does that figure of 700 apply to the veterans who died before they were twenty years in Canada?

Mr. BENNETT (*Grey North*): Yes.

The WITNESS: Well, we are asking that this allowance be given to the widow who has been resident in this country for twenty years, because we have had widows who got to within two or three weeks before they were twenty years resident and there was nothing that could be done for them.

Mr. BROOKS: Does that include the widows of both wars?

Mr. BENNETT (*Grey North*): That is the estimated cost of implementing this recommendation (d).

Mr. BROOKS: That is the number?

Mr. BENNETT (*Grey North*): Yes, 700.

The WITNESS: If a man was in two wars, he is covered under the dual pension, so it would not make any difference there.

Mr. BROOKS: I was asking about widows because there are a good many imperial war veterans who married Canadian girls when they were out here taking courses, and I wondered if they were included as well, because a great many of them were killed.

The WITNESS: We are up to resolution (e) on this:

- (e) All veterans widows now receiving the widows allowance and who have attained the age of 70 years be granted the full amount of old age security.

Of course, this is as we stand at the present time, getting \$50 and the \$40 for old age. That is something which you hon. members have discussed in the House, that everyone in the country, irrespective of what his earnings are, should get this old age pension, even the pensioner himself through the Pension Act, but when we come to the veterans' widows the discrimination is there, that we cannot draw the two pensions together, or one allowance and one pension, because what we get at the present time is an allowance. I do not know if the government has anything in mind about that. We will have to wait until we get the full meaning of the bill and probably wait until the bill itself is passed until we know how adjustments stand.

Now we come down to resolution (f):

- (f) That the government set up a permanent committee on veterans affairs and we ask that the members of this committee be given authority to select and present to the government the problems most pressing to the veteran or his widow.

I think that for the last six or seven years we have been asking that a permanent committee be set up. It was really from the proceedings of the various veterans' organizations last year that the government brought out this new adjustment of war veterans allowance, and I have anticipated in my mind that early in January we would have heard of something definite being done instead of at this time of year, so that if there was a permanent committee it would not be necessary—I speak solely for our dominion council—that we would be running up here three or four times a year expecting to have our expenses paid. I think we would work accordingly, and that would be to the advantage of everybody.

I do not know that there is anything else. I do not know if I have omitted anything. I asked my secretary if she thought there was anything which I had omitted, but I think we have completed pretty well all we have.

The CHAIRMAN: Do you wish to say something, Mrs. Caunt?

The WITNESS: With the permission of the chairman and the minister and the hon. members I would like to thank you myself for giving me the privilege to come before you gentlemen, and I am going to ask Mrs. Caunt, who is the secretary of our dominion council, and who has come up from Toronto, if she has anything to say to you.

Mrs. L. CAUNT (*Secretary, Canadian Non-pensioned Veterans Widows*): Mr. Chairman, Mr. Minister and gentlemen, I just wish to thank the chairman for the privilege of being able to appear before this committee. We certainly appreciate the opportunity. The president has covered very thoroughly the resolutions, but there are just one or two words I would like to add about the imperial veterans' widows, the borderline cases, who had sons who served in

the second world war and received dependents' allowance. We think those ladies should receive sympathetic consideration and we do trust, gentlemen, when the amendments are being drafted, that you will give thought to that. I think that is all, because Mrs. Wainford has very carefully covered everything. I thank you, gentlemen.

Mr. GOODE: Mr. Chairman, before you say anything to the ladies, could I say that the members from British Columbia pay their respects to Mrs. Darville, who has appeared on their delegation so many times?

The WITNESS: Thank you.

The CHAIRMAN: On behalf of the committee, Mrs. Wainford and Mrs. Caunt, I wish to thank you for appearing before us again this year and making your presentation. We hope that you will be satisfied with what it is possible to do. I am glad you feel so pleased with what has been done in the bill before us and certainly I am sure every consideration will be given to your representations.

Now, gentlemen, we have the deputy minister here and we have three-quarters of an hour in which we could take a statement from him in respect to the bill which has been referred to us, and we would then have it before us to take up at our next meeting. If it is your wish I will call the deputy minister to make his statement and when that is before us we could adjourn until the next meeting. Is that agreeable?

Agreed.

Now, gentlemen, Mr. Garneau has several copies of this statement in regard to casual earnings, and if anyone wishes he can get one. There is a set of tables here which Mr. Lalonde has prepared; they will be distributed and he will indicate what they cover.

If I may say a word while these documents are being distributed—we have to pass a few moments or so—members will recall that at our last meeting we decided we could not meet until Monday at 10.30 because one of our members, whom we felt should be here, had to attend a funeral of one of our former colleagues. Now he is going to be able to fly there and get back in time to attend the meeting on Thursday. I have spoken to most of the members of the steering committee with whom I could get in touch and they were satisfied to have us meet on Thursday at 10.30 as well as Monday at 10.30. I did make inquiries about the meeting of the Committee on External Affairs to hear the Secretary of State of the United States, Mr. Dulles, and it is proposed to have that meeting of the Committee on External Affairs at 5.00 o'clock on Thursday, so our meeting would not interfere with that.

Mr. GREEN: There is a meeting called for 11.00 o'clock on Thursday morning of the Committee on External Affairs.

The CHAIRMAN: Yes, but that is an ordinary meeting.

Mr. GREEN: We have got to be there for it. The Deputy Minister of Justice will be there.

Mr. HERRIDGE: It is very important to British Columbia members on the committee.

The CHAIRMAN: I did manage to see all the members of the steering committee except Mr. Green, and I thought there would be no objection to what is being proposed, but, if there is any objection, that raises the question again. I thought we would get started on the bill this week, but if there are several members who want to attend the meeting of the Committee on External Affairs that proposed meeting will have to be washed out and we shall have to defer going any further with the matter until Monday at 10.30. So Mr. Herridge and

Mr. Green and the others who want to be present at the meeting of the Committee on External Affairs will be able to do so. We will meet therefore, as originally planned on Monday at 10.30.

Mr. BROOKS: Are we having any more delegations appear before us?

The CHAIRMAN: I have not received any further requests, except for that one suggestion I mentioned to the Steering Committee which did not come from a national organization. It was decided by the steering committee that they should be invited to send a brief but that we would not depart from our policy of hearing only representatives of national organizations. We have now heard all the organizations which have intimated their wish to appear before us and there is no reason why, as soon as we have heard from the officials with regard to the bill before us, we should not begin consideration of the bill itself. In fact that is what is really before us now, but I thought that today we should have a statement from the deputy minister after which the members could indicate to him any further information which they might like him to get ready for the next meeting, I thought we would save a great deal of time if we did that.

So I shall call on Mr. Lalonde to give his statement, and then members may indicate to him any further information which they may wish him to prepare for the next meeting.

Mr. G. L. Lalonde, Acting Deputy Minister, Department of Veterans Affairs called:

The WITNESS: Mr. Chairman and gentlemen, this is the first time I have had the honour of appearing before the committee in my new capacity and I ask your indulgence if you detect certain signs of nervousness. I feel a little bit like a lawyer appearing before the Supreme Court of Canada for the first time. However, we shall do our best to provide as clearly as possible whatever information or explanations you may require.

I do not intend to make a statement on the various clauses of the bill because I think most of them are self-explanatory and I presume they can be explained when you come to deal with the bill clause by clause. However, I think it may be useful if I were to place before the committee at this stage certain information of a more general character.

You all know the background and historical development of the Act itself and there is no need for me to go into that. However, in our study of the various aspects of the administration of this Act we have to deal with statistics and I think some of these may interest members of the committee. Sometimes it is felt that statistics are slightly boring, but I am hopeful that the data which I am placing before you now will help in giving you some additional information on certain aspects of the operation of this Act. The tables which have been distributed deal with some of the main aspects.

(See Appendix "C".)

Without going into too much detail, I would like to explain these tables to members of the committee and answer any questions which they may want to ask about this information.

The first table gives a breakdown of the number of war veterans' allowance recipients according to the war in which they served, and it is interesting to note in this table that the load of recipients of World War I has been fairly constant since 1944. We expect that this trend will continue for about ten years. It is also interesting to note that the World War II recipients are beginning to add up to a substantial number, and of course that will increase from now on.

The total number of recipients including widows and orphans is 41,487. There is a note at the bottom of the table which shows that in 1953 we had 337 cases under section 4, and in 1954 we had 1,130. On the right-hand side of this table is a list of expenditures by fiscal years. The interesting feature there is one which perhaps members have already noted—the increase in 1952-53, and then what appears to be a decrease in 1953-54. The increase in 1952-53 is actually the result of the statutory increase in rate in 1952 when some of the allowances were paid during the fiscal year 1952-53 but were applied against months included in the fiscal year 1951-52.

The CHAIRMAN: We are pretty well at the end of the fiscal year 1954-55. You will have figures which are more or less accurate for 1955, now, I presume?

The WITNESS: The numbers are as at December 31, 1954. We do not work the numbers on the basis of the fiscal year. It is the money which has to be worked out by the fiscal year.

The CHAIRMAN: So that the statement at the top of the table, giving the number of recipients as of March 31, is not correct, then?

An Hon. MEMBER: The table says "fiscal year."

The WITNESS: That was for the fiscal year 1953-54.

The CHAIRMAN: I suppose you could at the present moment bring that figure up to date.

The WITNESS: Of course we could bring that figure up to the 31st of January, 1955. I can have that done.

The CHAIRMAN: I suggest that before we put these tables in the record we get that figure completed to the latest date possible in 1955 and we shall have it all together in one table, because I think we should put this on record. It will be very useful to all members of the committee and to anyone who is studying this matter.

Mr. HARKNESS: Referring to these World War II veterans, 2,199—I am rather surprised at the number. Are these all war veterans over sixty years of age? Have you a breakdown by age?

The WITNESS: Not by age, but by the war in which they served.

Mr. HARKNESS: I thought it would be more. I was surprised that there were that number over sixty years of age.

The WITNESS: Most of them would be under sixty. They would be incapable of maintaining themselves; or they would be unemployable.

The CHAIRMAN: I suppose that by sometime tomorrow morning you could bring that up to date, and we could include it in the appendix of these proceedings. Is it agreed that for the convenience of members of the committee this item on casual earnings should be printed as an appendix to our proceedings?

Agreed. (See Appendix "A")

Mr. PEARKES: Could you also print the one about boarders?

The WITNESS: And the farm income?

The CHAIRMAN: That is a separate one. It would be good to have all that in the same proceedings. Could you Mr. Garneau, get that so that we can include it in today's proceedings.

Mr. BENNETT (*Grey North*): I would suggest that you summarize the one on boarders and lodgers, as it is fairly bulky.

Mr. GARNEAU: Just an extract of the whole thing, and the same with the farm income.

The CHAIRMAN: We will hold the printing to give Mr. Garneau a chance to include these in today's proceedings. (See Appendix "B".)

Agreed.

Mr. QUELCH: With regard to the 1,130 recipients of war veterans allowances under section 4, would those be chiefly veterans of World War II?

The WITNESS: No, World War I. They are all men over 60.

Mr. HERRIDGE: Can the deputy minister give the reason for the great increase between 1953 and 1954 in these veterans that come under section 4?

The WITNESS: You will remember that when we started in 1952 with section 4 there was a certain amount of reluctance to plunge into the unknown, if I might put it that way, and the veteran approached it with a certain amount of care. We tried to explain it as best we could in the district offices when counselling the various recipients, and I think that as a result some of them realized that it gave them a chance to supplement their income to a considerable extent. Some of them tried it out. There have been some transfers between the two sections, but in most cases, where the recipient could carry out a certain amount of regular employment he stayed under section 4. There is no doubt that it is much more advantageous to him.

Mr. GREEN: Have you any figures on the number of men receiving casual earnings?

The WITNESS: No, that is impossible to determine, because we do not ask them to report casual earnings at any time.

Mr. QUELCH: Would it be possible to get a breakdown of just what kind of employment these men are engaged in, coming back to section 4?

The WITNESS: No. The principle is that they must be able to do the type of work that is requested by the employers through the National Placement Services. In other words, they must be able to act as night watchmen for instance. That is one type of job. Or they must be able to act as caretakers. They must be capable of taking all types of employment that are not casual such as regular light employment. It would be useless for a recipient to come under section 4 if his health was such that he could only work for two days on a casual basis, and then not be able to work for a week. He would only be cluttering up the placement services. That fellow would do just as well by taking advantage of the casual earnings regulations.

Mr. QUELCH: Many of those men would be only actively engaged in employment for one, two or three months out of the year.

The WITNESS: No. Some of them have been in employment for over a year and they have not lost the benefits of the Act. In other words, they get all the other fringe benefits of the Act while working regularly.

Mr. QUELCH: Are there many of those so-called unemployable cases that come under this Act?

The WITNESS: Under section 4, no; but under the definition of casual earnings, those who are only interested in casual employment are just as well off under section 3.

Mr. QUELCH: It is surprising to me that under the definition of casual earnings there has not actually been a drop.

The WITNESS: There has been a levelling off, if I might put it that way.

Mr. GREEN: You have no figures of the number receiving casual earnings?

The WITNESS: No sir.

Mr. HERRIDGE: I would like to congratulate the department for not keeping any such figures.

Mr. GREEN: Have you any figures of the number of unemployable?

The WITNESS: I was going to deal with that problem when we came to the last table. Since we do not ask them to report their casual earnings, the only way we can verify it is through the use made of the assistance fund. That is the last table which I wanted to analyze for you.

The CHAIRMAN: Is there anything further, gentlemen, on table 1?

Mr. GOODE: Let me get that straight. You have told us that you have not got a record, and that there is no report made to you of the casual earnings?

The WITNESS: That is correct.

Mr. GOODE: How would you know whether a man was earning \$600 or \$700 a year then?

The WITNESS: If he earned more than the limit of his casual earnings then it is not casual earnings anymore, and he has to report that excess as income.

Mr. GOODE: I see your point.

The WITNESS: Since that becomes other income, he is supposed to report that on the famous form which has been mentioned before and which he fills out every year.

Mr. GREEN: You were going to produce an application form.

The WITNESS: I think Mr. Garneau has it.

Mr. GARNEAU: No.

The WITNESS: Then it is Mr. Parliament who will bring it here for you at the next meeting. We will have it for you then. Shall I go on?

The CHAIRMAN: Yes.

The WITNESS: The next table, table 2, is for your information. It deals perhaps more with administration, in that it shows the trend in the number of applications received. Of course that is going up all the time and also the trend in the number of applications approved as against those declined or withdrawn.

You will note that the trend goes from 67.6 per cent in 1945 to 83.6 per cent for the percentage of approvals.

Mr. BROOKS: How do you account for that? Is it because the men are getting older?

The WITNESS: The men are getting older and also we are trying all the time, through our welfare services when these men come in with any kind of problem, to counsel them and to see whether they are entitled to the war veterans allowance or not. Our welfare officers will explain it to them and determine whether they may be eligible. If it is evident that they are not eligible, then they do not have to fill in an application form. Now, with respect to table 3.

The CHAIRMAN: I do not think it is necessary to put all of table 2 — in the record. What do the members think about it?

Mr. GOODE: I would like to ask this question. Under the heading of ineligible, I notice there has been a considerable difference in the percentage from 6.7 in 1944-45 down to 2.2 in 1953-54. Would that be a matter of age?

The WITNESS: That could be on account of service, where the person who applied for the allowance did not have the proper kind of service.

Mr. GOODE: I suggest to you then that perhaps the department is taking a little more sympathetic view than they did in 1944.

The WITNESS: I was not here in 1944 so I would not know. But I do know that since the end of the war the department has tried very hard to get to the veteran personally and to counsel him at all times. Moreover the district officers

know that when a veteran comes in with a problem, they are not to deal with that problem alone and show him out, but they are to see if he has not got other rights or avenues open to him. I think that has had something to do with it.

You must remember that 1943-44 must have been rather hectic for the department, because it was only getting set at that time.

Mr. FORGIE: And there was a war on too.

The CHAIRMAN: Now, Table 3.

The WITNESS: Table 3 is very interesting. It shows the age groups of the recipients. You will note that for the veterans themselves there are 4,717 under 60 years of age. Those veterans are unemployable or incapable of maintaining themselves. Then between the ages of 60 and 64 there are 7,686; between the ages of 65 and 69, there are 9,035; and between the age groups of 70 and 74, there are 6,815. So the World War I veterans are approximately equally divided in these age groups. That is why I said at the beginning that we expected that the present trend would last for another 10 years at least.

Of course the widows become eligible at 55, so while there is a large group under 60 that includes the group between 55 and 60. And again the total is equally divided between three age groups.

By Mr. Green:

Q. In which age group would those who are taking advantage of section 4 come?—A. 60 and over.

Q. Can you break that down further into 60 to 64 or 65 to 69?—A. I do not know if I have that.

Q. You must have that because you have lumped those sections 3 and 4 together.

The CHAIRMAN: You have in mind separating 3 and 4?

Mr. GREEN: Yes.

The WITNESS: Between 60 and 64 there are 366. Between 65 and 69, a little over 400. Between 70 and 74, 160.

By Mr. Green:

Q. That is the highest group there?—A. No. There are 28 between 75 and 79 and 5 between 80 and 84.

Q. Then do you have any figures to show the numbers who are unemployable in these groups?—A. I am afraid I could not give you that, Mr. Green, because we do not have a breakdown of those who receive the assistance fund. It is those who are unemployable who get the assistance fund and I do not believe I can give you a breakdown in age group on that.

Q. All the veterans under 60 would be unemployable?—A. Yes, or incapable of maintaining themselves.

Mr. BROOKS: Otherwise they would not be there?

The WITNESS: Yes.

By Mr. Green:

Q. There must be quite a few now in the age group over 60 who qualified in the first place as unemployable and presumably would still be unemployable?—A. That could be if they advanced in age, but the difficulty there is that sometimes unemployables have other incomes but not necessarily earnings. The only way we can know definitely that those with no other income are unemployable is when they come under the assistance fund. If those who are unemployable have other incomes, this brings them up to the ceiling, and we have

no way of knowing whether they are unemployable or not. After they reach 60 they are all under section 3.

Q. Do you have figures of those who have no other income?—A. Some of them may have no other income and yet be capable of earning.

Mr. PEARKES: Would not that be shown in your table 6?

The WITNESS: There are 13,000 veterans who have no accountable income, no other income declared, but that includes those who can earn. So I cannot tell you how many of those 13,000 are both unemployable and without other income.

Mr. GREEN: 13,000 with no other income were drawing the full allowance?

The WITNESS: Yes, sir.

The CHAIRMAN: That is not in table 6?

The WITNESS: No.

The CHAIRMAN: Is a combination of some other figures included in table 6?

The WITNESS: No. That is other information. I have voluminous statistics which I do not want to inflict upon the committee.

By Mr. Harkness:

Q. Under what circumstances are widows paid the married rates?—A. Where they have a child or children.

Q. That does not apply to all those widows having a child or children?—A. All widows who are eligible and have a child residing with them.

Q. Is it not between the ages of 16 and 17?

The WITNESS: 16 for a boy and 17 for a girl.

Mr. GARNEAU: Up to 21 if they are going to college or school. It is the same as under the Pensions Act.

Mr. GREEN: I take it that the average age of veterans of the first war would be somewhere between 65 and 66?

The WITNESS: Between 65 and 70 would be the average age of the recipients.

The CHAIRMAN: What is the thought of the committee in respect to table 3?

Mr. BROOKS: They have gone to a lot of trouble in preparing these tables and there is a lot of information in them.

The CHAIRMAN: If the committee wishes that it go in, all right, but I thought that it was not necessary to put the whole table in.

Mr. GREEN: Mr. Lalonde has given evidence explaining how those tables should be read.

The CHAIRMAN: Then is it carried that table 2 goes in and table 3 should go in?

Carried.

The WITNESS: Table 4, gentlemen, is again for information and deals with the treatment given to war veterans allowance recipients.

By Mr. Carter:

Q. Could Mr. Lalonde explain that sharp rise in the number of tubercular and mental cases? Right after 1949 it jumps up quickly. Between 1949 and 1950 both the tubercular and mental cases rise sharply.—A. I am afraid I do not know why there was that particular increase there, but as a matter of fact the incidence of tuberculosis in the D.V.A. hospitals has gone down since then. But, mind you, these people are not all treated in D.V.A. hospitals. Some of them are in sanatoria and are paid for by the department. In Newfoundland you have a few of those.

Q. I am wondering about the marked increase there and I thought there might be some explanation.—A. I will have to consult the treatment officials for that information.

By Mr. Quelch:

Q. Could you explain when a war veteran allowance recipient goes to hospital the amount that is continued and the amount that is held back?—A. I think you have to make a distinction between a married and a single man.

Q. I was thinking of a married man?—A. I think I would like the chairman of the board to answer that question.

Mr. GARNEAU: Mr. Chairman, when a single man goes into hospital for treatment by the department at the expense of the department we continue the allowance to him for three months; it is limited to three months and after that it is suspended entirely. In other words if he is in hospital for over three months, then the allowance is suspended, otherwise he continues to receive it. During that time the amount he was entitled to receive during that period is placed in a trust fund.

When a married veteran goes into hospital there is a token deduction made. The allowance is not suspended entirely as is mandatory in the case of a single recipient after three months. There is a token deduction made from his allowance generally in the amount of \$5 out of \$90, in accordance with section 14 of our Act, and the balance continues to be paid directly to his family during his treatment. As I have said, it is merely a token deduction, keeping in mind that it probably costs the department in the vicinity of \$10 a day for the man's treatment during that time. Does that answer your question?

Mr. QUELCH: Yes.

Mr. WESELAK: Would Mr. Lalonde have any idea of the total cost of treatment furnished to war veterans allowance recipients?

The WITNESS: In 1954 it was in the vicinity of \$9 million.

Mr. GOODE: Mr. Chairman, I would like to ask a question in regard to that three months. Is that a constant deduction; you never deviate; you do not take two months off one man and three months off another? It is always constant?

Mr. GARNEAU: Yes, it is always constant. Actually it is not a deduction but a period during which payment of allowance is permitted during hospitalization.

By Mr. Weselak:

Q. You referred after three months to the money being put in a trust fund. Is that money available?—A. The money is not paid directly to him while he is in hospital. That is paid, you might say, to the district office which holds the money for him until he comes out. The purpose of that being to ensure, if he is renting a room or occupies quarters or if he needs clothing, when he comes out that he has a nest-egg which will provide him with the necessities.

Mr. WESELAK: It is paid to him eventually?

The WITNESS: When he comes out.

The CHAIRMAN: I have looked over these tables and it now seems to me in view of what has been said that all of these tables should go into the record of these proceedings.

Mr. GREEN: We shall be able to ask more questions at the next meeting?

The CHAIRMAN: Certainly. The war veterans' allowance casual earnings directive table will also go into the record together with a summary of the other directives on the same matter.

We shall now adjourn until Monday at 10.30 a.m.

APPENDIX "A"

WAR VETERANS ALLOWANCE BOARD
Daly Building

OTTAWA 2, December 11, 1953.

W. V. A. B. Directive No. 25-1953

The Chairman,
W.V.A. District Authority,
Department of Veterans Affairs.

Re: CASUAL EARNINGS

The Board has made a study of all cases which have been submitted by the District Authorities in accordance with W.V.A.B. Directive No. 17-1953 as amended and the Chairman's letter dated August 24, 1953. As a result of this study the following instructions, which will supersede previous directives on the subject, are issued to cover all types of cases and the District Authorities can now deal with them on the basis of the formula outlined hereunder.

Casual earnings exempted as income by Sec. 6.(d) of the War Veterans Allowance Act in respect of recipients under Sec. 3 of that Act fall into four principal categories.

- (a) Earnings by a recipient and/or his wife for work of an irregular nature commonly termed "odd jobs", i.e. small jobs complete in themselves for one or more employers.

These earnings are fully exempt.

- (b) Earnings by a recipient and/or his wife resulting from part-time regular employment such as a caretaker for a church or school, a canteen attendant, a crossing guard, self-employment at home on a part-time basis, etc.

Earnings under this category may be exempt in an amount which will not exceed an average of two dollars per diem for 25 working days in any month.

- (c) Earnings by a recipient and/or his wife resulting from full-time temporary employment of limited duration such as at summer camps, guard duties, collecting tickets at race tracks, replacing a regular employee on holidays, harvesting or other similar activities of relatively short duration.

Earnings under this category may be exempt for a period or periods of employment which do not exceed a total of 12 weeks in any V.A. year. Where such period or periods exceed 12 weeks in the V.A. year only the amounts earned during the first 12 weeks may be exempt and the other earnings will be considered as income.

The District Authorities will suspend payment of the War Veterans Allowance as soon as full-time employment is reported by a recipient and will make the necessary adjustments in accordance with the above principles when such employment is terminated.

- (d) A remuneration earned as a result of some isolated deal such as receiving a commission for helping sell or buy a property of or for a friend, provided such transaction is unusual, personal and direct between the recipient and the person concerned and not performed as an agent or sub-agent of a real estate firm or dealer.

Earnings under this category are fully exempt.

There may be some exceptional cases which the present Directive does not appear to cover. If so, District Authorities should refer such cases, with full particulars, for decision by the War Veterans Allowance Board.

Cases which have been decided in accordance with former Directives and which, if dealt with under the present Directive, could be changed, may be reviewed, providing no adjustment shall be made for deductions on account of earnings prior to September 1st, 1953.

F. J. G. GARNEAU,
Chairman.

APPENDIX "B"

WAR VETERANS' ALLOWANCE BOARD

OTTAWA, March 16th, 1955.

Memorandum to:

Mr. W. A. Tucker, Q.C., M.P.,
Chairman,
Parliamentary Committee on Veterans Affairs.

Pursuant to the request of the Parliamentary Committee on Veterans Affairs at its session of March 15th 1955, I have the honour to submit the following statement regarding the Board's policy with respect to assessment, for the purposes of the Act, of

(a) Income from Farms; (b) Income from Rentals.

(a) FARM INCOME—(Ref.: W.V.A.B. Directive No. 6-1954)

Under W.V.A.B. Directive No. 6-1954 dated May 3rd, 1954, the situation regarding income from farms was reviewed.

For the purpose of determining the income of an applicant or recipient engaged in farming operations, a graduated scale of computation of income, for the purposes of the Act, in relation to gross revenue from a farm was deemed to be fair and equitable.

The policy hereinafter set forth is in effect. It applies to all types of farming including grain growing, mixed farming, poultry and dairy activities as well as stock raising.

The assessment formula now in use is as follows:—

Assess as Income:—

- 25% of the first \$1,000 of gross farm income, or fraction thereof;
- 40% of the next \$1,000 of gross farm income, or fraction thereof;
- 50% of the balance of the gross income.

The value of perquisites is *not* taken into account.

Alternative

As an alternative, but only if the recipient claims that the above mentioned formula is unfair to him, District Authorities may consider such cases on the basis of actual operational expenses against gross revenue. This procedure is however subject to the following:—

- (a) The burden of evidence is the responsibility of the claimant; in other words he must submit acceptable evidence of legitimate expenses related to production.
- (b) In case of any doubt on the part of the District Authority, the comparative statement of gross revenue and legitimate expenses, duly supported by accounts, vouchers, etc., will be submitted to the Veterans Land Act representative for examination and verification following which the V.L.A. representative will give to the District Authority an opinion regarding the merits of the case. The District Authority shall then consider the Veterans Land Act representative's report in making its decision.
- (c) District Authorities will not admit claims by recipients that the farm stock or equipment belong to children who are still regarded as dependents under the War Veterans Allowance Act. In the case of non-dependent children, such claims will be considered only if and when supported by acceptable proof of actual ownership.

(b) INCOME FROM RENTALS

W.V.A.B. Directive No 18-1954 dated November 17th, 1954, was issued for the purpose of explaining provisions of section 10. (3) of the War Veterans Allowance Regulations. This Regulation reads as follows—

10. (3) For the purpose of determining the amount of income where the recipient or his spouse receives remuneration for providing board and lodging or board or lodging to any person, the District Authority shall regard as income of the recipient such part thereof as may be calculated to represent the difference between the cost to the recipient or his spouse and the remuneration so received.

The Directive provides that where it is not possible to determine the actual cost to the recipient or his spouse", District Authorities may take the following as a guiding rule for determining the "cost to the recipient":—

Room only—\$15 per month per room, where the recipient is responsible for the full furnishings of the room.

Room only—\$10 per month per room, where the recipient is not responsible for furnishings of the room.

Board only—\$35 per month per person.

Room and Board—\$50 per month per person.

In addition, an exemption of \$50 per month from income from rental room or rooms is permissible in the case where labour in the nature of full housekeeping duties by the recipient or his spouse is involved in the upkeep of the rented premises. Such labour may be regarded as "self-employment at home on a part-time basis" as provided by the Board's Directive regarding "Casual earnings".

F. J. G. GARNEAU,
Chairman.

APPENDIX "C"

EXPENDITURES BY FISCAL YEARS

<i>Fiscal Year</i>	<i>Expenditure</i>
1934-44	\$ 6,879,600.73
1944-45	9,216,363.81
1945-46	10,093,405.37
1946-47	11,804,067.90
1947-48	14,369,993.57
1948-49	19,741,229.19
1949-50	20,018,195.64
1950-51	22,923,331.95
1951-52	23,544,759.50
1952-53	27,159,689.80
1953-54	26,846,086.98
TOTAL	\$92,596,724.44

TABLE 1
WAR VETERANS ALLOWANCES
1944-1954

NUMBER OF RECIPIENTS AS AT 31 MARCH BY WAR OF SERVICE
OUT OF WHICH ELIGIBILITY ARISES

Year	Veterans by Wars					Widows	Orphans Accounts	Total
	NWFF	S.A.	W.W. I	W.W. I and W.W. II	W.W. II			
1944			23,848			1,277		25,125
1945	95	403	23,703	38	19	2,157	12	26,427
1946	116	399	24,291	148	76	3,249	33	28,312
1947	109	393	25,366	192	183	4,243	46	30,532
1948	98	318	22,267	242	472	4,902	58	28,357
1949	80	333	22,911	274	801	5,816	68	30,283
1950	60	336	24,765	337	1,145	6,606	75	33,324
1951	51	714	27,908	402	1,533	7,913	79	38,600
1952	40	654	26,427	398	1,618	8,736	86	37,959
1953	29	622	26,960	484	1,910	9,684	104	39,793
1954	24	600	27,294	533	2,199	10,706	131	41,487
1955 (January)	21	601	29,619	581	2,557	11,652	123	44,154

In addition under Section 4 W.V.A. there were:

1953	337 cases
1954	1,130 cases

TABLE 2

WAR VETERANS ALLOWANCES

FISCAL YEARS 1943-44 TO 1953-54

DISPOSITION OF NEW APPLICATIONS AND APPLICATIONS FOR RE-INSTATEMENT

Fiscal Year	Applica- tions Received	Approved		Declined		Ineligible		Withdrawn	
		No.	%	No.	%	No.	%	No.	%
1943-44.....	3,164	2,289	72.3	787	24.9	64	2.0	24	0.8
1944-45.....	4,036	2,841	70.4	856	21.2	269	6.7	70	1.7
1945-46.....	5,208	3,519	67.6	1,270	24.4	290	5.6	129	2.4
1946-47.....	5,820	4,160	71.5	1,322	22.7	240	4.1	98	1.7
1947-48.....	6,735	5,042	74.9	1,395	20.7	187	2.8	111	1.6
1948-49.....	9,224	7,341	79.6	1,548	16.8	243	2.6	92	1.0
1949-50.....	11,887	9,384	78.9	2,117	17.8	278	2.3	108	1.0
1950-51.....	12,702	9,818	77.3	2,369	18.6	375	3.0	140	1.1
1951-52.....	12,164	9,772	80.3	1,933	15.9	284	2.4	175	1.4
1952-53.....	13,623	11,044	81.1	2,100	15.4	327	2.4	152	1.1
1953-54.....	13,711	11,455	83.6	1,769	12.9	307	2.2	180	1.3

TABLE 3

WAR VETERANS ALLOWANCES

NUMBER OF RECIPIENTS ACCORDING TO AGE GROUPS AS AT 31 DECEMBER 1954

Age Group in 1955	Number of Veterans			Total Number of Widows		
	Sections 3 and 4		Total Veterans	Paid at Single Rates	Paid at Married Rates	Total Widows
	Paid at Single Rates	Paid at Married Rates				
Under 60.....	1,610	3,107	4,717	1,904	852	2,756
60-64.....	2,927	4,759	7,686	2,409	163	2,572
65-69.....	3,560	5,475	9,035	2,436	50	2,486
70-74.....	2,829	3,986	6,815	1,977	31	2,008
75-79.....	1,613	1,819	3,432	1,080	7	1,087
80-84.....	682	559	1,241	471	4	475
85-89.....	193	100	293	112	.....	112
90 and over.....	38	17	55	24	.....	24
Total.....	13,452	19,822	33,274	10,413	1,107	11,520

TABLE 4
WAR VETERANS ALLOWANCES
INCIDENCE OF TREATMENT FOR NON-PENSIONED CONDITIONS
FOR WAR VETERANS ALLOWANCES
RECIPIENTS UNDER SECTION 12 V.T.R.

Calendar Year	Average Number of Veteran Recipients	Average Number Hospitalized	% of Total Hospitalized	General Treatment		Tuber-culous		Mental	
				No.	%	No.	%	No.	%
1949.....	25,129	2,073	8.2	1,213	58.5	241	11.6	619	29.9
1950.....	27,932	2,375	8.5	1,155	48.6	336	14.2	884	37.2
1951.....	30,828	2,558	8.3	1,207	47.2	370	14.5	981	38.3
1952.....	29,444	2,500	8.5	1,162	46.5	380	15.2	958	38.3
1953.....	30,283	2,530	8.4	1,185	46.8	383	15.2	962	38.0
1954.....	31,140	2,544	8.2	1,178	46.3	374	14.7	992	39.0

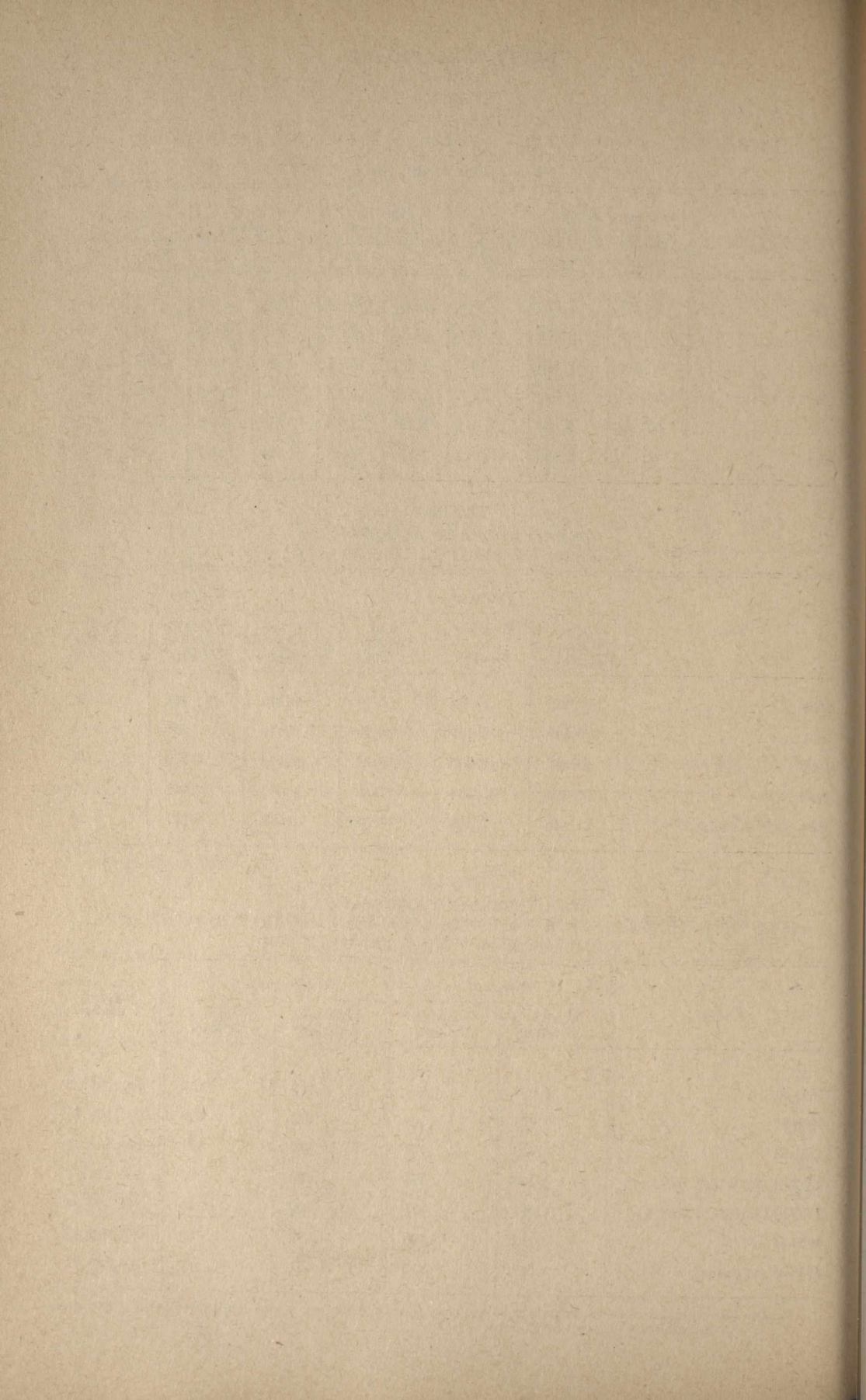
TABLE 5
WAR VETERANS ALLOWANCES
DEATH OF RECIPIENTS—1950 to 1954

Year	Veterans			Widows		
	Average Number of Recipients	Number of Deaths	% of Deaths for Year	Average Number of Recipients	Number of Deaths	% of Deaths for Year
1950.....	27,932	1,669	5.98	6,925	164	2.37
1951.....	30,828	2,126	6.90	8,173	207	2.53
1952.....	29,444	1,561	5.30	8,946	200	2.24
1953.....	30,283	2,236	7.38	9,981	286	2.87
1954 (to November).....	31,140	1,868	6.00	10,967	277	2.53

TABLE 6
WAR VETERANS ALLOWANCES
ASSISTANCE GRANTED TO RECIPIENTS FROM THE ASSISTANCE FUND (W.V.A.)
FROM INCEPTION TO 31 JANUARY 1955

Period	Veterans		Widows		Expend-itures
	Number Assisted	Number Refused	Number Assisted	Number Refused	
1949-50.....	6,036	1,775	1,779	610	\$ 562,826.95
1950-51.....	6,673	880	1,992	229	731,822.75
1951-52.....	8,202	762	2,332	221	909,642.49
1952-53 (to 31 July (a)).....	4,140	174	1,536	65	218,261.75
1952-53 (August to March)....	1,581	275	609	89	102,739.36
1953-54.....	3,160	248	1,280	89	347,460.87
1954-55 (to January 1955).....	3,757	213	1,531	80	393,533.71

NOTE: (a) During the fiscal year 1952-53 because of amendment to the Act all Assistance Fund payments were stopped on 31 July.



HOUSE OF COMMONS
Second Session—Twenty-second Parliament
1955

SPECIAL COMMITTEE
ON
VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

BILL 164

An Act to amend the War Veterans Allowance Act, 1952.

MONDAY, MARCH 21, 1955

WITNESSES:

Mr. G. L. Lalonde, Acting Deputy Minister of Veterans Affairs, Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board, and Mr. G. H. Parliament, Director General, Veterans' Welfare Services.

SPECIAL COMMITTEE
ON
VETERANS AFFAIRS

Chairman: W. A. Tucker, Esq.

and

Messrs.

Balcom,
Bennett (*Grey North*),
Brooks,
Cardin,
Carter,
Cavers,
Croll,
Dickey,
Dinsdale,
Enfield,
Forgie,

Gauthier (*Portneuf*),
Gillis
Goode,
Green,
Hahn,
Hanna,
Harkness,
Henderson,
Herridge,
Johnson (*Kindersley*),
MacDougall,

Murphy (*Westmorland*),
Pearkes,
Philpott,
Quelch,
Roberge,
Tucker,
Weaver,
Weselak,
White (*Hastings-
Frontenac*)—31.

Eric H. Jones,
Clerk of the Committee.

ERRATA (*English Edition only*)

Minutes of Proceedings and Evidence, No. 3, dated March 15, 1955

Page 75: In Appendix "C", under *Fiscal Year*, in line 1, for the figures "1934-44" substitute "1943-44".

In TABLE 1, under W.W.I, in the last line, for the figures "29,619" substitute "28,619".

MINUTES OF PROCEEDINGS

MONDAY, March 21, 1955.

The Special Committee on Veterans Affairs met at 10.30 o'clock a.m. this day. Mr. Walter A. Tucker, Chairman, presided.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Carter, Cavers, Croll, Dinsdale, Forgie, Gillis, Goode, Green, Hahn, Hanna, Harkness, Henderson, Herridge, Johnson (*Kindersley*), MacDougall, Murphy (*Westmorland*), Philpott, Quelch, Weaver and Weselak.

In attendance: Mr. G. L. Lalonde, Acting Deputy Minister; Mr. G. H. Parliament, Director General, Veterans' Welfare Services; Mr. W. Gunn, Q.C., Director of Legal Services; Mr. F. L. Barrow, Secretary; Mr. E. J. Rider, Research Adviser, and Mr. C. N. Knight, Secretary, Assistance Fund, (W.V.A.) Committee, all of the Department of Veterans Affairs. Also Mr. J. L. Melville, Chairman, Canadian Pension Commission, and Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board.

The Committee resumed consideration of Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

The examination of Mr. Lalonde was continued on the statistical data tabled on March 15th which is at Appendix "C" to the minutes of proceedings and evidence of that day. Mr. Garneau and Mr. Parliament answered questions specifically referred to them.

Mr. Lalonde laid on the Table a departmental form entitled *Application for Assistance under Assistance Fund (W.V.A.)*, copies of which were distributed to members of the Committee. Mr. Lalonde explained the purpose and use of the form.

Mr. Parliament was called and read a statement on *Living Allowances for Needy Older Persons—Standards, as related to the administration of the Assistance Fund (W.V.A.)*.

At 12.30 o'clock p.m., the Committee adjourned to the call of the Chair.

EVENING SITTING

The Special Committee on Veterans Affairs met at 8.00 o'clock p.m. this day. Mr. Walter A. Tucker, Chairman, presided.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Carter, Cavers, Croll, Dickey, Dinsdale, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Hanna, Harkness, Henderson, Herridge, Johnson (*Kindersley*), MacDougall, Murphy (*Westmorland*), Pearkes, Philpott, Quelch, Roberge, Weaver, Weselak and White (*Hastings-Frontenac*).

In attendance: Same as are shown in attendance at the morning sitting, excluding Mr. J. L. Melville.

The Committee resumed consideration of Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

The Chairman presented the Third Report of the Sub-committee on Agenda and Procedure as follows:

Your Sub-committee met at 12.30 o'clock p.m., on Monday, March 21, 1955, with the following members present: Messrs. Bennett (*Grey North*), Brooks, Gillis, Green, Quelch and Tucker, and agreed to recommend:

That the Committee continue the hearing of departmental officials and then proceed with a clause by clause consideration of Bill No. 164, at meetings to be held as follows:

Monday, March 21st at 8.00 o'clock p.m.

Thursday, March 24th at 8.00 o'clock p.m.

Friday, March 25th at 3.30 o'clock p.m.

Monday, March 28th at 10.30 o'clock a.m. and at 8 o'clock p.m.

Tuesday, March 29th at 3.30 o'clock p.m.

Thursday, March 31st at 8.00 o'clock p.m.

Friday, April 1st at 10.30 o'clock a.m.

All of which is respectfully submitted.

On motion of Mr. Croll, the said report was adopted.

Mr. Garneau was called and laid on the Table two departmental forms entitled *Declaration of Income and Assets* and *Assistant Fund (W.V.A.) Welfare Officer's Report*, copies of which were distributed to members of the Committee.

On motion of Mr. Green,

Ordered,—That the said forms be printed as appendices to this day's minutes of proceedings and evidence. (*See Appendices "A" and "B"*).

Mr. Parliament read a memorandum entitled *Information for You about the War Veterans Allowance Assistance Fund*, printed in English and French, which has been distributed periodically to all recipients of war veterans' allowance.

Messrs. Lalonde, Garneau and Parliament were examined on the purposes and use of the two forms and the memorandum above-mentioned, and on the statement read by Mr. Parliament at the close of the morning sitting this day.

The Chairman then called clause 1 of Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

Whereupon Mr. White moved, seconded by Mr. Green,

That the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will provide that the maximum of total income, as set out in Section 1 of Schedule "A" to Bill 164, be increased to \$1200, and

That in Sections 2 and 3 of said Schedule "A" the monthly rate be increased to \$120, and the maximum total income be increased to \$2,000.

The Chairman ruled the said motion out of order. (*See this day's evidence*).

Following debate, Mr. White appealed the ruling of the Chair. The said ruling was upheld on a recorded vote:—

Yeas: Messrs. Balcom, Bennett (*Grey North*), Carter, Cavers, Dickey, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Hanna, Henderson, Herridge, Johnson (*Kindersley*), Murphy (*Westmorland*), Philpott, Quelch, Roberge, Weaver and Weselak—19.

Nays: Messrs. Brooks, Dinsdale, Green, Harkness, Pearkes and White (*Hastings Frontenac*)—6.

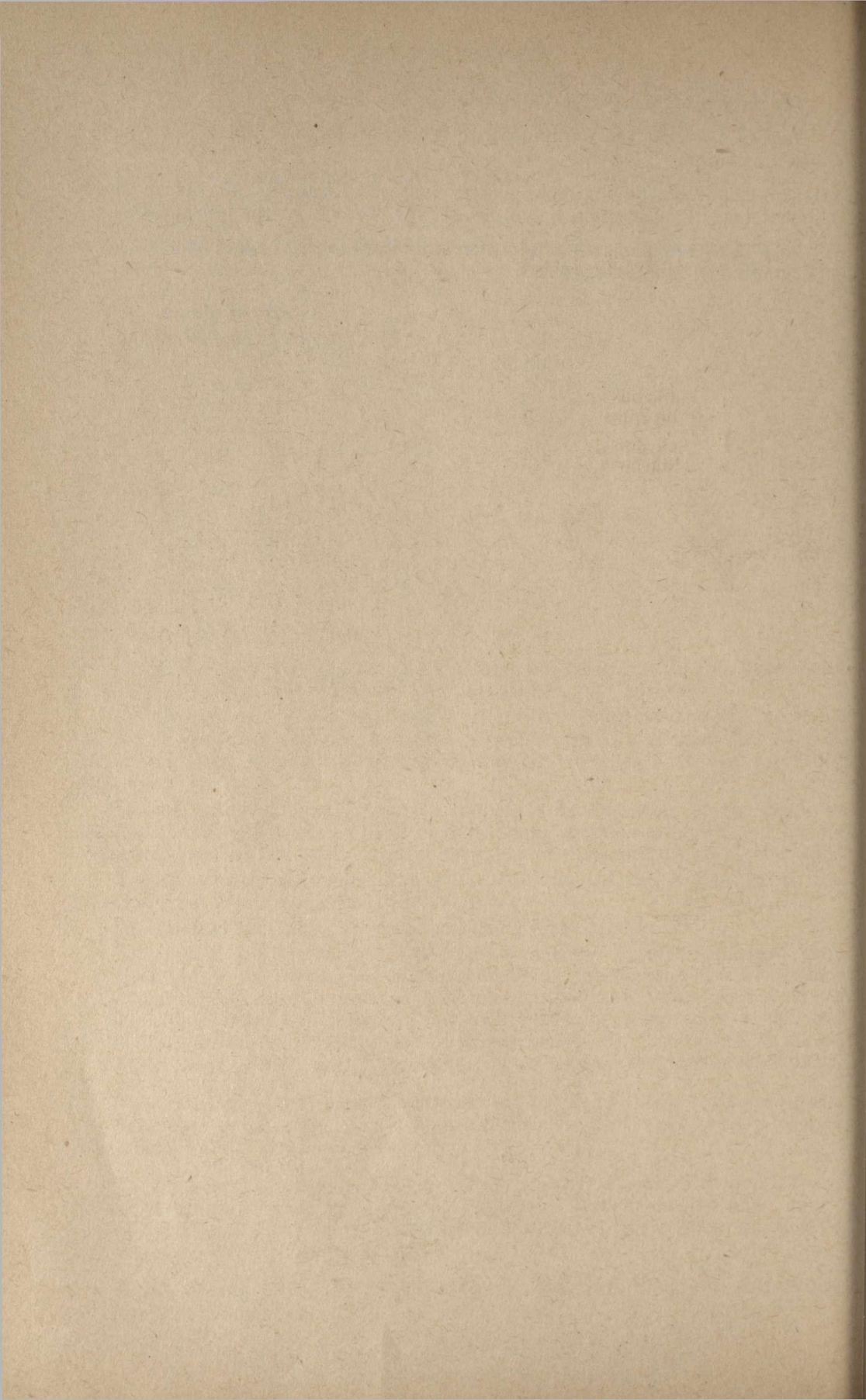
On motion of Mr. Philpott, seconded by Mr. Roberge,

Resolved,—That the Committee do now proceed to consider Bill No. 164, clause by clause.

The Chairman, having again called clause 1 of the Bill, Mr. Green moved adjournment. The question being put, it was resolved in the affirmative.

At 9.58 o'clock p.m., the Committee adjourned to meet again at 8.00 o'clock p.m., Thursday, March 24, 1955.

Eric H. Jones,
Clerk of the Committee



EVIDENCE

MONDAY, March 21, 1955.
10.30 A.M.

The CHAIRMAN: I see a quorum, gentlemen. If you will come to order we will proceed.

My attention has been called to two printing errors in the appendices on page 75 of the minutes of proceeding and evidence No. 3 which you have in front of you. In Appendix "C" there is an obvious mistake. The first item is 1934-44. It should be 1943-44. And then in Table 1, 1955 (January) under the heading W.W.I., it gives the figure 29,619. That should be 28,619.

These tables were laid before the committee at the last meeting but have been brought up to date by putting in 1955 to January to bring us as closely up to date as possible.

Now, I think the understanding was that the deputy minister, Mr. Lalonde, would make a further statement in the matter and answer questions of the committee.

Mr. G. L. Lalonde, Acting Deputy Minister, Department of Veterans Affairs, called:

The WITNESS: Mr. Chairman and gentlemen, arising out of the last meeting, there were a few items that I was to check and on which I was to bring back some answers.

For one thing I said that we would distribute a copy of the application for the assistance fund. This is the yellow form which has just been handed to you. You will note that the part that the veteran or the widow has to fill out is the top part alone.

I wonder if there are any questions on that, Mr. Chairman?

Mr. WESELAK: I see there are no questions on this form as to distress. I presume it is followed up by an interview?

The WITNESS: That is right.

The CHAIRMAN: Would you proceed, Mr. Lalonde, and explain what happens when this application is put in, how it is handled.

The WITNESS: When the recipient of the war veterans allowance requests assistance under the fund he fills in that part of the form and hands it over to the district officials. They immediately send a welfare officer to inquire into the circumstances of the applicant. The welfare officer makes out a report which he refers to the district assistance fund committee and that committee makes a decision on whether or not that person is eligible for the assistance. The lower part of this form shows the decision made by the district assistance fund committee based on the information given by the welfare officer.

By Mr. Carter:

Q. On that point do not these welfare officers get somebody else very often to make that investigation instead of doing it themselves?—A. In some provinces, where communications are difficult and the question of time enters into the picture, we sometimes ask our settlement officers who work for the Veterans Land Act in outlying areas to carry out the investigation for the welfare

services. I think that happens in Newfoundland. It also happens in the northern part of Alberta. I think, in some areas in British Columbia, where it is difficult to send a welfare officer every time we have an investigation to make. This would be costly and would take time, and in those cases, when we have an employee of the department on the spot, we ask him to do the investigation.

Q. Do you not sometimes have provincial employees do that also?—A. I will ask Mr. Parliament to answer that. I think what Mr. Carter is getting at is the practice which is carried out in Newfoundland. I will ask Mr. Parliament, director general of welfare services, to explain to you why this happens in that case.

Mr. G. H. PARLIAMENT (*Director General, Veterans' Welfare Service*): Mr. Chairman, owing to the isolated condition of the areas in Newfoundland, we do use the provincial welfare officers to make a report. It still goes back to the committee, and we make the decision in the district.

Mr. CARTER: After that is done, are these cases ever investigated further by our welfare officers? After we have found them and the provincial man has made a report on them, do we ever go back and contact them and take up that report?

Mr. PARLIAMENT: We do, when the welfare officer is in that area. Probably Mr. Carter realizes that we can only get around about once a year to some of the outposts, and then we do follow up these cases.

Mr. GOODE: This "year" which you mentioned—is there no opportunity of an appeal if a veteran is, in the first instance, refused? Is the committee to understand that it takes a year for an officer to get around to him, and that there will be no opportunity for an appeal during that period?

Mr. PARLIAMENT: The veteran has a right to appeal when the decision is made, if it is an adverse decision. I understood from Mr. Carter's question that he wanted to know if we could get around to these isolated posts in Newfoundland. We can only go by boat. We generally leave in the R.C.M.P. boat during the month of July.

Mr. GOODE: In northern British Columbia I happen to know that the deputy minister is correct in his answer, because I am concerned with one case now which was investigated by a social welfare person in the northern Cariboo. There is going to be no time for one of our officers to be there, because the road is closed there now. You refused that case. No officer of your department will have the opportunity of seeing him for several months. Am I to understand that he will have no chance of successfully appealing until your official appears?

Mr. PARLIAMENT: No, he can appeal by letter. The matter will be dealt with immediately.

Mr. QUELCH: What responsibility if any, is assumed to rest with a relative who gives assistance to a veteran? I have in mind that a veteran might make an application for assistance, and when an investigator is sent down it may turn out that some relative, for example a sister or a brother, has been giving help to this veteran on account of his distress. Would it be considered that that contribution should be continued or would it be recognized that the relative was not under any obligation to give such assistance and might not be in such financial circumstances as to be able to continue it?

Mr. PARLIAMENT: I do not know what the particular circumstances would be. If the party was living with the veteran—is that what you have in mind?

Mr. QUELCH: No. The veteran might be in a situation of distress and his sister, perhaps, might know of these circumstances and might be making a contribution even though she was not in financial circumstances which would

justify her doing so. Would your opinion be that such assistance should be continued? Do you consider that the relative is under an obligation in that respect?

Mr. PARLIAMENT: Not in that particular case you have mentioned.

Mr. HAHN: Would you say that the relative is under an obligation at any time?

Mr. PARLIAMENT: Do you mean a legal obligation?

Mr. HAHN: No, I mean an obligation to give assistance any time.

Mr. PARLIAMENT: No. For the purposes of the assistance fund, no. The point I particularly raised was whether the party was living in the home. One would expect a person living in the home to make the ordinary contribution which a son or a daughter would make.

Mr. HERRIDGE: I take it the committee may discuss things in a general way today. I have a veteran in my constituency who has been to Shaughnessy Military Hospital several times. They have done everything possible for him, but he has a certain lung condition in consequence of which they have advised him to live in a dry climate. He is now in Mexico City. In my opinion, as I have stated before, I think these veterans who are recommended for health reasons to live outside of Canada should continue to receive the allowance. Can Mr. Parliament inform the committee whether he has any idea of the number of veterans who, to his knowledge, come within that category and are living outside Canada?

The WITNESS: I do not know, Mr. Herridge whether I can answer that question perfectly. I can only give you the statistics which we have. We have contacted all our districts and asked them to study the files of all recipients who have left Canada to go anywhere else while they were recipients, and who have so notified the districts. We have no way of knowing whether there are others who have left Canada but have not notified us. For the period from the first of April, 1954 to 31st of December, 1954, the numbers of recipients who have left Canada total 71 veterans and 115 widows. Of these 71 veterans, 21 went to the United States, 46 to the United Kingdom, one to Belgium, one to France, one to Holland and one to South Africa. Of the widows 46 went to the United States, 68 to the United Kingdom and one to New Zealand. Breaking this down further—of the veterans, 33 were away for less than three months and received full allowances.

Mr. HERRIDGE: On their return?

The WITNESS: That is right. 24 were away for between three to six months and received three months allowances. Five never returned to Canada, and nine are still away. Of the widows, 53 were away for less than three months, 43 were away for between three and six months, and three were away for periods over six months. One failed to return to Canada and 15 are still away. By studying the files again, the districts were able to give us the reason for their leaving Canada. The information was taken from correspondence received in the district or from interviews with veterans or their widows. In the case of veterans, 69 out of 71 went on a holiday visit; one went because of the health of his wife, and one in order to secure employment. Of the widows, 114 left on holiday visits and one for reasons of health. As I said, these figures relate to the people who actually notified us that they were leaving Canada. These are the details appertaining to those cases. I would not know about other cases in which people either did not go away because they were afraid of losing the allowance, or did not report to us.

Mr. HERRIDGE: I thank the deputy minister for his careful analysis of the figures. They are most interesting, and the numbers involved are surprisingly

small, so far as I can see. Would the deputy minister say it was a fact that very few veterans have to leave Canada for health reasons?

The WITNESS: I do not think, Mr. Herridge, that it would be fair to ask me to draw a conclusion from cases of which I have no knowledge. I can only draw conclusions from figures which I have quoted, based on actual reports from the districts. I know of no other cases where we have been asked at Head Office to approve the absence of individuals from Canada for more than three months. These cases have all been dealt with in the districts.

The CHAIRMAN: The number of recipients for tuberculous conditions in 1954 was 374. So most of the possible applicants for allowances to live outside of Canada on account of lung conditions would presumably come from that group, would they not?

The WITNESS: I doubt it very much, Mr. Chairman, because I think that most requests to go out of Canada would come from those who are not in hospital. I have never heard of any requests coming from veterans who are in hospital, to leave the hospital and go to another country.

By Mr. Herridge:

Q. In the case I mentioned, the man had said that he had been in hospital several times, and they had admitted that they could do nothing for him. He needed to go to a place with a high elevation, and as Mexico was considered suitable, he went there.—A. How long ago?

Q. About two months ago.—A. He might be the very one reported here as away on account of health.

Mr. HERRIDGE: The present figures would indicate that to take care of these men would be a very small expense indeed. It seems to me tragic that a man who cannot live satisfactorily in Canada and has to go to another country must lose his war veterans allowance, when there are so few cases, and the expense would be so small.

Mr. BENNETT: I think that is a matter of policy.

The WITNESS: I was not going to say anything.

The CHAIRMAN: The committee will bear in mind that the deputy minister should not be asked to comment on any change in policy. If you have any matter like that, it should be dealt with by Mr. Bennett or the minister, when he is here.

Mr. HERRIDGE: I was only going to deal with it by implication.

By Mr. Gillis:

Q. I should like to follow that up a little. I am not very anxious about people who want to go away on a vacation, although that is desirable if it is permissible; I would not argue it too strongly. But I have heard of many cases like that who were refused permission to go out because of reasons of health. Some were cases of men with osteo-arthritis of the spine, and living in Canada during the winter months was very hard on them. The doctor recommended that three of them should be given permission during the winter months to go to a warmer climate where they could live more comfortably, but this was refused. I should like to ask the deputy minister if his department is considering making the regulations flexible enough, at least where a case like that is recommended by competent medical authorities to go outside the country for a few months during winter, to give consideration to such applications. The department knows the conditions, and if a doctor outside makes a recommendation like that, I think that there should be enough administrative latitude in the regulations to permit of that kind of thing being done. I was wondering if the department has given it consideration.—A. Mr. Chairman,

I regret to have to contradict Mr. Gillis, but I am sure that no recipient of war veterans allowances was refused permission to go to the United States, because they do not have to ask permission. All they do is go to the United States, notify the district authority, even after they are gone, and then the district authority suspends the payment of the allowance and reinstates it upon return within the period allowed. If a veteran leaves on the 1st of October and comes back on the 31st of March, he will get the full allowance for the period that he was away.

Q. I am not arguing the suspension. But the allowance is the only income that such a person has. If he leaves the country, he certainly cannot live on nothing. In cases where medical doctors recommend that the person leave the country for health reasons, I think that the allowances should be paid in order to permit the man to live.—A. Do I understand your proposal correctly, Mr. Gillis? You think that we should not suspend the allowance but should continue to pay it for the allowable period of three months and then suspend it?

Q. Well, that is a matter for the department to make its mind up on.—A. We are bound by the Act in making a suspension.

Q. I know that, but the Act can be changed.—A. Again we are getting into a matter of policy. There is one thing of which I am absolutely sure, that our district authorities have never told a recipient, "You cannot go outside the country", because they have no power to do that.

Mr. GILLIS: It is the suspension of the allowance that causes the difficulty.

By Mr. Carter:

Q. I think that the employment of local or provincial civil servants to interview our men should be done as sparingly as possible, because a veteran has many other problems. He needs somebody who knows the whole Act and can explain to him the various benefits to which he is entitled under the Act. We cannot get provincial employees who are qualified to do that. The difficulties and expenses of getting around to these isolated areas in Newfoundland are often very greatly exaggerated. Every summer the Post Office Department charts a boat and puts a post office inspector aboard, who travels right along that coast and lives on board that boat. I see no reason why a welfare officer from a local department could not arrange with a welfare officer to go along with these people. The Department of Fisheries has boats going hither and yon all the time, and I think they would be happy to take a welfare officer aboard. The same applies to a public welfare man. There are hundreds of boats travelling along all the coast line in the summer period. I am sure it would be very easy and very cheap for the welfare officer to arrange to have our local welfare officer travel on these boats and see our veterans in person.—

A. I certainly agree in principle, Mr. Carter. Mr. Parliament tells me that that is what they are doing, but that takes care only of the summer period. I think it would be unfair to some of the veterans if we did not deal with their applications coming in by mail during the winter months, by asking the provincial people to do the work that we cannot do during those months, and thereby give them relief at an earlier date.

Q. I agree with you, but I still think that they should be followed up as quickly as possible by our own welfare officers.—A. We will make sure that we do that, Mr. Carter.

The CHAIRMAN: The members will note that in the record of proceedings that was distributed this morning there are some tables which they may not have had a chance to study very much until now. Are there any questions of the officers on those tables? Have you, Mr. Lalonde, something further to give to the committee?

The WITNESS: I have some explanation to give on certain questions which were raised. The first one was raised by Mr. Carter about the increase in tuberculosis and mental patients on Table 4 between the years 1949 and 1950.

The explanation is that prior to 1948 there was no provision in the treatment regulations for the treatment of war veterans allowance recipients. They were at that time only granted treatment as indigents under what was then called class 5 (a). The equivalent is now section 13. At that time, prior to 1948, the war veterans allowance recipients granted treatment under class 5 (a) could not be treated for a mental condition, because class 5 (a) did not contain provision to treat those people.

In 1948 we added class 5 (b) to the treatment regulations—it is now section 12—whereby war veterans allowance recipients are granted treatment privileges for all conditions including mental conditions.

In 1948 there was a number of veterans who were treated in provincial institutions for tuberculosis or mental conditions. When they became eligible for treatment, the public guardian made application on their behalf to the War Veterans Allowance Board to have them placed on the allowance and granted class 5 (b) treatment to be paid for by the department. The result was that there was a group of veterans who were not included in the 1949 report but who were included in 1950, because it was between 1949 and 1950 that these people were placed on class 5 (b).

By Mr. Carter:

Q. I would like to thank the deputy minister for giving such a full answer. There is, however, one point he mentioned which inspires another question in my mind. Did I understand him to say that the war veterans allowance recipients get treatment for all conditions?—A. They do, yes.

Q. That does not apply to a pensioner. The pensioner can get treatment only for his wounds.—A. The pensioner can have other conditions treated if he comes under section 13; that is the section covering treatment eligibility based on the income and other assets of the veteran. The answer is that a pensioner with a high income could not get treatment under section 13; that is for a condition other than his pensioned condition.

Q. And when you say "high income", what is the ceiling? Is there a ceiling on it?—A. There is a means test in section 13. It is to be found in the Treasury Board scale which lays down the limit of income and assets.

It is a little bit difficult to explain it in one word because it is not based upon actual income; it is based upon adjusted income. The limit is \$2,500 for his yearly adjusted income.

That does not mean that the veteran cannot have earned more than \$2,500 during the year. But after we deduct certain items from his actual income, we arrive at his adjusted income, and that is where the figure of \$2,500 becomes the ceiling for the adjusted income.

For instance, to get the adjusted income of an applicant, you have to deduct a certain set amount for his dependents. If he earns \$3,600, then you have to deduct so much, let us say, for his wife, and for each child; and so much for expenses he may have incurred for medical care during the preceding year. Then you get his adjusted income; and if it is under \$2,500, the pensioner can get treatment for his non-pensioned condition.

By Mr. Brooks:

Q. What is the amount for the wife and the child?—A. It is \$480 for the wife.

The CHAIRMAN: The committee will appreciate—

The WITNESS: And \$150 for each additional dependent.

The CHAIRMAN: As I was saying, the committee will appreciate that this is a matter of treatment of pensioners and not of war veterans allowance recipients. I did not object to the question because it is a question of comparison; however, it is going into another field.

By Mr. Philpott:

Q. I want to ask a question. In view of the fact that we now treat these people who are war veterans allowance recipients just as we treat pensioners in our hospitals, and in view of the fact that everybody in British Columbia has to pay a hospital insurance tax, has anybody in the department ever computed how much we could bill the British Columbia government for our taking the load off them?—A. That is quite a problem. At the moment we have an inter-departmental committee studying that question of provincial health insurance schemes and their relationship to our treatment regulations. It is very complicated. There is no easy solution because, after all, the provincial authorities can make whatever rules or regulations they wish in the administration of their own insurance scheme.

Mr. GILLIS: A national health program would cure the whole thing.

By Mr. Green:

Q. On your inter-departmental committee, do you have a representative of the Department of National Defence?—A. Yes.

Q. At the present time the dependents of the men in the forces who are posted in British Columbia are unable to get hospital insurance protection. You might be able to make a deal under which those people are covered in view of the fact that you cover the war veterans allowance recipients.—A. That is what we are looking into.

Q. Surely we have a claim against the British Columbia government for paying these costs in our hospitals. At the moment the province do not extend hospital insurance treatment to the dependents of the men in the defence forces. I think we have a claim against them for the families.

By Mr. Dinsdale:

Q. I would like to ask a question about the recipients of war veterans allowance who are hospitalized for mental illness. If it becomes a case of permanent hospitalization, what happens to the allowance? Who gets it?—A. It depends if he is single or married. If he is single then he does not continue to get it after three months; but if he is married, then his dependents continue to get it.

Q. They get the full married allowance?—A. Perhaps Mr. Garneau might explain that.

Mr. F. J. G. GARNEAU (Chairman, War Veterans Allowance Board): This I believe is an answer which I gave at a previous sitting, and it should cover that point. There is a deduction made from the allowance while the man is treated at the cost of the department. It would vary between \$5 and \$10. In other words, if a disabled veteran is in a hospital, and if his family is receiving \$90 per month allowance, that sum might be reduced by a token suspension to \$85 or possibly \$80, depending on the decision of the district authority. The deduction is very seldom increased. But it is very seldom any more than those amounts. More frequently it is \$5 than \$10 and it goes on as long as hospitalization continues but not exceeding one year. I believe the idea behind this is as I said that the treatment of that veteran is rather costly—I am only venturing a personal opinion—and a deduction of \$5 is more or less, as you might say a gesture for the public accounts or the auditor general. But, there is no important change in the amount paid. The family is being looked after.

Mr. DINSDALE: Is there any attempt made to trace back the mental illness to war service and shift the responsibility to the pensions board?

Mr. GARNEAU: That is not within our province as far as we know. We just accept the fact that he is ill and what the cause is I think it is beyond our powers to decide. We just accept the situation, that he is sick or is not sick according to the medical reports. The origin of the illness would not concern the board as such or the district authorities.

By Mr. Croll:

Q. Colonel Lalonde, will you turn to Appendix "C" for a moment. You may have covered it but if you did I missed it. The general increase in expenditures is due to what, the increased number of recipients? Does "C", by the way, represent the overall cost?—A. Yes. There are two factors. One is the increase in rates from time to time—rates and ceilings—and the increase in the number of recipients.

Q. In view of the fact that the incidence of death was about the same, to what do you attribute the fall in 1953-54?—A. Actually there is no decrease in 1953-54. I believe I explained at the first meeting that the reason for the discrepancy is the fact that in 1952-53 there was an increase in the rate given retroactive effect and therefore some of the payments made in 1952-53 were actually on behalf of months included in 1951-52. The actual amount paid in 1952-53 to cover periods included in 1951-52 is \$1,040,000. That would bring the total down to about the same as 1953-54.

The CHAIRMAN: Mr. Herridge.

By Mr. Herridge:

Q. Mr. Chairman, I just want to say this giving of hospital and medical treatment to war veterans allowance recipients has been a big boon. With respect to treatment and transportation could the deputy minister advise the committee what procedure a recipient goes through who wishes to apply for medical or hospital treatment, and the transportation arrangements?—A. I think that what Mr. Herridge wants to bring out are the various benefits in connection with the treatment of war veterans allowance recipients. If the recipient notifies the department, either himself or through his relatives, that he needs hospitalization and that he cannot get to the hospital, we will pay the cost of transportation to bring him to the hospital. There he gets treatment; he gets benefits of comforts, clothing and travelling expenses to go back to his home. And, if unfortunately he happens to die, he may be entitled to payment of funeral and burial expenses. Does that cover your point?

Mr. HERRIDGE: Yes, thank you.

By Mr. Goode:

Q. In regard to mental patients, I have one case at the moment of a man who visits me quite often who is obviously a mental patient or should be a mental patient. There is no connection between his calling on me and his being a mental patient. But, he is a recipient of war veterans allowance and his wife refuses to allow him to go to Essondale. I have contacted three or four doctors who have certified him as being one who should go there. His wife refuses to allow him to go. What is the position of the department in that matter?—A. We have no legal position with respect to that veteran unless we are able to comply with the provincial law with respect to committal to a mental institution. If that man had a mental condition for which he was being pensioned, then we could take him into a D.V.A. hospital. But if he is not pensioned for that condition he must go to a provincial institution and his family has to fulfil the conditions laid down by the province for committal to a mental institution.

By Mr. Hahn:

Q. The incidence of mental cases I see appears to be very, very high—this is on table 4. I was wondering if it is possible to have Colonel Lalonde tell us how it compares in the case of civilians and war veterans allowance recipients. For instance, in 1954 we have 14·7 per cent tubercular. Have we any figures to indicate how that compares with civilian cases?—A. Mr. Hahn, we have no figures to enable us to compare the ratio of tubercular and mental patients amongst war veterans allowance recipients with that of civilians. The only answer that I can give is that the director general of treatment services has told me frequently that he did not think that the incidence of tubercular or mental conditions in the veterans' population was any greater than in the civilian population. I imagine that the incidence is not greater for war veterans allowance recipients than it is for veterans at large. I see no reason for it.

Q. In respect to these mental cases at Essondale in my own province, who pays for the cost of their stay in Essondale? Is that a provincial cost completely?—A. The mental cases treated in Essondale who are war veterans allowance recipients?

Q. Yes.—A. The Department of Veterans Affairs pays for it.

By Mr. Balcom:

Q. I was wondering, in the case of a war veteran in an isolated place, who goes to a doctor—not a D.V.A. doctor—and receives a prescription for medicine, what happens then? Where does that veteran get his prescription filled—say there is not a drug store in the locality?—A. That is covered by the doctors-of-choice plan, and the doctor is supposed to send back to the department his bill for visits and necessary medicine or any kind of prescription. That is included in his charge for the treatment of that particular patient.

Q. That would mean then that a veteran has to wait perhaps a week or ten days for a prescription to be filled. Does the doctor have a fixed charge?—A. There is a schedule of fees, which varies with the condition he is treating.

Q. That war veteran has to wait days for his medicine. If he has influenza, which is prevalent at this time, his prescription cannot be filled locally. It must go to Camp Hill Hospital where you have increased overhead costs by increasing your staff to fill these prescriptions.

The CHAIRMAN: You know this to be the case, Mr. Balcom?

Mr. BALCOM: Yes.

Mr. GILLIS: It is general in Nova Scotia.

The WITNESS: I would like to look into that question, Mr. Balcom. I am not clear about the filling of prescriptions in outlying areas. I know what they do in Halifax.

Mr. CROLL: What do they do in Halifax?

The WITNESS: They go to Camp Hill Hospital.

Mr. BALCOM: That is not altogether convenient. They are not open all day.

The WITNESS: Someone is there all the time.

Mr. BALCOM: Not someone qualified.

Mr. HARKNESS: The same condition exists all over the country. All the people in the rural parts of Alberta, Saskatchewan, Manitoba and so forth have to go to the doctor and get prescriptions from him directly and pay for them out of their own pocket.

The WITNESS: That is what I want to check. I am not sure whether the doctor-of-choice plan covers the cost of medicine given by the doctor as well as his fee.

Mr. HARKNESS: If the doctor happens to have a little dispensary which dispenses drugs, it is included, but in most cases he gives the prescription

to the man and then the man has to send it to the veterans hospital in Calgary or else pay for it out of his own pocket if he wants to get it immediately.

The WITNESS: I will check with our treatment services. I am not sure of my ground. I want to know if they have to pay for it out of their own pockets.

Mr. GILLIS: I want to support Mr. Balcom. Up to two years ago, local representatives in any part of the country could examine a man, write a prescription, if one were necessary, and take that prescription to a local drug store and fill it. Cape Breton Island is 350 miles from Halifax, and what happens today is this: a local representative of the department will write a prescription and that has to go to Halifax to be filled and returned to the veterans, and as Mr. Balcom says it takes up to ten days or more. That has been the set-up in the last two years, and every branch of the Legion has been protesting it.

Mr. MACDOUGALL: Mr. Chairman, now that we are dealing with this question of the position of pharmacists I might say that at Shaughnessy Military Hospital they have a very excellent staff of pharmacists, but the situation there at present is that they are drastically overworked. Recommendations from Dr. Bain that at least one and preferably more registered pharmacists should be appointed to the staff there were made two or three years ago. It is quite conceivable, by virtue of the arguments raised by Mr. Balcom and Mr. Gillis, that the circumstances which are applicable to Nova Scotia are also applicable in some degree to British Columbia. I go to Shaughnessy for insulin from time to time, and I visit the dispensing department, and I know from having seen it with my own eyes that these pharmacists are greatly overworked. It is only fair to remember that they have applications for various drugs and medicines coming in from all over the province. It takes the chief pharmacist all his time to keep track of mail orders. Consequently he has no time left to fill or to assist in filling any of the local requirements which may come in from the individual veterans who attend directly at the pharmaceutical department of Shaughnessy Military Hospital; and Mr. Chairman, I would hope that this matter, now that it has been brought up, will receive some consideration from the department. It is most obvious that the staff of the dispensing department of the Shaughnessy Military Hospital is hopelessly inadequate to meet all the requirements demanded of it both by the military and by the veterans who go to the department for various drugs, powders, pills and so on. Recommendations for an increase in staff have, I believe, been made to the department for some two years and it seems to me that the time has long since passed when this matter should be given due consideration by the department, and that as a result of this consideration the dispensing department in Shaughnessy hospital should have additional trained and qualified dispensers.

Mr. HENDERSON: My remarks are addressed to Colonel Garneau. I appreciate very much the statement he made with respect to those recipients of war veterans allowance who own their homes and who rent rooms. I refer to page 74 of the proceedings on Tuesday last. I was just wondering, Colonel Garneau, if you could tell us what is the procedure and what regulations apply. Quite a few veterans in Kingston rent rooms to students in the winter months, and in the summer they are cut off from this means of income. I was wondering if you could outline the procedure to deal with this sort of case. Supposing the rooms are vacant for three months. Do the veterans get back on their regular allowance.

Mr. F. J. G. GARNEAU (*Chairman, War Veterans Allowance Board*): There is no sliding scale or scale of adjustment actually provided for such cases. In the matter of rentals such as you have mentioned, what the district authority considers, and what the board would consider, if the decision were appealed, is the income accruing to the recipient from such rentals on a yearly basis

under the "ceiling" permitted for the coming year—the veterans allowance year, which incidentally starts with the award and is reviewed from year to year. If a person rents rooms, for example to students, that would be for approximately ten months of the year. The income would be adjusted, then, so as to avoid causing over-paying of allowance. It would be adjusted on the scale and with relation to the exempted income given here. If the rooms become vacant during the summer months and the income of the recipient would allow an increase of the allowance to be effected for the remaining two months while the rooms are empty, the allowance would be adjusted upwards to give the recipient the maximum income permitted under the Act. By the same token, if the amount of income were considered too high it would naturally have to be adjusted accordingly. I hope that is the answer to your question.

Mr. HENDERSON: Thank you.

Mr. CARTER: I would like to follow that up by asking one or two questions. Under section (a) we have a scale of assessment of farm income—25 per cent of the first thousand, 40 per cent of the second thousand and so on. What is the basis of that scale? Is it because it is assumed that the other 75 per cent is the cost of production, that it costs \$750 to produce that?

Mr. BENNETT: I think that is the basis of it. I think this is a very generous formula. Of the first \$1,000 gross income that a farmer takes in, \$750 is considered as cost of production. If the farmer says that that is unfair to him because it cost him \$1,000 to produce that \$1,000, then we accept that if he comes within the terms of the alternative scheme. In other words, he has to produce his receipts and books to show that his costs of operations really did amount to \$1,000.

Mr. CARTER: Is that same scale applied to fishermen?

Mr. GARNEAU: This is the policy we have been following for some time in Newfoundland and wherever it applies. While no directive has actually been issued, some questions have come up locally from the district authority in Newfoundland, and some from Prince Edward Island, and we have told them to consider the farm income directive as applying roughly to fishing.

Mr. CARTER: The fisherman's earnings would not come under the seasonal employment, would they? That seasonal employment figure is only for wage earners, is that right? I understand that for 12 weeks in the year a war veteran, if engaged in seasonal employment, is not limited in what he can earn.

Mr. GARNEAU: That is right.

Mr. CARTER: What about seasonal employment in, say, lobster fishing or salmon fishing? Has he an employment regulation instead of coming under this one with the scale assessment?

Mr. BENNETT: Is his regular occupation lobster fishing?

Mr. CARTER: Yes.

Mr. BENNETT: Then, as that would not be casual earnings, he would not come under it. That applies to people who do seasonal jobs which are not their regular employment, such as employment at a race track or exhibition and so on.

Mr. CARTER: If he is a fisherman, he comes under this assessment again?

Mr. BENNETT: Yes, or section 4 of the Act.

Mr. HAHN: You mentioned the casual earnings as those earned by a man employed at one of the race tracks. Suppose he received that each year over 10 or 15 years?

Mr. BENNETT: It is still casual, as long as it is limited to a period of less than 12 weeks in any one year.

Mr. WESELAKE: Would it not depend on whether he was an employee or an operator?

By Mr. Philpott:

Q. I should like to ask Mr. Lalonde about table 5, on page 77, which gives the rate at which the men and women are dying off. I am absolutely astonished with those figures showing that men are dying off three times faster than their wives.—A. That is not perhaps right, because there are more veterans than widows on the allowance. Therefore, any comparison between percentages is not based on exactly the same number of people.

Q. But the percentages show, in the case of last year, that six per cent of the veterans died off and only 2.53 per cent of the widows died off.—A. That is right, for two reasons: because the veterans are given allowances at 60, but the widows at 55, and therefore their age group is lower than the veterans; and also the Canadian life tables show that women live longer than men.

The CHAIRMAN: Members of the committee will note that Colonel Garneau in Appendix "B" has summarized the regulations and practice in regard to farm income and in regard to income from rentals and income from boarders and lodgers. I think that the committee will agree that he has done a very good job in making that very comprehensible. I thought it was better for him to do that than to give the directives in full.

The WITNESS: Table 6 is the last table which we distributed. It deals with the assistance fund. You will note, in the columns dealing with veterans that the number assisted in 1949-50, was 6,000; it went to 8,000 in 1951-52, and then dropped. There are two reasons for this. The first is that from 1949 to 1952 the rate of the allowance was lower than it was in 1952 and there were more people who needed assistance. Then in 1952-53, when retroactive effect was given to the increases in rates, the recipients got a cheque to cover seven months of allowances at the new rate. Therefore, during their war veterans allowance year at that time these amounts carried them up to the income ceiling, so there was no room to give them the assistance.

By Mr. Brooks:

Q. Did all recipients whose only income is the war veterans allowance automatically get the assistance fund on application?—A. Not automatically.

Q. I mean, after investigation and it is proven that they have no other income but war veterans allowance?—A. Not automatically, because the need has had to be established, and it varies, I think, between urban and rural areas. So it is not an automatic increase of \$10 a month. Sometimes they get \$5, sometimes \$8.

Q. And sometimes nothing—A. Yes.

The WITNESS: Referring again to table 6, I said that the number of recipients assisted dropped sharply in 1952. It picked up again in 1953-54 and it is increasing this year. We expect that by the end of March, 1955, it will go to about 4,000. The other interesting thing to note is the reduction in the number of applicants who have been refused assistance. In 1949-50 this was new legislation and there were a few frivolous applications. That is why the proportion of refused applications is so high; another factor is that between the years 1951 and the present time we have tried to adjust the administration of the assistance fund to the same level in all districts, and we have tried to make it as generous as the legislation could possibly enable us to do so.

Mr. BROOKS: Did you say that in 1950-51 some of those who had been refused in 1949-50 were reconsidered and that they received it?

The WITNESS: That is right. They can be refused this month, and if their condition changes next month, we will entertain a new application.

Br. Mr. Green:

Q. Is the assistance fund available to veterans or widows 70 years of age or over?—A. Yes; if they are not in receipt of the old age security pension, for one reason or another.

Q. Would the fact that they are entitled to at least some old age security mean that they could not qualify for war veterans allowance assistance?—A. That would automatically put them up to the ceiling.

Q. So that they would not be eligible for assistance?—A. No, they would be receiving the maximum income.

Q. Is the same thing true of the small pensioner?—A. Not in all cases; his pension may be such that there is still a spread. He might have a pension of less than \$10 a month, for example.

Q. It is only the small pensioner who could benefit from the assistance fund; it would be the man who gets less than \$10 pension per month, and \$12 if he is married?—A. That is right.

Q. Provided these amendments go through?—A. That is correct.

Q. And is the same true of pensioners or widows who have superannuation?—A. Yes.

Q. This morning you produced a form of application for the assistance fund. Is there not a form which the investigator has to complete when making his report?—A. No, there is what we call a time-saving device in which we list the items that he may look for when he makes his investigation. In other words, we will ask him to find out what the income is, whether it is derived from employment or casual earnings, and that sort of thing; and he fills it out and sends it in to the district committee.

Q. Would there be any objection to having those forms distributed to the members of the committee? I ask that because the veteran would undergo, I presume, a second means test when making application for assistance under the fund.—A. The form does not mean anything; it is only to help the investigator or welfare officer. The district committee takes the information from that report and they analyze it and make a definite decision. The welfare officer has nothing to do with the decision, and the form has nothing to do with the decision either. It is only a method of collecting information.

The CHAIRMAN: I do not think there will be any objection.

By Mr. Green:

Q. The form shows the questions which must be asked of the applicant?—A. Yes.

Q. Whereas the general form produced today is merely a written application, without any details?—A. That is what we were asked to produce. That is the application form.

Q. What about the other form? That is the one we want.

Mr. BENNETT (*Grey North*): Perhaps Mr. Lalonde might tell the committee about the formula which we use in connection with the assistance fund. I think that is what Mr. Green wants to know. I do not think that the form would help him very much.

The WITNESS: No. The form does not cover the formula.

Mr. BENNETT (*Grey North*): Would you please describe it?

The WITNESS: Yes. If the committee will bear with me for a minute, I would like to finish my analysis of this table. Then Mr. Parliament whose officials in the welfare services carry out these investigations and report to the district committees, can explain the formula used in determining that need.

I will now answer one of the questions just asked, with respect to average payments. We have two ways of paying the assistance. One is to pay a lump sum and the other a continuing monthly grant. I have no way of giving you an

average amount for these lump sum payments because they vary according to need. The continuing monthly payments average \$77 in the case of veterans in 1953-54; and for widows, \$82 for the year.

This year, 1954-55, over a ten month period, the average for veterans has been \$69, and for widows \$87. So that for a twelve month period, if we maintain the same ratio, the average payment involved would be \$83 for veterans and \$103 for widows.

One reason for this difference is that there are many cases where there is a small pension or a small superannuation; therefore they cannot get the full \$10 per month; they can only get the difference between their pension and the income ceiling. In assessing the continuing monthly assistance, we must take into account the fact that some people cannot get more than \$5 a month. That is what is bringing the average down. Even at that it runs pretty close to \$100 for the year.

Incidentally in Montreal on 31 January 1955, there were 185 widows in receipt of monthly awards under the assistance fund and 129 of those were receiving the maximum assistance of \$10 per month. I mention this because some figures in this respect were given to the committee the other day. I think this proves that there is no discrimination against widows in Montreal.

By Mr. Goode:

Q. You mentioned that a bulk payment was made to some of those recipients. How many recipients would have received it?—A. The difference between the monthly grant and the lump sum payment will be explained by Mr. Parliament.

Briefly, a lump sum payment is made to cover an immediate need. For instance, at the beginning of winter a veteran may need two or three tons of coal, so we buy two or three tons of coal at that time. That is a lump sum payment.

Q. Could he continue to receive the assistance fund after that date?—A. For the difference between the amount of that lump sum payment and the maximum assistance; certainly.

Mr. BALCOM: Lump sum payments are not encouraged.

The WITNESS: Both methods fill specific needs. It would be difficult to cancel one or the other.

Now the last remark I want to make concerning table 6 is to bring to the attention of the committee one more feature and then let the committee draw its own conclusions.

At the 31st of December, 1954 there were 13,354 veterans with no other accountable income who technically were all eligible for the assistance fund; 3,970 of those applied for the assistance. At the same time, for the same period, there were 7,294 widows who had no other accountable income and who also were all eligible for the assistance. Yet only 1,611 applied for it. You gentlemen will draw your own conclusions from these figures. We have tried to find a definite answer to that and the only one that we can find is that the others, those who do not apply, either have other means of supplementing the basic rate or they live in rural areas where they are satisfied to get along on that amount. That is the only explanation we can find for this state of affairs because we are convinced that they do not purposely refrain from getting the benefits of the assistance fund. We do not think that any of them will purposely say they do not want the additional income.

Mr. GILLIS: Do you think that they all know about it?

The WITNESS: Every recipient of war veterans allowance has received two chits with his war veterans allowance cheque, whether he is in receipt of assistance or not. They have all had those chits informing them that they

could apply for assistance to the district office, and giving them the conditions under which they can apply. We cannot understand why they have not applied. That is something on which you will have to draw your own conclusions: I can only give you our observations on the situation. We have gone across the country and tried to find out what the real reason is. Personally I am convinced that the only possible explanation is that those in rural areas—must be satisfied with what they are getting and those in urban areas must supplement their basic rate.

Mr. BROOKS: When you say they are eligible you are taking that from their application. There is no investigation made by your department, until they make application, to find out whether they are eligible or not?

The WITNESS: I do not follow that.

Mr. BROOKS: You say there were 13,354 who were eligible and only 3,970 applied. I ask how do you know that 13,354 were eligible? Was it not from the application they put in and not from any further investigation which was made by your department?

The WITNESS: That 13,354 is the number of people who are getting the full amount of the allowance because they have no other accountable income and we know their number at all times. Those are the people who have no disability pension, superannuation or other income.

Mr. FORGIE: They might have casual earnings.

The WITNESS: That would not prevent them from applying for assistance.

The CHAIRMAN: They might actually have quite an income over and above the allowable income taking into account the casual earnings.

The WITNESS: If they are getting the full rate of war veterans allowance, there is a margin between the rate and the maximum income ceiling and casual earnings are not taken into account in covering that difference.

The CHAIRMAN: But that would enter into the giving to them of this assistance.

The WITNESS: Not always.

The CHAIRMAN: I did understand that is the case where you look into the question of need you consider if they have quite a large income from casual earnings.

The WITNESS: Yes, if they have a large income from casual earnings, but if a man had casual earnings of \$5 a month and applied for assistance we would not take that into account. He could still get the \$12 assistance.

The CHAIRMAN: But a person who had the income to bring him up to the maximum allowance would still be getting the war veterans allowance but might be getting the \$10 a month which would prevent him going above the full allowance. He would be getting the full allowance and yet he would be having this extra \$10 a month. He would know if he applied he would not get this assistance because he would know that he could not get any assistance if that assistance would bring him above the maximum allowable income. In other words there must be quite a number who are getting the full amount of the allowance and still have the maximum allowable income in this figure you gave.

The WITNESS: No. There are only about 1,500 of those.

The CHAIRMAN: And they are included in that 13,354?

The WITNESS: No, they are not.

Mr. FORGIE: Do you know what percentage of the 13,354 come from the rural sections?

The WITNESS: No. I am afraid it would be pretty difficult to make a survey on that basis. First of all you would have to define rural areas.

By Mr. Hanna:

Q. Some of my questions I think have been answered. What is the total maximum income or assistance available to a single veteran or a widow who has no outside income whatever?—A. \$120 a year single.

Q. On a monthly basis?—A. \$10 a month.

Q. I mean the total, the W.V.A. plus the assistance fund?—A. At the moment or under the bill?

Q. Under the bill.—A. It would be \$70 a month under the bill.

Q. What would the total income be for a single veteran or a widow under the proposed bill with the maximum casual earnings allowable?—A. Per month?

Q. Yes.—A. \$120.

Q. Thank you. Would you also mind telling us what is the total maximum income available to a married veteran under the proposed bill who has no other income whatsoever? In other words, the total of the W.V.A. plus the assistance fund?—A. \$120 not including casual earnings.

Q. Now, what is the total income that a married veteran may have with the total W.V.A. and assistance fund plus the maximum casual earnings that would be allowed?—A. The maximum that he could have would be \$170 a month.

Q. Thank you. Those are the figures I wanted to get.—A. I do not say he would always have that, but that is the maximum he could have.

Mr. BENNETT (*Grey North*): Depending on the type of casual earnings.

The WITNESS: Yes. There are variations, but that is the amount he could get.

Mr. BENNETT (*Grey North*): Under category 2.

The WITNESS: Unless he is under section 4.

The CHAIRMAN: Under section 4 he could have more than this?

The WITNESS: Yes.

Mr. BENNETT (*Grey North*): Or he might go out and mow lawns and make \$70 casual earnings in one month. You cannot fix casual earnings at \$50 a month.

The WITNESS: No, but under section 3 that is the maximum for that type of thing. Not for the odd job, but for the regular part-time employment.

Mr. BENNETT (*Grey North*): Your answer only applies to category 2?

The WITNESS: Yes.

Mr. GOODE: Could we be supplied with this chit Mr. Lalonde speaks of?

The CHAIRMAN: Yes, we will obtain that.

By Mr. Green:

Q. You have said that there are 13,354 veterans who draw the full allowance and have no other income and 7,294 widows. That makes a total of about 20,500, which is about one-half of the total number of recipients of war veterans allowances?—A. That is correct.

Q. What was the total number of recipients at the end of 1954?—A. Will the 31st January, 1955 do?

Q. Yes.—A. 44,154.

Q. And do these figures amounting to about 20,500 include any people of 70 years of age and over?—A. I think Mr. Green you are referring to those who are receiving old age security pensions. They are not included in that figure of 20,000 odd.

Q. And does it include any small pensioners who are drawing over \$10 a month if single and \$12 if married?—A. No, it includes only those who have no other accountable income of any kind.

Q. They would all be under 70?—A. There are a few who do not take the old age security pension. They do not apply for it.

Q. How many would you say come into that category?—A. Very few. I do not think more than 5 per cent of those who are eligible.

Q. Would one explanation of the fact that there are so many people who have not applied for assistance be that they resent the second means test?—A. We thought of that Mr. Green, but knowing human nature we do not think that it is the reason. We do not think any of these recipients would let resentment deprive them of \$10 a month; we came to the conclusion that this would be too high a price to pay for such resentment.

The CHAIRMAN: When you say "no other income" that does not include casual earnings, because you have no record of that at all?

The WITNESS: I beg your pardon?

The CHAIRMAN: When you say that these 13,000 do not have any other income, that does not include casual earnings because you do not have any record of casual earnings?

The WITNESS: That is right. I spoke of "other accountable income" purposely because that is the only kind of income we take into account in determining the amount to be paid.

By Mr. Green:

Q. Have you any idea how many people drawing veterans allowance assistance are in receipt of casual earnings?—A. I have no official estimate of the number who are in receipt of casual earnings.

Q. Has the department no figures whatever on that question?

An Hon. MEMBER: I hope not.

The WITNESS: It would be impossible. In order to get these figures we would have to force every recipient to report casual earnings every time he earned them and if a veteran got odd jobs, or a series of odd jobs, he might have to report four or five times a month—or else every month—and that is not practicable.

By Mr. Green:

Q. Your districts must have some idea of the approximate number who are making casual earnings?—A. The only time we know that a person has casual earnings is when they ask us for assistance under the assistance fund, because then they must declare past casual earnings. It is of course impossible for them to declare future casual earnings.

Q. How many come into that category?—A. We would have to examine every file, I guess, in order to find that out.

The CHAIRMAN: That would explain, would it not, the refusals in table 6—the main reason for refusals listed on table 6 would be that it would be feasible for them to be receiving quite large amounts of casual earnings?

The WITNESS: It could be. Each case was dealt with on its merits. If a recipient living in a rural area was receiving the basic rate of the allowance plus casual earnings of \$30 or \$40 a month, in that particular area it might be the equivalent of \$75 income in a city, so he might possibly have been refused assistance.

The CHAIRMAN: By "number refused" do you mean those refused the maximum amount, or the number refused anything?

The WITNESS: This means those who do not get the assistance.

By Mr. Green:

Q. Can you get the figure showing how many of these veterans are getting casual earnings?—A. We will have to wire the districts and ask them if they can give us a report. We shall try to obtain that information for you, Mr. Green.

Mr. FORGIE: I suggest we should leave that alone.

Mr. GOODE: I suggest we leave well enough alone.

The WITNESS: I am at the disposal of the committee.

The CHAIRMAN: I know that some of the committee members do feel that in the best interests of the veterans we should not press too much into the question of casual earnings. That seems to be the feeling. I am not criticizing you, Mr. Green. I think that if you want this information you are entitled to have it if it can be obtained.

Mr. GREEN: I will take that upon my own responsibility. I have asked for what information there is concerning casual earnings in respect of those people who come under table 6. I would point out that the argument which is being built up against increasing the "ceilings" of war veteran allowances is based on the amount of these casual earnings. Personally, I do not propose to allow that argument to influence my action. Casual earnings stand by themselves. It is quite proper that they should be as they are, and I am not objecting to them in any way, but I do not want to have any attempt to get the "ceilings" increased hampered by statements that these veterans have a chance to get casual earnings. I think if we did have the figures we would find that the number of veterans who are in fact getting casual earnings is a very small percentage of the whole. I think the percentage would be found to be so ridiculously low that this argument would prove to be very foolish.

The CHAIRMAN: I was not saying you were not entitled to follow this matter up, but some members of the committee seem to feel you should not give it too much emphasis by doing so. However, you have the right to do it if you wish.

Mr. CROLL: I have been turning over in my mind the startling figures which Mr. Lalonde gave to the committee, and his answers to the questions put to him, and I have rather come to a conclusion different from that which Mr. Green has reached. It occurs to me from the amount of misunderstanding by this committee, and by myself, about casual earnings, that the recipients did not quite seem to understand the position, or in the alternative, that they had such casual earnings that they were not prepared to discuss them with the department. I think that is what those figures point to. For that reason, this matter of casual earnings becomes very important to the committee, and the administration of it is by all means pre-eminent at this time.

By Mr. Quelch:

Q. I think that the reason why there is so much puzzlement is that there has been a change in the last year or two. The question I should like to ask is this: It used to be the practice—I do not know if it is still—to require a recipient of war veterans allowance to fill in a form, and that form was a very detailed one. I have helped many people fill them out. The form required the recipient to show the amount he had in the bank, the amount he may have in bonds, and money he received from various sources. If the recipient of the war veterans allowance is still required to complete that form, then unquestionably he is disclosing his casual earnings. I am wondering if those forms are still filled out.—A. That is not for the purpose of the assistance fund. That is for the purpose of the war veterans allowance.

Q. Those forms may well disclose casual earnings.—A. You are referring, I presume, to what is called the life certificate.

Q. I forget the name. It is a form which they get very often at the end of the year, and the idea is to find out what the financial standing of the recipient is.—A. I am sorry; the life certificate is for the Canadian Pension Commission. This is the declaration of income and assets for the War Veterans Allowance Board.

Mr. QUELCH: That would disclose the casual earnings, I think, in most cases. Maybe it should not, but the recipient of the war veterans allowance who obtains that form is under the impression that he has to disclose all his income, and therefore he discloses his casual earnings.

Mr. GARNEAU: Let me put it this way. That form would disclose all sources of income as the recipient would declare it. It does not refer particularly to casual earnings, but it is the type of income he may have enjoyed during the year—his war veterans allowance, pension, his wife's earnings, and so on. It is just a form written out in detail to give the district authority a statement as to his income situation. That was primarily designed to avoid repeated personal investigations. On the declaration of a man, it is accepted at its face value to avoid personal visits and so on. That was the purpose.

The CHAIRMAN: You would ask him in that to disclose casual earnings that have nothing to do with the granting of a war veterans allowance at all?

Mr. GARNEAU: The form has not been changed. It has been used for years, and it has been continued to be used like that, but there is no provision in the form itself to set out casual earnings as such. If the amount of earnings shown is rather large—let us say a person will declare an income of \$1,100 from work—then that might cause a subsequent inquiry to find out what type of work the man was engaged in during that time, whether it was casual or not, but it is not primarily to try to catch the veteran. It is just to allow the district authority and the board to keep a finger on the pulse, so to speak, and exercise a reasonable means of administration in those cases.

The CHAIRMAN: I can understand the reason for the question. He is allowed certain casual earnings, and this is to check that he is not getting more than the allowable casual earnings; is that correct?

Mr. GARNEAU: Yes.

The CHAIRMAN: I think that the committee would like to have that form tabled.

Mr. GARNEAU: Certainly.

By Mr. Hahn:

Q. Would you automatically deduct \$600 as casual earnings?—A. That is what is generally done now.

Q. But it does not appear on the form.—A. No, the recipient makes his statement, and the district authority reviews it. If it shows \$370 or something like that, the form is initialled by the reviewing clerk, without saying anything further.

Mr. BENNETT: You would not reduce his war veterans allowance without going into details?

Mr. GARNEAU: No, that is never done merely on the receipt of the form as such. If there is some doubt in the minds of the district authority, they will send a field investigator, a welfare officer, to get a further explanation of how that amount was arrived at and what sort of employment the man had.

Mr. BROOKS: To determine whether that is casual earnings or seasonal employment, you would have to do that, I should think.

Mr. HAHN: Those casual earnings should in no way affect the application for assistance. He would be eligible for assistance even though he received \$600 a year casual earnings.

Mr. CROLL: It is not so easy, and for that reason he does not apply.

The CHAIRMAN: If he is getting casual earnings that give him an income that would warrant his not being given the assistance, he would not be entitled to it. In other words, casual earnings are taken into account in granting assistance, is that correct?

The WITNESS: I believe I mentioned that feature before, Mr. Chairman. Casual earnings are taken into account in assessing the amount of payments under the assistance fund only to the extent that it enables the district committee to determine whether there is need or not. A single man with \$25 a month casual earnings does not need more than a married man with three children might need with \$50 a month casual earnings. Their needs might be the same, although one receives more casual earnings than the other. You have to take each case on its merits in applying the casual earnings to determine the need.

The CHAIRMAN: Mr. Parliament is the one who administers the assistance fund; perhaps he can clear up any possible further doubt with regard to that fund. There are also some questions which some member wished to ask Mr. Parliament.

Mr. BENNETT: I should like to hear from Mr. Parliament regarding the factors that make up the assistance fund.

Mr. G. H. Parliament, Director General, Veterans' Welfare Services, called:

The WITNESS: In order to clarify this situation somewhat, I have prepared a statement with regard to the standards applied to living allowances for needy older persons, so that I shall not overlook any of the points relating to the administration of the assistance fund:

STATEMENT BY MR. G. H. PARLIAMENT

Director General of Veterans' Welfare Services on

LIVING ALLOWANCES FOR NEEDY OLDER PERSONS-STANDARDS

as related to the administration of the Assistance Fund (W.V.A.).

Only a limited amount of research work seems to have been done on the subject of living allowances for needy older persons. Evidence given before the Joint Parliamentary Committee on Old Age Security in 1950 showed a lack of exact knowledge regarding many problems in this area. Monthly amounts recommended to the committee as an allowance for aged persons ranged from \$30 to \$60. There was agreement as to the essential needs of elderly persons but even experts were reluctant to cite exact cost figures. Because needs vary from person to person and cost from community to community across the country, it was difficult to formulate a standard which would be applied to all Canadians.

While the department has conducted such surveys as it has been able to do, because we have not the facilities to conduct full-scale research into the establishment of living standards, we have used what is considered to be the most up-to-date survey on this subject. This is the "Guide to Family Spending" prepared by the Toronto Welfare Council.

Welfare authorities are generally agreed that essential requirements of daily life for elderly persons are food, shelter (including heat, light and water, if not covered by rent), clothing and personal care.

We had taken into account the requirements of food, but not clothing and personal care. The minister, in announcing the broadening of the assistance fund, dealt with those two items, and I shall cover them as I go along.

Food

To determine the appropriate cost of food for W.V.A. recipients, the Director of Dietetic Services was asked to prepare an adequate diet for a person doing sedentary work. The costs for this diet were obtained, where possible, from the data provided in the Labour Gazette concerning costs of staple food items at the end of September, 1951. Prices not available in the Labour Gazette were obtained through D.V.A. district offices across Canada by pricing necessary items in various stores in each locality and averaging the results. When the cost of diet was adjusted from a weekly to a monthly basis and an allowance made for circumstances, as suggested by the Welfare Council of greater Toronto, it was found that the average cost for two persons would be \$55.87 per month. Although the price index for food dropped slightly between the time when this study was made and the present, we have continued to use the standard set in 1951, namely \$55.87 per month.

Rent

When an application is taken for help from the assistance fund, the actual cost of rent is allowed. It was realized that rents vary considerably between urban and rural areas and between communities. However, an effort was made to determine the level of rentals paid by W.V.A. recipients. Some 3,500 cases were reviewed in 1952. The variations were found to be quite wide and between D.V.A. districts the range was from \$16.85 to \$28 per month. Using the highest of these as a base and correcting for an increase in shelter costs of approximately 7 per cent, indicated in consumer price index, an average standard is set at \$30 per month.

Clothing

The Toronto Welfare Council study, at 1952 prices, suggests an allowance for the provision and maintenance of clothing of \$7.24 per month for women of 60 and over, and \$6.70 for men in the same age group. \$7 per month would, therefore, seem to be an appropriate amount for this item. As economies in clothing maintenance are possible for a married couple, a combined total of \$13 per month might be considered as adequate.

Personal Allowances

This is designed to cover such items as toothpaste, haircuts, shaving needs, cosmetics, tobacco, etc. The Toronto Welfare Council study at 1952 prices suggests \$4.16 per month for this item for a woman 60 years of age and over, and \$3.80 for a man in the same age range. \$4 per month for a single veteran or widow and \$8 a month for a married couple appeared a suitable figure to include in the assistance fund formula.

A monthly allowance for an elderly couple based on the above figures would total approximately \$107, to which should be added cost of fuel and light, if any. This is in line with the best current provincial welfare

practice. Both Alberta and British Columbia, on proof of need, may supplement basic old age security and old age assistance (\$40 per month) up to \$15 per month. It is, therefore, possible for an elderly couple to receive a combined income from these sources of \$110 per month. The War Veterans Allowance Act allows for variations to bring the combined allowance and assistance fund to \$120 per month.

Welfare councils in metropolitan areas have been especially concerned in recent years with the needs of elderly persons living alone. Studies made by such authorities suggest \$60 per month as a reasonable basic allowance for a single person living alone in a large city. In January, 1953, the Toronto Welfare Council proposed that the municipality should share with the province the cost of supplementing old age assistance and/or old age security up to \$20 per person per month when need could be demonstrated. In July, 1953, the Hamilton Welfare Council issued a study suggesting \$61.73 per month as the amount required to maintain a fair standard for an elderly person living alone in that city. Allowing \$7 per month clothing and a personal allowance of \$4 would leave \$59 available from a total allowance of \$70, including the assistance fund, as payment for room and board, which appears reasonable at current prices.

May I now say a few words on the welfare services provided by the department to W.V.A. recipients? The close concern of the Welfare Branch with the needs of recipients of W.V.A. dates from its involvement in surveys made by the department in 1949, which led to the creation of the assistance fund. Although the main administrative purpose of these surveys was to determine whether or not recipients were able to manage on the basic allowance, their scope extended beyond this. It embraced the total welfare of recipients and their dependents and pointed up ways other than financial in which our department could assist recipients in meeting their problems.

These surveys revealed wide variations in the circumstances of W.V.A. recipients, as well as the fact that many veteran recipients were unaware of their entitlements to medical, dental and hospital care. Often they were unaware of other services that could be provided, such as domiciliary care, prosthesis, etc.

When investigating an application for help from the assistance fund, our welfare officer not only inquires into the financial circumstances of the applicant but indicates the department's interest in the total welfare of the applicant and his dependents. Welfare officers are directed to advise and assist applicants in any possible way with their problems and to report any follow-up action taken or planned. Our social workers review these reports to ensure adequate social appraisal and that all applicable community resources are brought into play.

Where necessary, the case is referred back to the field staff after adjudication by the District Assistance Fund Committee for welfare follow-up. In this way recipients are helped to use a wide variety of supplementary services in the community. Assistance with the health problems of veterans' dependents is a frequent need. This may involve not only the use of general hospitals and hospital clinics but also of specialized facilities, often privately sponsored, for sufferers from arthritis, cancer, etc. Private welfare organizations may procure at reduced cost much needed items such as glasses, dentures and hearing aids where public authorities do not provide these. Veterans' organiza-

tions often provide valuable assistance. In one recent case a Legion branch not only provided building materials but also organized a work party to help repair a veteran's home.

Welfare services staff can often provide valuable counselling services to recipients who, with their strength and faculties impaired by age, are struggling with important personal problems. Older people often need skilled help in adjusting to the problems of living with relatives or in an institution after a lifetime of independence. Especially if they live alone, older veterans and widows dependent on W.V.A. are likely to turn to the department for help with any kind of problem. The simple knowledge that some interested person is available in case of need has, for these people, a value that cannot be estimated in dollars and cents. Our women social workers report that older women visit the office, or telephone frequently, for advice with problems, or just to "talk things over". Recipients living in rural areas, advised beforehand through Legion branches and N.E.S. offices of an itinerant welfare officer's visit, often use the opportunity to seek his advice.

The CHAIRMAN: I think that study will be very helpful, Mr. Parliament. Perhaps the members would like to have a look at it because some of them might want to ask questions on it. Are there any extra copies available?

The WITNESS: No. But this statement could be stenciled.

The CHAIRMAN: We shall probably not have the record printed this week. Therefore if your statement can be stenciled it could be sent out to the members by mail as quickly as possible.

We are unable to get a room in which to have a meeting, as we had hoped, on Tuesday. I am asking the steering committee to stay for a few minutes after this meeting and perhaps we can agree to meet before Thursday. If not, we shall meet again on Thursday in this room at 3:30.

Mr. PHILPOTT: This bill goes into effect only when it has been passed.

The CHAIRMAN: Yes.

Mr. PHILPOTT: Surely, with a lot of people waiting for this increase, we might get on with it faster than this.

Mr. BROOKS: Another few days would not hurt; they have already waited three years. It certainly can be made retroactive.

The CHAIRMAN: We will discuss that in the steering committee. I was very disappointed that we could not meet tomorrow; but there are about six or seven other committees meeting, and while we attempted to reserve a room ahead of time, there was a misunderstanding and we failed to get one. So we shall adjourn now. I would ask the steering committee to remain behind for a few minutes.

EVENING SESSION

8 p.m.

The CHAIRMAN: We have a quorum, gentlemen, and we will come to order.

The first item of business is the third report of the steering committee, which is as follows:

Your Sub-committee met at 12.30 o'clock p.m. on Monday, March 21, 1955, with the following members present: Messrs. Bennett (Grey North), Brooks, Gillis, Green, Quelch and Tucker, and agreed to recommend:

That the Committee continue the hearing of departmental officials and then proceed with a clause by clause consideration of Bill No. 164 at meetings to be held as follows:

Monday, March 21st at 8.00 o'clock p.m.

Thursday, March 24th at 8.00 o'clock p.m.

Friday, March 25th at 3.30 o'clock p.m.

Monday, March 28th at 10.30 o'clock a.m. and at 8.00 o'clock p.m.

Tuesday, March 29th at 3.30 o'clock p.m.

Thursday, March 31st at 8.00 o'clock p.m.

Friday, April 1st at 10.30 o'clock a.m.

All of which is respectfully submitted.

Those meetings are all in this room except for the one on March 31, which will probably be in room 277. The steering committee decided to set the dates so far ahead because of the difficulty in getting meeting rooms for the committee, and also because if we do not arrange for them several days ahead, we will find that we will probably be in the same position as we are for tomorrow; we will not be able to have a meeting at all. We have endeavoured not to have a conflict any more than necessary with other committees on which members of this committee also wish to serve. That is the report of the steering committee, gentlemen.

Mr. GREEN: Mr. Chairman, were you able to arrange with Mr. Picard about the Thursday evening meeting?

The CHAIRMAN: I tried to get in touch with Mr. Picard, but was unable to do so; therefore I sent him a letter giving him the dates and telling him that we felt that he should try to co-operate by as much as possible avoiding conflict with our meetings. Just as soon as I can see him I will. Is that agreed?

Mr. CROLL: I move the adoption of the report.

Agreed.

Now, the deputy minister has stated that the welfare officer's report form which was asked about this morning has been circulated to all members of the committee. I suppose the members of the committee have had a chance to look it over. Also there has been circulated to the committee the declaration of income and assets form which is sent, as I understand it, to each war veteran allowance recipient to complete once a year. Is that right?

Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board, called:

The WITNESS: That is right.

The CHAIRMAN: Also the members of the committee will have received a mimeographed copy of the statement of Mr. Parliament given to us this morning. I suppose our first item of business could be to deal with Mr. Parliament's statement.

Mr. GOODE: There is still one other paper to come, the chit which was mentioned this morning.

Mr. PARLIAMENT: Mr. Chairman, we have found one of these chits for 1948. It is the only one available. We can have mimeographed copies run off. This was sent along with the cheque to the W.V.A. recipient with the English statement on one side and the translation in French on the reverse side.

Mr. GOODE: Could we have that done, Mr. Chairman?

The CHAIRMAN: It can be read and then included in our record. Would you read it, please, Mr. Parliament?

Mr. PARLIAMENT: This is marked in large print "IMPORTANT". Then there is another heading, "INFORMATION FOR YOU ABOUT THE WAR VETERANS ALLOWANCE ASSISTANCE FUND".

What it is—

It is money approved by parliament which permits the Department of Veterans Affairs to add to the amount of War Veterans' Allowance in case of need.

How it works—

When applications are made to the Department of Veterans Affairs it looks into them carefully and if this additional "assistance" is required it is authorized.

Who can be helped—

Any veteran or veteran's widow in receipt of full War Veterans' Allowance who is in need. Mostly these are veterans who have no other income and no casual earnings.

How much help can be given—

In the case of widows or veterans with no dependents the allowance can be supplemented by \$120 annually. In the case of married veterans the maximum is \$180 annually.

How to apply—

Write or go in person to the Veterans' Welfare Division at the nearest district office of D.V.A. A D.V.A. Welfare Officer will go into your case with you and if the regular allowance of \$40.41 or \$70.83 is not sufficient to take care of your needs help from the "Assistance Fund" will be considered.

FOR MORE INFORMATION

Write to or call at the nearest office of the Department of Veterans Affairs.

This was based on the 1948 rates.

Now, in the mind of the deputy minister and myself there was another one which went out in 1952 very similar to this, which we have not been able to locate. Since this notice went out—the assistance fund was introduced in 1949—welfare officers have been instructed when taking in new applications for war veterans' allowance to discuss with the applicant his entitlement or eligibility for help from the assistance fund.

The CHAIRMAN: Is it agreed that we include this in the record?

Agreed.

We can now have questions on the statement of Mr. Parliament and then pass on to the statement that the war veteran recipient is asked to sign. After that we can take the other statement, the welfare officer's report form.

Mr. WHITE (*Hastings-Frontenac*): Mr. Chairman, I would like to ask a question about the yellow form, the declaration of income and assets. When speaking to Colonel Garneau the other day he told me casual earnings did not have to be reported. The last item of Section A on this says: "Income from

any other source (give details)," and underneath that in large letters it says: "Failure to disclose all income may result in cancellation of allowance." I would like to know if it is correct that the casual earnings do not have to be reported on this form and how it is tied into those two items there?

The CHAIRMAN: It was the deputy minister who made that statement and he said he was going to be a few minutes late this evening. He might want to explain it himself. In fact he told me he wanted to explain that point at the meeting tonight. Could we take your question when he arrives?

Mr. WHITE (*Hastings-Frontenac*): There was another question. Would it be possible for Mr. Garneau to explain to the committee, when they take the first application from the veteran, as to exactly what assets the veteran and his wife may have in the way of capital assets and in particular where the veteran or the veteran's wife owns a dwelling house in which they reside, what is the very maximum permissible value of that house?

The WITNESS: According to regulations the maximum assets permissible, which are not otherwise spelled out or itemized, are \$2,000 for a married couple and \$1,000 for the single recipient or a widow or those without dependents. That covers stocks, bonds, money in the bank and items of that kind. Property of the recipient is exempt to the amount of \$6,000, but there has been no account taken so far of the value of an extra dwelling under the present regulations. If it is revenue-bearing the revenue is taken into account as ordinary income, but there has been, as yet, no value placed on such property as personal property or liquid assets. The liquid assets are, as I said money in the bank, bonds, stocks, any other readily negotiable securities of that type.

Q. What could happen in the case of a veteran, with the inflated values of today, supposing his house was worth \$7,000 or something like that?—A. We take into account the actual equity. The equity of a veteran is the capital value which we take into account when we assess the exemption on the basis of \$6,000. He may have property worth \$7,000 or \$8,000 at present day market values, but that will not necessarily be taken into account. If his capital investment in that property is shown as \$5,000—he has, maybe, a mortgage for the balance—we only count the actual money invested.

Q. Suppose he owns a house outright at \$7,500?—A. If it is over the amount of \$6,000 I have mentioned, we assess excess income at five per cent; that would be assessed at 5 per cent on an annual basis, which would represent \$75 on a difference of \$1,500.

Mr. WESELAK: No lesser value qualifies below \$6,000?

The WITNESS: No.

Mr. ROBERGE: Is the location in a town or community assessed by the inspector?

The WITNESS: We generally ask a man to produce his agreement of purchase or sale or any proof of the actual money he has invested in that property, and we only deal with the individual property without taking into account the relative value as affected by its situation in the community.

By Mr. Pearkes:

Q. A recipient has liquid assets of \$2,000—can you give the committee any idea as to the amount of income he will be likely to receive from that amount of money in bonds or stocks?—A. That is provided in the Act itself. He is allowed an income of \$25 from investments. A sum in excess of \$25 would be taken into account in assessing the rate.

Q. \$25 during the whole of the year?—A. Over the whole of the year.

Q. And that would be from one investment or from several investments?—
A. From one or several investments. He has a permissible income of \$25 from stocks or bonds or things of that kind. That is set out in section 6(2) of the Act.

Mr. BENNETT (*Grey North*): I do not think that is what the General is asking.

The CHAIRMAN: Order. It is very difficult for the reporter and for the rest of us to hear.

By Mr. Pearkes:

Q. What amount of capital would be required in your estimation to produce that \$25?

The WITNESS: That would be about \$1,000 in, say, government bonds at 2½ per cent.

Q. If a man has \$2,000 he is not allowed to get any interest from that \$2,000 he has invested?—A. Oh yes, but it has to be taken into account under the present legislation. Any amount in excess of \$25, if it is shown to be gained from investments, must be taken into account. If a man receives \$50, for instance, from these investments we would have to take the extra \$25 into consideration for the purpose of the Act.

Q. Oh yes, but the \$25 that he is allowed does not count as against permissible income. I see. I was trying to get at the idea of how much income a man would be able to derive from the \$2,000 he had—whether he would be able to count that full amount.

Mr. MACDOUGALL: If he could get 10 per cent . . .

Mr. PEARKES: Where would he get 10 per cent? Can you get 10 per cent? If you could, I would like to buy some of that stock.

The WITNESS: Here is the section of the Act which deals with that question. It comes under section 6 1 (i) and it says:

Notwithstanding anything in this Act or the regulations the following receipts are not income for the purpose of the Act.

Subsequently, it says:

Interest on bank deposits and bonds and dividends and shares in the capital stock of any company to the extent of \$25 per annum from all sources.

Mr. PEARKES: In the Legion brief you will remember that the president of the Legion referred to the hardship caused to people who by thrift and forethought—those were the words he used—had accumulated certain savings. Have you any suggestion as to how more encouragement could be given or more help could be given to those who have, by thrift and forethought, set something aside, so that they can increase their income from bonds over and above \$25 a year?

The WITNESS: I am afraid, Mr. Chairman, that I may be going beyond my depth or prerogatives in suggesting what could be the answer to that question. That is a matter laid down in the Act. We are really not making the legislation, we are only administering it and I do not think I should suggest what the answer or the remedy could be in the case you have mentioned.

Mr. BROOKS: Would not raising the ceiling do it?

The CHAIRMAN: Members of the committee all understand that the official should not be asked to comment on questions of policy.

Mr. PEARKES: I am sorry if I asked you a question of policy, but I was just trying to grope to find out what you might think could be done to meet such cases. Many such cases have come to my notice—instances where people could either not get the allowance or have had their allowances reduced on account of this section.

Mr. WESELAKE: What would be the position if a veteran had personal liquid assets assessed at \$1,000 or perhaps \$2,000? Is he automatically disqualified or would the department take the excess and average out for a period of years?

The WITNESS: It is automatic. If he has assets over \$1,000 or \$2,000 in the case of a single or married recipient respectively, he would be disqualified against continuance of the allowance until such time as, in the ordinary course of maintenance or in the course of ordinary living, the excess income would have been absorbed.

Q. Under the Old Age Security Act any excess over \$1,000 or \$2,000 is averaged over a five-year period.

Mr. MURPHY (*Westmorland*): In the matter of property exempted up to \$6,000, does the recipient have to live on that property?

The WITNESS: Yes sir.

Mr. MURPHY (*Westmorland*): In the case of a veteran who has property worth less than \$6,000 but this property is in a remote area, a rural area, and he finds it necessary to move to the nearest city or town for medical reasons to be near hospitals and doctors, and he rents the property which he owns and pays an equal amount of money in the town; would that disqualify him?

The WITNESS: It would actually disqualify him under the exemption if he does not reside on the property. The act is fairly specific—it is quite specific—on this point. This is the same section 6 of the Act to which I referred previously, subsection 2:

In determining what shall be deemed to be the income of a recipient from any interest in real property, the value of any premises in which the recipient resides shall be taken into account only to the extent that it exceeds six thousand dollars.

So, as far as we are concerned, that is fairly clear that he must continue to reside on that property. Otherwise, if he rents it, the income on that property would be taken into account.

In our regulations, where a property "is revenue bearing and not used as a residence by the veteran, consider as income the net revenue therefrom after deducting reasonable and necessary expenses of maintenance other than any payment of principal on any mortgage or agreement for sale thereon."

Mr. QUELCH: If a veteran's liquid assets are found to be over \$2,000, I think you said that the interest would be figured out on that excess, and that would be deducted.

The WITNESS: No, sir. That applies only to the real estate property on which he resides. In the matter of personal property, in the sense of liquid assets, he would be out of court. The recipient would be disbarred from consideration until his liquid assets, negotiable bonds and so on, be at \$2,000 or below.

By Mr. Harkness:

Q. What is the situation with regard to income when a man has a small farm, if he gets certain oil rights on that farm? Can he include that income with the gross and take 25 per cent of it?—A. We have not as yet been faced with such a situation.

Q. It is a case that I sent you a few days ago. As a matter of fact, this has been going on for years.—A. If it is a case that is actually under consideration I would not like to give an opinion just now, since it might be considered sub judice.

Q. I was trying to find out the general position with regard to an income of that kind. It is income from a farm, and so I wondered whether you could put it under gross income from the farm or whether it would have to be treated in the same way as if it were income from a bond.—A. I am afraid that it would not be regarded as income from a farm, since it is a royalty paid for minerals or oil found on the property. It is not the result of farming operations as contemplated by our directive on farm income, where I think I underlined that it was mixed farming, grain farming or, in other words, straight farming. I do not know if that answers the question.

Q. In other words, there is no general ruling on that? You will consider it as you would income from a bond?—A. I would, personally.

Mr. BALCOM: Coming back to Mr. Murphy's question, if a man was forced to move from the country to the city to be near a hospital, for instance, would there not be an adjustment between the rental he might receive from his country house and the rental he has to pay in the city?—A. Not actually.

By Mr. Goode:

Q. Could some officer of the department give us the history of section 20 on page 5 of the W.V.A. Act of 1952? What has been the experience of the department as far as prosecutions are concerned? Have there been many? What is the average per year?—A. I am afraid that I could not answer that with statistics. There are not very many of those prosecutions under that section. Actually I could not hazard a guess at the number. I am afraid that we would have to look up records to give you a more accurate answer. I am told by the director of the legal division that there are actually less than half a dozen so far.

Q. Per year?—A. Altogether about half a dozen that went into court since 1952.

Q. Six in over two years? That is remarkable. What that means is that you do not ordinarily prosecute?—A. We try to avoid it if possible.

Mr. QUELCH: Do you make a reduction in the payments?

The WITNESS: We try to recover the overpayment by means of a deduction on the allowance.

By Mr. Harkness:

Q. Have you any figures as to the number of people from whom you are now attempting to collect overpayments out of their allowances?—A. I am afraid I could not answer that question offhand, but I could find out and let you know.

Q. Does any provision exist whereby these overpayments can be written off or forgiven or compounded, or anything of that nature?—A. I believe that there are regulations under the Financial Administration Act providing for the writing off of certain overpayments as uncollectible debts, but I am afraid that I do not feel competent at this very moment to make a statement on that. I believe that with regard to the Financial Administration Act the Treasury Branch could answer that a little more accurately than I could at the moment, although I will be very glad to try to find out.

Q. I would like to know how many people are in this position, where overpayments perhaps run back five or six years and in which an attempt is being made to collect at the present time; and also what provisions there are for writing them off under the Financial Administration Act. I know personally

of at least two cases where people are in an absolutely hopeless position. They have overpayments running back for several years and, as far as I can see, there is no chance of their being cleared. So much is being deducted all the time that the result is constant trouble for everybody.—A. We will try to find out and give you the picture on that.

By Mr. White (Hastings-Frontenac):

Q. In the case of a veteran who has been overpaid, when you have been collecting back payments, if that veteran should die, is a claim made against his estate?—A. No, sir.

Q. That ends it?—A. Yes.

Q. If his widow should be eligible to receive the allowance, there is no attempt—A. No attempt is made to collect from his widow.

Mr. HERRIDGE: I should like to bring to the attention of the chairman, the deputy minister and Mr. Parliament, because they are very sympathetic, a most unusual case. I have usually found that the administration is very fair and does everything possible to invoke the regulations to assist persons involved. I am going to recite something that happened to a man in my province—I shall not mention his name. It is a most unusual case, but it caused a great deal of distress. This man returned from the old country and married his wife in Revelstoke. He came to the Arrow Lakes district where he has lived ever since as a married man with his wife. Two years ago he applied for the war veterans' allowance. When he came to prove that he was a married man, he found that the government records in Revelstoke had been misplaced, the church records had disappeared, his home had burnt down, he had lost his marriage certificate, and there was no way of proving from records that he was married, although dozens of people could swear to having knowledge of these people being married and attending the celebration and everything else. That was not considered enough by your officials. Finally, last year, in order to get the war veterans allowance they had to get remarried. Now you can just imagine what that very strait-laced lady said to me: "This department said that we were living in sin for all these years." It is an unusual case, but I would suggest that under circumstances like that it was not really necessary to have these people go through another form of marriage, when hundreds of people had known of their marriage in the church in 1920 and so on. I think that in a case like that they could have been spared that experience. It is not a very nice thing, especially for someone who is very interested in church work and all the rest of it. You can imagine what all the other people would say when they had to go and get remarried. I would like to ask if it would not be possible, under circumstances like that, to have affidavits from responsible citizens, clergymen, magistrates, and people of that sort to prove these circumstances rather than to have to go through that rather unpleasant experience.

Mr. MACDOUGALL: Or from responsible M.P.'s?

The WITNESS: I would be glad to look again at the case you refer to; but I am only assuming that the district office in that case must have tried to establish that these people actually were married. I do not know that a mere affidavit from a few close friends to the effect that something had been done, that a marriage ceremony could have been performed, and giving it to the best of their knowledge and belief, would actually suffice. I do not know whether that would be the way to consider that there was sufficient proof of an actual wedding or marriage, a legal marriage having taken place.

Under the present Act there are people for whom a marriage is not possible because of a previous marriage. Those are the people we deem to be married for the purposes of the Act, where there is an actual legal impediment; but where there is no legal impediment, the board—and I suppose the district

authority—would feel the need to be satisfied that these people were actually married. And in the absence of proof, they were probably counselled to get remarried again.

I understand it must have been somewhat of a blow or surprise to these people to be asked to do that. If I remember correctly, a good many years back, it was harder to get records and things like that. So the board used to ask them—unless it was a case which might create a scandal—if they would mind going through another marriage ceremony just in order to straighten the record and leave no doubt about it.

And I would say that in the case of the few numbers—there may have been a dozen or so—there were probably eight or ten of them who never objected to it. They found it annoying, but they just went to the clergyman or to the priest and got remarried and sent in their certificates and that was that. Of course the reaction depends on the individual. I understand that.

The CHAIRMAN: Mr. Herridge, I would suggest that you give the name of this person confidentially to the chairman of the board because there may have been some other factors in it that you did not know about.

Mr. HERRIDGE: I will do that. I understand that if these people had been living together as common law man and wife, they would have been accepted, but they were not willing to do that because they were not; and as a consequence the veteran was paid as a single veteran for quite a considerable time before he could persuade his wife to get remarried.

The CHAIRMAN: The regulations say:

Marital Status

For the purpose of enabling the District Authority to consider the eligibility of an applicant in respect of marital status, the District Authority may accept a certificate of marriage or, if no such certificate is obtainable, such other evidence corroborative of the statement of the applicant or his spouse as it deems satisfactory.

I have no doubt anyway that reputable people who were present at the wedding would have been prepared to swear to it and that their evidence would have been accepted; so there must have been some other factor in it, of which perhaps you did not know.

Mr. PEARKES: Would a recipient who keeps a common law wife be eligible to be considered as having married status?

The WITNESS: Yes.

Mr. LALONDE: Yes, provided he is not in a position where he could contract marriage, because he has a legal wife still living. That is the common law union which is contemplated by the Act. Where he is prohibited from being married to the woman with whom he is living, she usually can be recognized as his common law wife.

Mr. PEARKES: That would mean that he either had another wife, or that she had another husband living.

Mr. LALONDE: It would be.

Mr. PEARKES: In the same manner, if she had no husband, or if he had no other wife, then she would not be considered as a common law wife and would not be eligible for the married status?

Mr. LALONDE: That is correct. We presume, in this case, that they should get legally married since there is nothing to prevent them from doing so.

Mr. MACDOUGALL: Where you have what might be termed a dual married status, where for instance the husband has been divorced from his wife and

he has chosen to live the life of a common law husband with another woman, is it not true, under such a set-up, that the war veterans allowance must be paid to the children of the first marriage?

Mr. LALONDE: To the children?

Mr. MACDOUGALL: Yes, where there were children of the first marriage. I have a case of it in Vancouver where it is being done.

Mr. LALONDE: The allowance is never paid to children unless they are orphans. Could it not be a disability pension?

Mr. MACDOUGALL: What is that?

Mr. LALONDE: A disability pension.

Mr. MACDOUGALL: It is the veterans allowance, but he does get a certain percentage of disability pension, yes.

Mr. LALONDE: That is probably the amount that is being paid to his children, because the allowance is only paid to the veteran on behalf of his children if they are residing with him or maintained by him, or to the widow with children; the allowance is never paid to the children directly.

By Mr. Philpott:

Q. Suppose a person applies for the W.V.A.; he is supposed to have a \$6,000 house; but instead of having cash he has a small monthly superannuation. What is the limit of the pension?—A. It would be regarded as income.

Q. What is the limit?—A. "Other income"? There is no actual amount. It would be governed by the ceiling of the Act. Suppose a married veteran has now got \$90 war veterans allowance, or suppose he is entitled to get that amount; then he gets his superannuation of \$10. There would be no deduction because he would be automatically at the present ceiling of \$100. But if his superannuation was \$25, there would have to be a proportionate reduction of \$15 on the war veterans allowance in order to keep him at the maximum permissible ceiling.

Q. What I am getting at is in the case of a person who would otherwise be barred out. If he had more than \$2,000 cash, plus a \$6,000 house, he could buy a government annuity of \$2,000 cash, and get it down to \$10 or \$15 a month, and he would then be eligible.—A. That is correct.

Q. That is what I wanted to know. Thank you.

The CHAIRMAN: If there are no further questions could we now proceed with the consideration of the bill clause by clause?

Mr. WHITE (*Hastings-Frontenac*): Would the deputy minister answer the question I asked?

The CHAIRMAN: Mr. White asked a question before you arrived this evening, Mr. Lalonde, regarding disclosure of income on the declaration form.

Mr. G. L. Lalonde, Acting Deputy Minister, Department of Veterans Affairs, called:

The WITNESS: Mr. Chairman, I do not know whether the chairman of the board has explained the purpose of this form. Actually the declaration of income and assets is not filled by every recipient. It is used in order to reduce the number of investigations that otherwise would have to be made each year. There are certain people, for instance all those who are 70, whose status does not change too often, and I think it would be a loss of time and a loss of money to have investigators go around to see them each year. So, in order to avoid the necessity of doing that, the board has used this form which is being sent out to a group of recipients to take the place of an investigation.

The recipients file this sometimes every year, sometimes every two years, depending on their status, and in it they give to the district authority and to the board certain information about their financial situation. When that comes in to the district authority it is studied by them and, if they see something unusual, the district authority requests that a welfare officer go to see that recipient. Therefore the only purpose of the declaration is, as I have said before, to avoid too many investigations and to serve as a signal to the district authority that they should look into the financial or welfare situation of that person. But in no cases is the form used to adjust the allowance. With that in mind the chairman of the board and myself had a little talk this afternoon and we have come to the conclusion that with the new policy on casual earnings the form should be given a second look and probably be amended after the bill has gone through and the new regulations can be drawn up. I think that the words "Failure to disclose all income may result in cancellation of allowance" may legally be too strong because a recipient does not necessarily have to report something that will not affect the rate of his allowance. However it is necessary, I think, for the district authority and the board to know that a recipient is getting casual earnings, because you will agree that even those who know something about casual earnings are not always able to determine whether certain earnings are of a casual nature in accordance with the instructions of the board. Therefore, I think it is important that there be some indication that a man may be having casual earnings or that he may not have had any casual earnings, so that we can look into his situation further. But, I agree with the members of the committee that this formula at the bottom of the form may be too strict and we will certainly be glad to take another look at it.

By Mr. Hanna:

Q. Mr. Chairman, I think we all appreciate the explanation which has been given by the deputy minister, but I would like to draw his attention to the bottom of the reverse of the form. We have another notice there, "Failure to complete and return this declaration within thirty days will result in suspension of allowance". I think that is also a little harsh and I would suggest that the deputy minister take another look at that when he is revising the form and perhaps alter it a bit.—A. That is a little different because, if a recipient fails to report income which affects his allowance, then he definitely is contravening the terms of the Act; we want to avoid the very situation which has been referred to here about overpayments having been created and dating back a year or two or three years. There is no way of catching these overpayments until we have a report on them.

Q. That is true enough, but I have in mind some of the remote areas in the middle of the winter. I understand this form is sent out early in the year and all people away from the post office might not be able to get this within thirty days, and it occurred to me that the thirty days' period might cause them undue worry and concern.—A. We will keep that in mind.

By Mr. White (Hastings-Frontenac):

Q. It is correct, then, that casual earnings do not have to be reported on this form?—A. What we propose to do, Mr. White, is to divide this form to cover other income which affects the right to the allowance and exempted income which does not affect the right to the allowance, but which is information that we think the district authorities should have in order to follow it up. It may well be, for instance, that we know the recipient has a child and yet he does not report any family allowance. That is something we should look into and perhaps find out why he is not getting the family allowance. It will not affect his allowance, but I think it is information which we should have.

Q. Will the family allowance cut it down?—A. It is exempted income.

Mr. QUELCH: Under the form in its present shape the veteran would have to report casual earnings?

The WITNESS: That is why we think we want to amend the form.

Mr. MACDOUGALL: Pursuant to the question raised by Mr. Hanna I think all the people from British Columbia will remember that last year a certain recipient of war veterans' allowance had not reported what to him was income; he was an old stevedore who had been working fourteen months down at the dock in Vancouver and had earned a little in excess of \$8,000, which he did not report. I am not speaking of anyone in remote areas at all; but unless there was that section in there it is possible that the department would not have been able to have caught up with him for a great number of years.

Mr. DINSDALE: On this point, would the allowance automatically be suspended if he failed to report within the thirty-day limit or would an investigator be sent out before the suspension was put into operation?

The WITNESS: Mr. Chairman, I am afraid I cannot state categorically that in any district office there has never been such a case of suspension. But I know that we do not like the idea of suspending the allowance or cancelling it without making sure of the grounds and we never do it arbitrarily. It may have happened. Members of the district authority are human like everybody else. However members of the district authority are mostly welfare officers and if a thing like that happens they would want to know what is going on and they would call for an investigation to be made before taking action.

Mr. PEARKES: I am referring you again to income from boarders. Are they permitted to deduct the actual cost of the food?

Mr. GARNEAU: I think that was stated in the declaration which I tabled, that room and board up to \$50 is deducted. It is recognized, admitted and taken for granted that there is no profit in room and board up to \$50 a month.

The CHAIRMAN: That was covered in the proceedings this morning.

By Mr. Hanna:

Q. Before you go on to a detailed study of the bill, I would like to ask one more question of a general nature. I think we are all aware that widows can get allowances at the age of 55. What happens when a veteran who is a recipient of war veterans allowance dies leaving a widow aged, say, 53 or 54 who may not be able to maintain herself by gainful employment?

Mr. GARNEAU: A widow under 55 is entitled to apply for war veterans allowance and she gets her case processed in the same way as a war veteran himself under the age of 60. It must be established that she is permanently unemployed or that she is so handicapped as to be unable or unlikely to be able to maintain herself. In other words, she undergoes a medical examination and is assessed the same way as a veteran himself is for the purposes of the Act if she has not reached the age of 55. If she is found to be permanently unemployed she will get the allowance as a right.

Q. If I may make a further comment. That is another thing which is not generally known, I think, because I have here a resolution of the Ladies Auxiliary of the Army, Navy and Air Force Veterans of Canada, referring to the question, and apparently they are not aware of the provisions.

Mr. GARNEAU: That procedure has been in effect for a long time, and I am a bit surprised that they would not know about it. Upon the death of a veteran who is in receipt of an allowance at married rates or was in receipt of such an allowance within a year of the date of his death, his widow is automatically entitled to consideration under section 5 of the Act irrespective of her age or

state of health. She is entitled to continue to receive this allowance at the married rates for twelve months following the date of her husband's death. Supposing we are dealing with a widow of 50—she must then apply to the district office which generally re-opens the case a month or two before the expiry of the 12-month period, and allows her to apply for a widow's allowance.

Mr. QUELCH: Is the case re-opened on her application or automatically?

Mr. GARNEAU: It is opened automatically.

Mr. BROOKS: On page 2 of Mr. Parliament's report on living allowances, it says the welfare council in metropolitan areas is concerned with the problem of elderly people living alone. Has anything been done in connection with the establishment of old veterans' homes in centres throughout Canada?

The WITNESS: Do you mean, Mr. Brooks, with respect to additional construction?

Mr. BROOKS: In Australia, we are told, they are building quite a number of these older veterans homes. The old veteran can be a very lonely person. I was wondering whether in Canada we are making any special effort to found homes for the older veterans in different centres in the larger cities.

The WITNESS: What we are doing at the moment, Mr. Brooks, is this: we really think that we should not embark on a greater program of construction of old men's homes for veterans. At the moment we have a certain number of these places. They are not full all the time and we find that about 50 per cent of those who are in these homes require active treatment. There is a continuous flow between what may be called the domiciliary care home and the active treatment hospital. We are told by our advisors in geriatrics that if you can place older veterans in pleasant surroundings where they are not entirely with other veterans, it usually is good for their morale. Whether that is true or not I do not know, but Dr. Wallace Wilson of Vancouver, who appeared before the committee, has been very emphatic in his recommendations, after two years experience in dealing with the geriatrics program, that we should do it. Some veterans cannot live by themselves. They should be placed in the community in pleasant surroundings. We do have quite a few veterans in British Columbia living in old folks' homes with perhaps some pleasant company.

Mr. MACDOUGALL: Mixed company?

The WITNESS: We do not think that a large program of construction of veterans' homes can be recommended. I do not know whether that answers your question.

Mr. GILLIS: Has any consideration been given to the possibility of considering superannuation pensions, by a certain amount anyway, as exempted income. You find practically every industry in this country today has a superannuation plan for which a man pays. A man works in an industry for 25 or 30 years and he pays for a pension that is going to give him \$60 a month on retirement. They are taking the position today that they are ineligible for a war veterans' allowance when they are 60, so they say, "Why should we pay for a pension and subsidize the veterans allowance?"

Many veterans are contracting out of superannuation plans on the ground that all they are doing is paying for a subsidy to the war veterans allowance. I think that is bad for morale, and that the department should give consideration to allowing a certain percentage of that pension, which they paid for, to be permissible income under the Act. The department should take a look at this question and consider making an exemption up to \$25 or \$30 a month, or some such figure. I think they should be encouraged to pay into these superannuation funds, because that would not cost the department anything. As it is today, they are paying into a pension plan that is merely subsidizing the government in so far as war veterans' allowances are concerned.

The CHAIRMAN: You understand I am sure that this again is a question of policy?

Mr. GILLIS: There is no harm in selling ideas to the minister.

Mr. WESELAK: For the purpose of establishing a payment in the case of a common law marriage, where an impairment is recognized, if the veteran dies, is the widow treated as a widow under the War Veterans Allowance Act?

Mr. GARNEAU: Yes.

Mr. WESELAK: Regardless of whether he was in receipt of a pension previously or not?

Mr. GARNEAU: No. He must have made an application and established to the satisfaction of the district authority that he meets the requirement of the Act, that is, that he has lived with that woman for seven years or more and has maintained her, and satisfied also the district authority that a previous marriage, either on her part or his, exists to prevent him from marrying that woman, in other words, committing bigamy. If those conditions are satisfied and he has made an application or he has been in receipt of the allowance, we continue logically to recognize the widow in the case of his death, as the widow of that veteran, as if he had been legally married.

Mr. WESELAK: Supposing he had not received war veterans allowance, the widow could not come in and establish that set of circumstances in order to qualify?

Mr. GARNEAU: No; there would have to be an application made to the district authority, but not necessarily an award made, during the lifetime of the veteran, because the Act requires that the veteran establish the grounds upon which he is making an award at married rates.

Mr. BENNETT (*Grey North*): But he would not have to be in receipt of the W.V.A.

Mr. GARNEAU: No.

The WITNESS: Mr. Chairman, if I may add this. The members of the committee have pointed out in the course of their questioning that there appear to be certain features of the Act which are not perhaps as well known as others to the public and the recipients. I think they have pointed out a situation which may require some action. So I should like to inform the committee that, immediately after the Act is passed and the regulations are drafted, we propose to issue a pamphlet which will be given to all recipients and will be available to the public, giving the highlights of the Act and an explanation about casual earnings, farm income, treatment, the assistance fund, and everything which interests the recipients. In that way we hope that all concerned will know exactly what they are entitled to, and what they should or should not do.

Mr. GREEN: Mr. Chairman, could these two forms be printed with the report of today's proceedings? I am referring to the declaration of income and assets under the War Veterans Allowance Act and to the welfare officers report under the assistance fund (W.V.A.).

The CHAIRMAN: They have been referred to and questions have been asked about them; I think that they should be included. If that is agreed, we will have each included as a separate appendix to the proceedings. Is that agreed?

Agreed.

(See Appendices "A" and "B".)

Mr. GREEN: There have been several questions asked about the first one I mentioned, which is the declaration of income and assets for the War Veterans Allowance Act, but I think that no questions have been asked about the other form, which is entitled Assistance Fund (W.V.A.) Welfare Officers Report.

I presume that that form comes under Mr. Parliament's branch of the department. I notice that there is a requirement to get the information concerning casual earnings. That is under the heading Monthly Exempt Income. Is that correct, Mr. Parliament?

Mr. PARLIAMENT: That is right, sir.

Mr. GREEN: And your officers are instructed to get answers to all these questions on the form?

Mr. PARLIAMENT: Mr. Chairman, I wonder if I could make one explanation. I should like to be absolutely fair. This report from which Mr. Green is quoting is the one that will be put into effect when the new Act receives Royal Assent. You will notice that in paragraph 6 there is provision for clothing and for personal allowance. This is not the form that the welfare officer is using at the moment, although it includes everything that is on the present form, with these additions. Casual earnings will be requested on this form.

Mr. GREEN: Is this report made each year on a veteran?

Mr. PARLIAMENT: Mr. Chairman, yes and no. If a veteran qualifies for a continuing monthly grant the V.W.O. completes another form only if a change in circumstances is reported. On rechecks we would probably obtain the same information in relation to war veterans' allowance, but this form would not be filled out again. It would be filled out in cases where a lump sum grant is given, and that might be, in some cases, perhaps twice a year. A veteran may apply in the fall for a lump sum grant to buy fuel. In the spring he might come in and ask for a grant for some other purpose, such as to repair his home, and he would fill out the form, and the grant would be made in a lump sum.

Mr. GREEN: Each time he applies for help of this kind, there must be an interrogation in accordance with the questions contained on this form?

Mr. PARLIAMENT: Except that, if it is a continuing monthly grant, he does not have to re-apply. That award might be continued for some years. We have had some in existence for three years, and the veterans' welfare officer has filled it in only once.

Mr. GREEN: Where it is a continuing grant, is there a check every year?

Mr. PARLIAMENT: Not necessarily, sir.

Mr. GREEN: What is the practice?

Mr. PARLIAMENT: The practice would be, as I think the deputy minister explained previously, that in some cases the veteran would divulge the information contained on the first application, and the welfare officer's report would indicate that another application is not necessary. He might be permanently unemployed, with no possibility of earning. I do not know how many such cases there are. I cannot at the moment say how many times these would be investigated. We are certainly not repeating investigations on these cases unless necessary.

Mr. GREEN: What proportion of the grants from the assistance fund are on a basis of once or twice a year by way of special payments or are in the form of a continuing payment but only for a year?

Mr. PARLIAMENT: I have been told, Mr. Green, by the research adviser that out of 5,000 grants from the assistance fund during the present fiscal year over 3,270 are on a continuing monthly grant basis.

Mr. GREEN: Have you the figures to show how often those are checked?

Mr. PARLIAMENT: No, I would have to get that from the district.

Mr. GREEN: You do not have that information?

Mr. PARLIAMENT: No.

Mr. GREEN: Then the other two thousand odd are subject to report each year, or oftener?

Mr. PARLIAMENT: On application, sir.

Mr. GREEN: I see. And then you show the expenditures under paragraph 5, and there are listed about fifteen items. Then you have under paragraph 6, AF Formula. Would you mind explaining to the committee what that means?

Mr. PARLIAMENT: It is the "assistance fund formula". My presentation today of how we operate is as follows: Let us take an actual case. The veteran's rent is \$40 or \$50, as the case may be; and that would go opposite rent. If there was any fuel or gas not included in the rent, that would be placed in the same column. I will assume that this is a married man with a wife and no other dependents.

\$55.87 would go in opposite food, \$13 for clothing, and \$8 for personal allowance, and any other items that might be specified; and the one I can think of is continuing medical care where the doctor might prescribe for the wife to the extent of \$2 or \$3 a month. That would be included, and all be totalled up at the bottom, and then the grant from the assistance fund would be the difference between this cost and his assessed income within the ceiling.

Mr. GREEN: Even if the cost is higher than your formula?

Mr. PARLIAMENT: That would be an automatic grant. I think when I worked this out, in presentation it came to \$107 for a married couple with \$30 rent in the above example. I raised it to \$40. Which would mean that his cost was \$117. Let us assume that he has some gas and electricity, which would bring it up to \$120. He could get the difference between his allowance of \$108 and \$120, and have a continuing monthly grant of \$12.

Mr. GREEN: The A.F. is your formula of what the average expenditure should be?

Mr. PARLIAMENT: Not in so far as rent is concerned. I tried to make that very positive. It is the actual cost of the rent to him, and the same with the fuel, gas, and electricity, as may be applicable.

Mr. GREEN: What happens, supposing his expenditure under paragraph 5 is \$20 higher than your formula under paragraph 6?

Mr. PARLIAMENT: We still could only give him the maximum monthly grant which is \$12—the difference between his allowance and the ceiling.

Mr. GREEN: There is not much point in taking in his expenditures if you can only give him the A.F. formula anyway plus an amount to bring it to the ceiling.

Mr. PARLIAMENT: It is not because of the formula. This is the formula we set out to show what his expenses are. If his expenses are over the allowance and within the ceiling, we give him the difference between his allowance and his actual expenditures or the ceiling, whichever is the lesser.

Mr. GREEN: Paragraph 5 is what the man actually spends?

Mr. PARLIAMENT: That is right.

Mr. GREEN: Suppose it costs him \$135 a month?

Mr. PARLIAMENT: Yes.

Mr. GREEN: On this item under paragraph 5, then what happens?

Mr. PARLIAMENT: If it cost him that amount of money, \$135, we would give him a continuing monthly grant of \$12.

Mr. GREEN: You would bring him up to the total of \$120 a month?

Mr. PARLIAMENT: That is right.

Mr. GREEN: On the next page under paragraph 8, it reads:

V.W.O'S NARRATIVE REPORT AND RECOMMENDATIONS—include deficiencies noted, sources of possible entitlement and assistance, follow-up action taken or planned. N.B. Health, special financial problems and O.A.S.P.

I presume that O.A.S.P. stands for old age security payment.

Mr. PARLIAMENT: That is right.

Mr. GREEN: What is the purpose of doing that?

Mr. PARLIAMENT: Many of these people do not realize that they are entitled to receive old age security. It is surprising the number we run across who are not aware of that.

Mr. GREEN: If they were receiving old age security then they would not be eligible for any assistance?

Mr. PARLIAMENT: That is correct.

The CHAIRMAN: May we now proceed to the actual bill? Clause 1—"Definitions".

Mr. WHITE (*Hastings-Frontenac*): Mr. Chairman, if we are now to start considering Bill 164, then I have a motion I would like to move. I do so at this time because I think it is the proper time to move my motion.

I move, seconded by Mr. Green:

THAT the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will provide that the maximum of total income, as set out in Section 1 of Schedule "A" to Bill 164, be increased to \$1,200, and in Sections 2 and 3 of that said Schedule "A" the monthly rate be increased to \$120, and the maximum total income be increased to \$2,000.

The CHAIRMAN: Do you want your motion to be considered, Mr. White, before we actually come to the sections covering the same points in the bill?

Mr. WHITE (*Hastings-Frontenac*): Well, Mr. Chairman, the reason I move the motion now is that I was afraid when it came to the particular sections it would not be in order then. From the proceedings of the committee in 1952 it will be noted that I moved a somewhat similar motion at the same time, and you, as chairman of the committee, apparently accepted it. After all, I am following the same procedure today.

The CHAIRMAN: I do not remember it. It would seem to me more regular just to deal with this when we get to the relevant clauses of the bill. Actually the bill is referred to us and the bill is our terms of reference.

It seems to me, therefore, that the time when this would be in order would be when we get to the clauses of the bill which is actually before us by order of the House.

Mr. Mutch was the chairman in 1952. That will be why I did not remember it. Just when was it dealt with?

Mr. WHITE (*Hastings-Frontenac*): I have it here. The date was May 23, 1952 and the page is 83.

The CHAIRMAN: Oh yes, I have it. It is referred to in the minutes of proceedings at page 83:

Mr. White moved that the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will give effect to the representations submitted to the Committee by the Legion and National Council of Veterans that the rates of allowance and the maximum total incomes set out in the schedules to Bill 181 should be increased.

After discussion, Mr. Jutras moved in amendment thereto that the specific recommendations of the Canadian Legion and the National Council of Veteran Associations of Canada be considered when the relevant clauses of Bill 181 are under discussion.

And a point of order being raised that Mr. Jutras' amendment was out of order on the ground that it was a negative of the main motion, and it being one o'clock, the Chairman reserved his ruling until the next meeting of the Committee.

At the next meeting of the committee they suspended consideration of War Veterans Allowance; and then on page 135 it reads as follows:

The Committee resumed consideration of the motion of Mr. White and the proposed motion of Mr. Jutras in amendment thereto.

After discussion and by leave of the Committee Mr. Jutras withdrew his proposed motion in amendment to the main motion.

And discussion still continuing; Mr. Croll moved the following proposed motion in amendment to the main motion. That all the words after the word "That" to the end of the question be struck out, and the following words be substituted therefor:

the Committee recommends to the Government continued and sympathetic study of the needs and requirements of recipients of War Veterans Allowance keeping in mind the recommendations of the Veterans' Organizations in that respect and particularly with regard to permissive income.

And a point of order being raised by Mr. Green as to whether the said amendment was in order, the Chairman ruled the proposed amendment in order.

And the question being proposed; Mr. Brooks moved that the amendment be amended by adding thereto the following words:

and give consideration to introducing legislation accordingly at the present Session.

After discussion the Chairman ruled the proposed amendment to the amendment out of order on the ground that it enlarges on the scope of the amendment and in support of his ruling referred to Citation 364, Beauchesne's 3rd Edition:

364. Since the purpose of a sub-amendment is to alter the amendment, it should not enlarge upon the scope of the amendment but it should deal with matters that are not covered by the amendment; if it is intended to bring up matters foreign to the amendment, the member should wait until the amendment is disposed of, and move a new amendment.

Thereupon Mr. Brooks appealed from the Chairman's ruling.

Mr. BROOKS: In 1952 the chairman ruled that the motion was in order.

The CHAIRMAN: Clearly he did not rule it out of order, anyway.

Mr. BROOKS: He accepted amendments at all times.

The CHAIRMAN: If this is decided now it will preclude it from being discussed when we are actually on the relevant sections of the bill. Obviously the time when we must consider it is when we are on those sections of the bill which were referred to us by the House. It seems to me it is a mistake to decide, before we get to the actual sections, what we are going to do about them. That is certainly putting the cart before the horse. The sections are

going to have to be considered when we get to them. Surely it is not the wish of the committee that this matter should be decided at once, before we get to the actual sections of the bill.

Mr. BROOKS: There are only the first and second sections before you come to the third section, when it would have to be considered anyway. It is practically at the first of the bill that it would have to be considered, and I do not see any objection to it being considered right now; and when we get to the bill we can go right through it.

Mr. PHILPOTT: Would it be understood that if we debate this now and settle it, we will not have to debate it all over again when we come to the sections?

The CHAIRMAN: We will have to debate section 8 in obedience to the order of the House since they have referred it to us. It seems to me it is out of order to suggest now something which is different from the actual section referred to us by the House. When we come to it we can discuss the section and any proposed amendment. But when there is a section in the bill before us, surely a member of the committee cannot anticipate what is going to come before us on that section by reference of the House, and move something now which deals with the same thing. In other words, we are in the same position where, when something is on the order paper in the House, a person cannot anticipate that and head off a debate on the actual items on the order paper by moving the same matter ahead of time, because that would make a shambles of debate.

Mr. GOODE: You can understand Mr. White's concern over it; I think we all do. Evidently he had some experience at some other time in a matter not being handled as you indicate we are now going to handle it. I believe that if you gave him your assurance that it will be handled on section 3 that he would be happy.

Mr. WESELAK: Was there a similar section in the bill before the committee at that time? We might have a different circumstance here.

The CHAIRMAN: For example, the first part of this motion reads:

That the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will provide that the maximum of total income, as set out in Section 1 of Schedule 'A' to Bill 164, be increased to \$1,200.

On that point we have a bill referred to us in our terms of reference, and we have started to consider it, clause by clause. The effect of this amendment, as I understand it, is that we would now decide not to pass it but to refer it back to the House and recommend that the government give consideration to introducing different legislation. That is different from the bill referred to us. Now, that is the effect of this amendment, as I see it.

Mr. GREEN: Mr. Chairman, this amendment really picks out the whole subject of controversy with respect to the bill, and it asks that the committee recommend back to the House that there be further consideration given to increasing the payments to the married veteran and raising the ceiling for the single veteran and married veteran to the figures requested by the Legion and the National Council. That would involve more than one section of the bill and obviously, if there is to be a recommendation of this kind made to the committee, it should be dealt with by the committee now, before we get into sections of the bill. Once we get into sections of the bill we cannot make a general recommendation of this type.

I think you will find on checking the record that there was a similar recommendation passed by this committee in 1953, and also a similar recommendation by the committee of 1952. Opposition members moved a resolution in com-

mittee and it was amended by the government members, and then that amendment was unanimously supported and went back to the House. Whether that happened in both those years, I do not remember; but it did happen in one, and I think in both. I do suggest that there is not any precedent for ruling a motion of this kind out of order at this stage. It can be brought up now. There is not much point in bringing it up later, certainly, in the wording it contains, if the bill, as referred to the committee, has been accepted by the committee. This is the whole question. This is what is at issue, and I point out that if this committee should recommend reconsideration, then there is a possibility that that reconsideration will be given, and that our old comrades will get a better deal on this question of the "ceiling" and higher allowance for the married veterans. They may or may not, but one thing is sure, that if this committee does not make a recommendation of this kind, then these old veterans will not get any further consideration than is contained in the bill. If this committee, which is composed of veterans, refuses to make such recommendations to the government, then there is not the slightest chance of the government being prepared to increase these "ceilings".

The CHAIRMAN: Let us not waste time. If you make an extended speech on this question, other members will have the same right; I am going to rule this out of order on the grounds of anticipation. We are on section 1 of the bill and you are proposing a change to section 8 of the bill. In other words, I have called section 1, and it is being proposed there should be a change in section 8.

Mr. GREEN: On that point may I say this: you said this afternoon, or earlier this evening, that when we had finished with the witnesses there would be a general discussion, and that was what I understood would take place. Then, you said a few moments ago, we would take section 1. But certainly my understanding was that there would be an opportunity for a general discussion before we started dealing with the sections. So please do not get on to such technical grounds.

The CHAIRMAN: Let me explain the ruling if you will, please. We have concluded the general discussion. I did not say we would have all kinds of motions which would be at variance with the bill as referred to us.

Mr. GREEN: We have not had our general discussion.

The CHAIRMAN: If it is felt there should be more discussion, that is all right. What we have before us is this bill. When the discussion is over the bill is still before us. I called section 1; and I am of the opinion that the amendment is to section 8.

Beauchesne's 2nd edition, at page 73, reads as follows: Paragraph 243:

In determining whether a discussion is out of order on the ground of *anticipation*, regard shall be had by Mr. Speaker to the probability of the matter anticipated being brought before the House within a reasonable time.

Obviously this bill is before us, and this very question is before us under section 8. We know it is coming up. Obviously I cannot properly permit the discussion of section 8 on section 1, which has nothing to do with it. If it is desired to have a further general discussion I am in the hands of the committee; but if it is a matter of moving motions which are amendments to sections of the bill which is coming before us I must be governed by the ruling on anticipation, because this section is going to be before us when we come to that section of the bill. I would ask that Mr. White reserve his motion until we get to the proper section.

Mr. BROOKS: This motion is not an amendment to any section at all. We had the Canadian Legion before us; we had other organizations before us. They gave us evidence, and we have had no opportunity at all to discuss what they said or what recommendations they made. This motion of Mr. White's deals with the recommendations of these organizations which appeared before us, as a general recommendation. If these are taken up first and passed by this committee, then there is time for the government to consider, but if we wait until we come to this section and make our amendment, we are going to lose time.

The CHAIRMAN: Mr. Brooks, may I point out that this bill, dealing with this very thing, has been dealt with by the House and referred to this committee. If we were to pass this resolution recommending that the government should ask the house to pass something different from what it has already passed, we should be asking the government to ask the House to do something on which it has already passed judgment—another reason that this is clearly out of order.

Mr. BROOKS: Are we to take it that there is no use having organizations and other bodies appearing before us and making recommendations? Surely there must be an intention that we should give them some consideration at least.

The CHAIRMAN: I am interpreting the rules. Am I not right?

Mr. BROOKS: You are telling us we have got to stick to the bill as sent to us by the government. I am saying that is not fair to the committee or to the veterans.

The CHAIRMAN: Do you not think that it is my duty to enforce the rules?

Mr. BROOKS: Evidently you are enforcing a rule which was not enforced in 1952.

The CHAIRMAN: I was not the chairman then.

Mr. BROOKS: In 1952, it was after a discussion on Mr. White's motion. Mr. Justras moved an amendment, that the specific recommendations of the Canadian Legion and the National Council of Veteran Associations in Canada be considered when the relevant clauses of Bill 181 were under discussion.

And a point of order being raised that Mr. Justras' amendment was out of order on the ground that it was a negative of the main motion, and it being one o'clock, the chairman reserved his ruling until the next meeting of the committee.

At the next meeting of the committee we went on to deal with Mr. White's motion before we considered any previous sections at all.

The CHAIRMAN: I ask you, did not the House of Commons pass, on second reading as part of this bill referred to us, section 8? Having passed on it and referred it to us, the House of Commons has no right to deal with this matter until we deal with it.

Mr. QUELCH: I believe the general practice in the past has been that, before we deal with individual sections, we have a general discussion. I would agree entirely that it would be out of order to move anything which would affect this section at this time. I think it would be a good idea to have a general discussion, because, when we come to each individual section, it is going to be important to deal in a general way with the whole question of permissible income; so I think we should have a general discussion before we start on the bill, and then we might proceed with the sections of the bill. Then, no doubt, by the time we reach the end of the bill, the general recommendations can be made to cover the amount of permissive income.

The CHAIRMAN: That is one way to do it. Another way to do it would be to consider the bill and the suggestions of the Legion and the National Council

to the extent to which they are covered by the bill, and to the extent to which we can discuss them on the bill; and then to the extent to which we have not been able to cover them in considering the bill we might then consider how we might, consistent with our terms of reference, make some suggestions in the matter.

The logical thing to do is to see what we can do to meet the wishes of the Legion which are dealt with in the bill, and then to the extent to which the members of the committee are not satisfied, it seems to me there will be no objection to discussing subject to our terms of reference further matters which have not been decided, section by section. If it is desired to have this general discussion, I have no objection to it, but we cannot have it on an amendment which is clearly out of order.

Mr. GREEN: It is now a quarter to ten. Perhaps it would be a good idea if we adjourned and if members thought over the situation. You, Mr. Chairman, could get your arguments ready in support of your ruling, and we could get our own arranged.

The CHAIRMAN: I do not care whether we have a general discussion now or have a discussion to the extent that is covered by the bill; and after we get through with the bill and recommend it to the House, have a general discussion then as to what we would like to see the government introduce legislation about. I point out to the members that until we report this bill back, no matter what we recommend to the government, the government has no right to introduce legislation, because it is bound by the rules, the same as any other member. Having dealt with the matter and referred it to this committee, it could not introduce the kind of legislation suggested here even if it wanted to. It would be ruled out of order by the Speaker. On our part before we can recommend anything like this we should act under our terms of reference and report the bill in whatever shape we decide to report it in. Having reported that bill, then we can decide to what extent we can properly do so to make other recommendations for consideration by the government. I think that, if the members will reflect on what I have just said, they will agree that this is the logical and proper way to go about this matter, and that this amendment is clearly out of order. So that the decks may be cleared, as I am so clear on it I am prepared to rule it out of order.

Mr. GREEN: I move the adjournment of the committee.

The CHAIRMAN: Well, it is a quarter to ten.

Mr. HERRIDGE: Before the motion to adjourn is moved, I should like to support Mr. Quelch's suggestion. I think that that is a logical way to proceed. We had a general discussion on section 1. When we come to the section in question, or any section which we wish to amend, we can move amendments at that time, and that will give us an opportunity to have the record in order and to deal with the questions in a logical way.

Mr. PHILPOTT: I would suggest this, without saying anything at all about the substance of this matter. Nobody on this committee thinks that any member is going to be choked off from saying anything he wants to say about anything, whether he thinks the ceiling is too high or too low. I do not see how anybody could expect that we could make any recommendations from this committee before we even discuss the bill ourselves. Before we decide what we think about the bill, how could we have the nerve to refer the whole bill back to the government, throwing it back into their lap, and completely interrupting the work of this committee? Surely the way to deal with it would be to pass the non-contentious clauses in this bill and then to debate the contentious clauses. Then, when we debate the title of the bill, if any member wishes to move a motion it could be debated then. In the meantime let us get on with the job.

The CHAIRMAN: It seems to me that Mr. Philpott's suggestion is so much in line with the proper procedure that it is clearly in order. Mr. Green do you wish to press your motion for an adjournment?

Mr. WHITE (*Hastings-Frontenac*): I suggest that you accept the motion to adjourn and make the decision later and give it to us next week. I point out, Mr. Chairman, that you say it is out of order. You should be guided to some extent by the decision of the chairman in 1952 in similar circumstances; and the remarks made by Mr. Green that the ceiling and the monthly rate, after all, are the only two points of any importance in this bill. As far as the other sections are concerned, there is probably very little with which anyone will disagree. I would suggest that it is only on these two points that there is going to be any discussion.

The CHAIRMAN: The reason why I wanted to dispose of this motion now is so that we could dispose of the non-contentious sections and get to the very sections you want to discuss. It seemed to me that we could get to those sections and be ready to take them up at the next meeting, if the committee would take these sections. Then we can deal with the points which Mr. White, Mr. Green and several other members of the committee want to raise and which are raised by this motion.

Mr. GREEN: You cannot take them tonight in any event, Mr. Chairman. It has been suggested that there be general discussion. You have agreed to that.

Mr. BENNETT (*Grey North*): No, we have not.

Mr. CAVERS: We did not agree to it.

Mr. GREEN: You do not think that there should be an amendment at this stage, but you have intimated that you are favourable towards having a general discussion?

Mr. BENNETT (*Grey North*): No.

Mr. GREEN: Why not let us start afresh at the next meeting and see if we can get this matter ironed out?

The CHAIRMAN: I do not think that we should argue about whether we have a further general discussion before we start the bill or later. Members can express themselves in either place. I would have preferred it to be brought up on the sections of the bill, but if it is the desire of the committee to have a general discussion arising out of those representations to us and what has been said by the departmental officials, I am quite agreeable; but I think that we should have an understanding before we leave tonight, so that we can get right down to business at the next meeting. I wish that Mr. White would withdraw this motion, and then we can discuss the question of whether we want general discussion now or whether we should take the bill section by section, and then, when we have dealt with it section by section, have any further general discussion which the committee want on the debate, on the preamble of the bill. I think that is the right way in which to go about it. Could we not have this motion withdrawn and then have a decision of the committee as to whether it wishes a general discussion before it takes the clauses of the bill, or whether it should take the clauses of the bill and have a discussion on the clauses, which I think is the proper way to do it? Any further discussion which it was not possible to hold on the sections could be held on the preamble. I merely want to save time, as you are all very busy people, and I am anxious to do it in an orderly way. I am clear in my mind that this motion—and I do not blame Mr. White for bringing it up, when it was done before—is not in order. I would prefer him to withdraw it. I hope that I have convinced him.

Mr. WHITE (*Hastings-Frontenac*): No, Mr. Chairman, you have not convinced me at all.

The CHAIRMAN: Well, I must rule it out of order, because we must proceed with our business and get some business done. I do rule it out of order for the reasons I have given, and I would like the committee to indicate whether they would like to proceed by taking the bill section by section or by having a general discussion.

Mr. WHITE (*Hastings-Frontenac*): If that is your ruling, I would appeal your ruling.

The CHAIRMAN: Mr. White has appealed my ruling. I suppose you wish the committee polled? Will you answer as your names are called whether you are in favour of upholding my ruling? Those in favour say "Yea" and those against "Nay."

CLERK OF THE COMMITTEE: The result is yeas, 19; nays, 6.

The CHAIRMAN: The chairman's ruling is sustained.

I wonder if we might not decide now on the question of whether we proceed to consider the bill clause by clause, or to have a general discussion, a further general discussion?

Mr. GILLIS: Mr. Chairman, the loss of that motion does not preclude the moving of the motion?

The CHAIRMAN: No, because it was on my ruling that the motion was out of order at the present time; but it can be raised again. Could we have the consensus of the committee as to whether we should consider the bill clause by clause?

Mr. CAVERS: Clause by clause!

The CHAIRMAN: Might we have a motion? It is moved by Mr. Philpott and seconded by Mr. Roberge that we proceed to consider the bill clause by clause.

Mr. QUELCH: Mr. Chairman, when you come to clause 3, which deals with the pension which will be paid to the spouse, you come to the amount of the allowance; will you allow a general discussion on the amount of the allowance, although it is only in connection with the spouse?

The CHAIRMAN: I think that everybody would want to have a pretty unfettered discussion as long as we are on the section involved, and as long as we go about it in an orderly way.

I have a motion that we now proceed with the bill clause by clause. All in favour will please raise their hands?

The CLERK OF THE COMMITTEE: Yeas, nineteen.

The CHAIRMAN: All against?

The CLERK OF THE COMMITTEE: Nays, none.

The CHAIRMAN: Then let us proceed clause by clause. And the first clause is clause 1, subsection 1, sub-paragraph (i), paragraph (g) of section 2 of the War Veterans Allowance Act 1952, chapter 340 of the Revised Statutes of Canada, 1952.

Mr. GREEN: Mr. Chairman, I move that we adjourn.

The CHAIRMAN: Will you let me put this section before the committee.

Mr. GREEN: No, Mr. Chairman, why start on the clauses?

The CHAIRMAN: Why may I not put it before the committee?

Mr. GREEN: What are you trying to do for goodness sakes! Let that be the first thing before the committee at its next meeting.

The CHAIRMAN: I wished to proceed in an orderly way. I was just putting it before the committee.

Very well then, it is before the committee and it will be taken as read. It is now almost time to adjourn.

Do you want me to put your motion, Mr. Green?

Mr. GREEN: Yes.

The CHAIRMAN: Agreed? Agreed.

The committee is now adjourned to meet again as decided by the agenda committee, on Thursday, March 24, at 8.00 o'clock in the evening.

APPENDIX "A"

WAR VETERANS' ALLOWANCE ACT

DECLARATION OF INCOME AND ASSETS

ALL QUESTIONS MUST BE ANSWERED

Service No..... Veterans' Allowance No..... Pension No. (if any).....

I, solemnly declare that I am the person to whom Veterans' Allowance under the above number was awarded, and that the following is a true statement of my income and assets:

Section A INCOME FROM SOURCES SHOWN HEREUNDER (INCLUDING WIFE'S INCOME) DURING TWELVE-MONTH PERIOD ENDING THIS DATE:

Table listing various income sources such as War Veterans' Allowance, War Pension, Other Pension or Superannuation, Workmen's Compensation, Unemployment Insurance Benefits, Provincial Old age Pension, Provincial Mothers' Allowance, Family Allowance, Provincial or Municipal Relief, Income from employment—Veteran, Income from employment—Wife, Proceeds of a Will, or Estate, Income from rent of property, Room and Board from children, Income from other Roomers, Income from other Boarders, From sale of farm produce (gross), Donations received (give details), Have you any interest in a Business, If so, give details and net returns, Insurance Disability Benefits, Proceeds from surrendered Insurance Policies, Received from loans repaid, Income from mortgage held, Interest on Stocks or Bonds, Income from any other source (give details).

IMPORTANT—Total yearly income \$.....

Failure to disclose all Income may result in cancellation of Allowance

Section I I was married on

B Is your wife residing with you and being supported by you?

If not, give date of separation

If you are a widower or separated and in receipt of married rates on behalf of minor children residing with you, give names and ages of children

.....
.....

Section Have you resided continuously in Canada since award of War Veterans'

C Allowance was made?

If absent from Canada during the past 12 months give

(1) Date left (2) Date returned

(3) Have you, or did you have, an Unemployment Insurance Book? If so, give book No.

ASSETS (INCLUDING WIFE'S ASSETS)

Section

D (A) REAL ESTATE:

(1) Description

Value Mortgage \$..... Interest % Taxes \$.....

(2) Description

Value Mortgage \$..... Interest % Taxes \$.....

(3) Description

Value Mortgage \$..... Interest % Taxes \$.....

Which of the above properties is used as your home?

If properties are rented, state rent received for each:

(a) Rent \$..... (b) Rent \$..... (c) Rent \$.....

Upkeep \$..... Upkeep \$..... Upkeep \$.....

(B) LIFE INSURANCE:

Veteran's: Amount \$..... Premiums \$.....

Wife's: Amount \$..... Premiums \$.....

(C) STOCKS, BONDS OR OTHER SECURITIES:

List and state present market value:.....

.....

.....

(D) BANK BALANCE THIS DATE:

Veteran: \$..... Wife: \$..... Joint Account: \$.....

The following declaration must be made by the Recipient before a Justice of the Peace, Commissioner for Oaths, Notary Public, Magistrate, Police Officer not under the rank of a sergeant, or FREE OF CHARGE before an Official of the Department of Veterans Affairs authorized in this behalf.

Declaration By Recipient

This declaration must be read to the recipient and his wife by the person taking the declaration.

I..... do solemnly declare that I am
(Recipient's name must be inserted here)

the recipient named in the foregoing declaration of income and assets under the War Veterans Allowance Act, that the statements and allegations contained herein are true, and that I have not concealed or omitted any information respecting my financial position, or that of my wife.

I further solemnly declare that I fully understand and I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of the "Canada Evidence Act."

Declared before me at.....
in the Province of
this..... day of..... 195
Signature of Veteran
Signature of wife

Justice of the Peace, Notary Public, etc.

Note carefully:

Section 20 (1) of the War Veterans' Allowance Act 1952 reads as follows:

"Every person who, for the purpose of obtaining an allowance either for himself or for any other person, knowingly, in any application or otherwise, makes a false or misleading statement or fails to disclose any material fact, is guilty of an offence and liable on summary conviction to a fine not less than fifteen dollars and not more than one hundred dollars or to imprisonment for a term not exceeding three months or to both fine and imprisonment."

IMPORTANT—(Failure to complete and return this Declaration within Thirty (30) days will result in Suspension of Allowance). On completion, forward this form in the enclosed envelope, to: The Secretary, War Allowances District Authority.

District Office address.....

APPENDIX "B"

ASSISTANCE FUND (W.V.A.)

Welfare Officer's Report

Name District App'n. No.....
 (Surname) (Given Name(s))

1. Applicant, dependent(s) and others, living in the household. List only applicant and dependent(s) if boarding with non-relatives. If any member of household is unemployed, give reason and source of maintenance in Section 8.

Names Full	Birth Date	Relation to Applicant	Monthly Income	Monthly Contribution
.....
.....

2. Housing—Owns House; Rents House; Duplex; Apartment.....
 Rooms, Furnished Unfurnished Boarding

3. Liquid Assets (applicant & dependents) \$.....
 (Form)

4 (a) Monthly Assessed Income		Monthly Exempt Income	
W.V.A.	\$.....	Family Allowances	\$.....
Disability Pension (Less children) .....	.....	C.P.C. Pension (Children's portion) .....	.....
Regular Earnings .....	.....	Casual Earnings .....	.....
Roomers & Boarders (Net profit) .....	.....	Roomers & Boarders (Less net profit) .....	.....
Other—(Specify) .....	.....	Other—(Specify) .....	.....
Total Assessed	\$.....	Total Exempt	\$.....

(c) TOTAL MONTHLY INCOME \$.....

5. Expenditures (Any excess over income should be reflected in Section 7)

Item	Annual	Monthly	6. A. F. Formula
Rent
Taxes
Mortgage Int.
Fire Insurance
Fuel
Gas
Electricity
Food
Clothing
Personal Allowance
Cont. Medical Care
Mortgage Principal
Life & Health Ins.
Debt Payments
Other—specify
Totals

HOUSE OF COMMONS

Second Session—Twenty-second Parliament
1955

SPECIAL COMMITTEE

ON

VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

BILL 164

An Act to Amend the War Veterans Allowance Act, 1952
and report thereon

THURSDAY, MARCH 24, 1955

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1955.

SPECIAL COMMITTEE

ON

VETERANS AFFAIRS

Chairman: W. A. Tucker, Esq.,

and

Messrs.

Balcom,
Bennett (*Grey North*),
Brooks,
Carter,
Cavers,
Croll,
Dickey,
Dinsdale,
Enfield,
Forgie,
Gauthier (*Portneuf*),

Gillis,
Goode,
Green,
Hahn,
Hanna,
Harkness,
Herridge,
Hosking,
James,
Johnson (*Kindersley*),

MacDougall,
Murphy (*Westmorland*),
Pearkes,
Philpott,
Quelch,
Roberge,
Tucker,
Weaver,
Weselak,
White (*Hastings-
Frontenac*)—31.

Eric H. Jones,
Clerk of the Committee.

ORDER OF REFERENCE

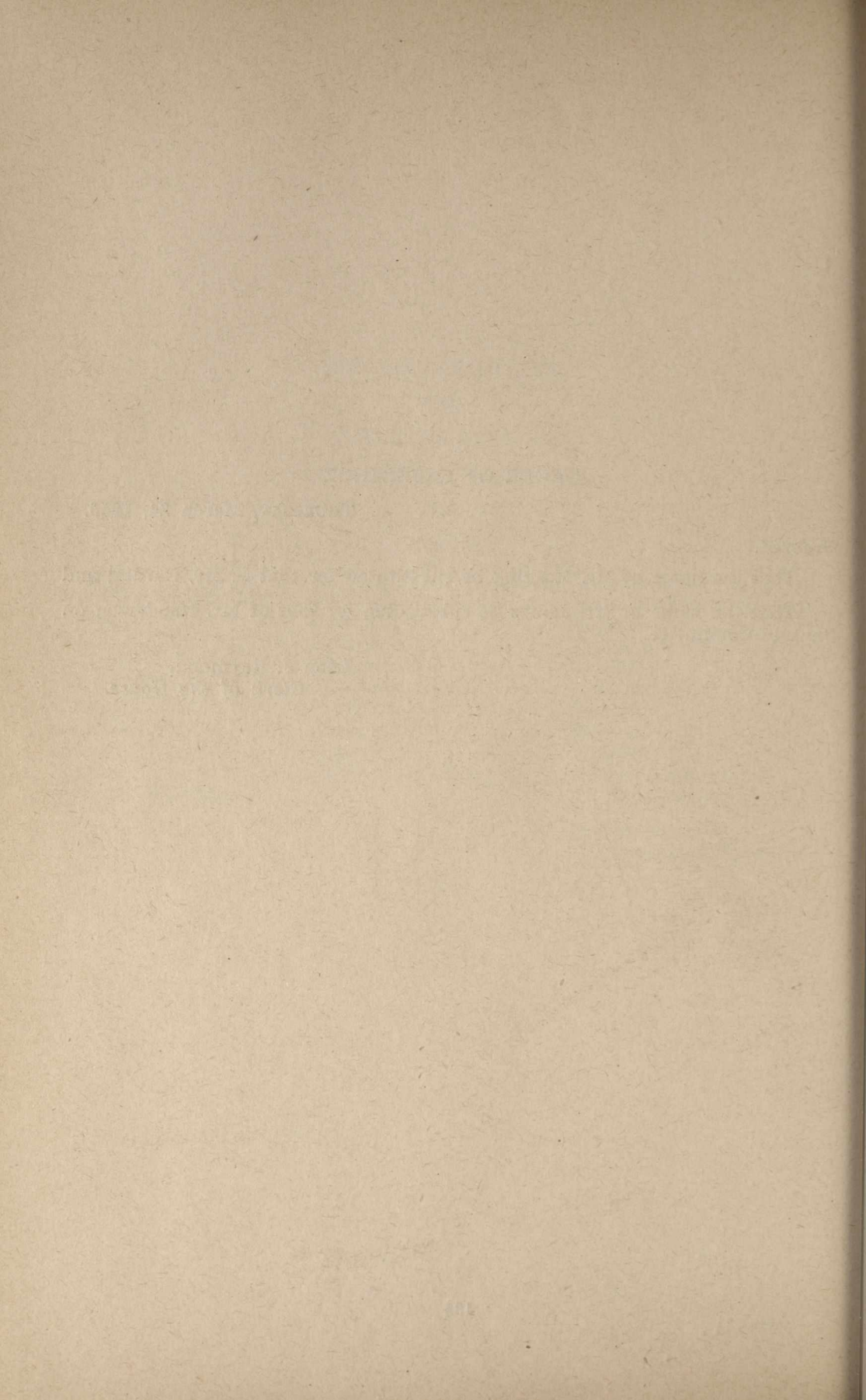
THURSDAY, March 24, 1955.

Ordered,

That the name of Mr. Hosking be substituted for that of Mr. Cardin; and

That the name of Mr. James be substituted for that of Mr. Henderson on the said Committee.

Léon J. Raymond,
Clerk of the House.



REPORT TO THE HOUSE

FRIDAY, March 25, 1955.

The Special Committee on Veterans Affairs begs leave to present the following as its

FIRST REPORT

Your Committee has considered the following Bill and has agreed to report it without amendment:

Bill No. 164, intituled: "An Act to amend the War Veterans Allowance Act, 1952".

With respect to clause 3, as the amendment contemplated therein would, to meet the view of the Committee, result in an increased charge upon the public, your Committee feels that it has no option under the rules of the House but to report the clause without amendment. The Committee would, however, recommend that the Government consider the advisability of renumbering clause 3 of said Bill No. 164 as 3 (1) and that a new sub-clause 2 be added to clause 3, as follows:

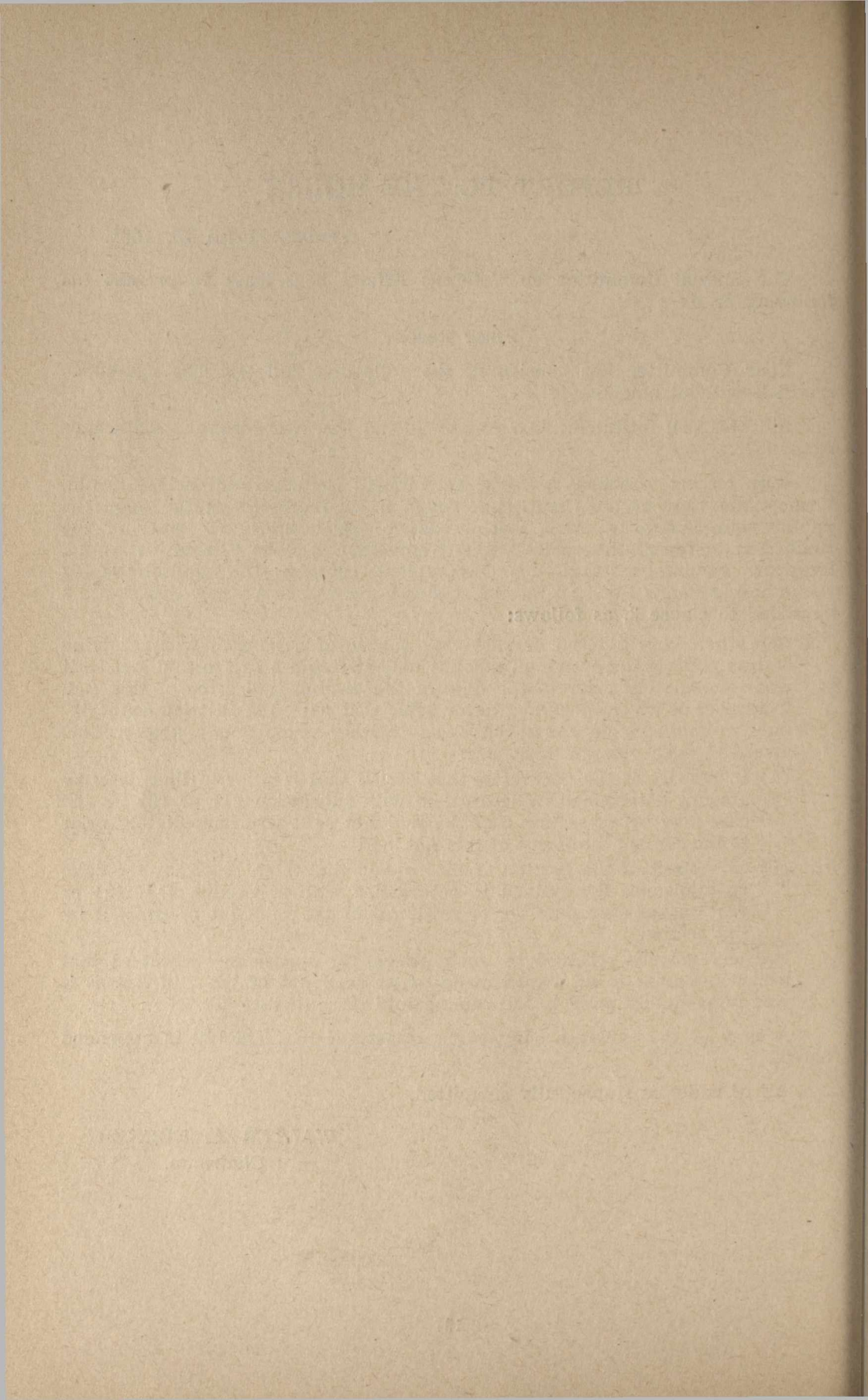
- (2) Where any veteran or surviving spouse of a veteran was receiving or was eligible to receive an amount under section 5 of the said Act as it was immediately prior to the date of the coming into force of this Act, in respect of a period ending on or after that date, the District Authority may, in its discretion and in lieu of any further amount under that section, award to such veteran or spouse:
- (a) in respect of the portion of that period that is prior to that date, an amount determined in accordance with subsection (1) or (2), as the case may be, of section 5 of the said Act as it was immediately prior to the coming into force of this Act, and
- (b) in respect of the portion of that period that is on or after that date, an allowance determined in accordance with subsection (1), (2) or (3), as the case may be, of section 5 of the said Act as enacted by this section,

less any amount received by such veteran or spouse in respect of that period pursuant to an award made under section 5 of the said Act as it was immediately prior to the coming into force of this Act.

A copy of the evidence adduced in respect of the said bill is appended hereto.

All of which is respectfully submitted.

WALTER A. TUCKER,
Chairman.



MINUTES OF PROCEEDINGS

THURSDAY, March 24, 1955.

The Special Committee on Veterans Affairs met at 8.00 o'clock p.m. this day. Mr. Walter A. Tucker, Chairman, presided.

Members present: Messrs. Bennett (*Grey North*), Brooks, Carter, Cavers, Dickey, Dinsdale, Enfield, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Hanna, Harkness, Herridge, Hosking, James, Pearkes, Philpott, Quelch, Roberge, Weaver, Weselak and White (*Hastings-Frontenac*).

In attendance: Mr. G. L. Lalonde, Acting Deputy Minister; Mr. G. H. Parliament, Director General, Veterans' Welfare Services; Mr. W. G. Gunn, Q.C., Director of Legal Services; Mr. F. L. Barrow, Secretary; Mr. E. J. Rider, Research Adviser, and Mr. C. N. Knight, Secretary, Assistance Fund (W.V.A.) Committee, all of the Department of Veterans Affairs. Also Mr. J. L. Melville, Chairman, Canadian Pension Commission; Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board, and Mr. D. M. Thompson, Director of Service Bureau, Dominion Command, Canadian Legion, B.E.S.L.

The Committee resumed the clause by clause consideration of Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952.

Clauses 1 and 2 were carried.

Mr. Lalonde and Mr. Gunn answered questions specifically referred to them.

On Clause 8,

Mr. White (*Hastings-Frontenac*) moved, seconded by Mr. Green, That the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will have the effect of providing for amendments to this bill that will substitute \$1,200 for \$840 in section 1, column 3 of schedule A, and \$120 for \$108 in sections 2 and 3 of column 2 in schedule A, and \$2,000 for \$1,440 in sections 2 and 3, column 3 of schedule A.

Following debate, the motion was negatived in a recorded vote:

Yeas: Messrs. Brooks, Dinsdale, Gillis, Hahn, Harkness, Herridge, Pearkes, Quelch and White (*Hastings-Frontenac*)—9.

Nays: Messrs. Bennett (*Grey North*), Carter, Cavers, Dickey, Enfield, Forgie, Gauthier (*Portneuf*), Goode, Hanna, Hosking, James, Philpott, Roberge, Weaver and Weselak—15.

Clause 8 was carried.

Clauses 3, 4, 5, 6 and 7 were carried.

Clause 9 and the title were carried.

The bill was carried.

Ordered,—That the Chairman report the said bill to the House without amendment.

On motion of Mr. Bennett (*Grey North*), seconded by Mr. Enfield,
Resolved,—That the Chairman report to the House as follows:
 With respect to clause 3, as the amendment contemplated therein would, to meet the view of the Committee, result in an increased charge upon the public, your Committee feels that it has no option under the rules of the House but to report the clause without amendment. The Committee would, however, recommend that the Government consider the advisability of renumbering clause 3 of said Bill No. 164 as 3 (1) and that a new sub-clause 2 be added to clause 3, as follows:

(2) Where any veteran or surviving spouse of a veteran was receiving or was eligible to receive an amount under section 5 of the said Act as it was immediately prior to the date of the coming into force of this Act, in respect of a period ending on or after that date, the District Authority may, in its discretion and in lieu of any further amount under that section, award to such veteran or spouse:

(a) in respect of the portion of that period that is prior to that date, an amount determined in accordance with subsection (1) or (2), as the case may be, of section 5 of the said Act as it was immediately prior to the coming into force of this Act, and

(b) in respect of the portion of that period that is on or after that date, an allowance determined in accordance with subsection (1), (2) or (3), as the case may be, of section 5 of the said Act as enacted by this section,

less any amount received by such veteran or spouse in respect of that period pursuant to an award made under section 5 of the said Act as it was immediately prior to the coming into force of this Act.

The Committee proceeded to consider its report to the House, *in camera*.

It was agreed that certain recommendations arising from consideration of Bill No. 164 be later further considered with a view to their inclusion, if deemed expedient, in the final report to the House.

At 10.10 o'clock p.m., the Committee adjourned to the call of the Chair.

Eric H. Jones,
 Clerk of the Committee.

EVIDENCE

March 24, 1955.

8.00 p.m.

The CHAIRMAN: Order, gentlemen. I see a quorum.

Mr. HAHN: Mr. Chairman, on a question of privilege. On the last day we had our meeting I was given to understand that a vote to adjourn was in order and a motion was so made by Mr. Green, and on the assumption the meeting was going to adjourn I left the meeting at 10 o'clock at night and I understand you had another vote after that. I was just wondering whether that was the general procedure in most of our meetings so that I can govern myself accordingly in future.

The CHAIRMAN: The usual procedure is that we adjourn when we do adjourn, Mr. Hahn, but we usually go for two hours at each meeting and we went for two hours on that occasion.

Before I read the section of the bill we were on, I would like to refer to subsequent meetings. We called two meetings for Monday but it is not going to be possible to hold a meeting at 10.30 and so, rather than try on such short notice to call a meeting for 3.30, instead we will just be able to hold the one meeting on Monday at 8.00 o'clock. So we will have a meeting at 3.30 o'clock tomorrow and on Monday at 8.00 o'clock, instead of the two meetings at 3.30 and 8.00 o'clock.

I am sorry it is not possible to hold two meetings on Monday but I gathered from what most of the members said they were not any too enthusiastic about two meetings on Monday in any case, so it would seem there will not be many members who will be dissatisfied about that.

We are now on the bill. Before the close of our last meeting I had called the first section of the bill. I presume we will take it subsection by subsection. The first subsection is "Definitions":

1. (1) Subparagraph (i) of paragraph (g) of section 2 of the *War Veterans Allowance Act, 1952*, chapter 340 of the revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

"(i) a child who is bereft by death of his parents, or"

You will see the explanatory note that the purpose of this clause is to make sure that this Act applies to persons orphaned by the loss of foster parents, the same as by the loss of his real parents. Is that carried?

Carried.

The next subsection is (2):

(2) Section 2 of the said Act is further amended by adding thereto, immediately after paragraph (g) thereof, the following paragraph:

"(gg) "parent" includes an adoptive or foster parent or a step-parent;" That has the same purpose. Carried?

Carried.

Subsection (3):

(3) Paragraph (i) of section 2 of the said Act is repealed.

Subclause (3) repeals paragraph (i) of section 2 of the said Act which reads as follows:

"(i) "war" means the South African War, World War I or World War II;". In view of the definition of "veteran" contained in section 30 of the Act it is considered that this definition is superfluous.

Mr. PEARKES: I don't know if this is the right place or not, but during our discussions in the House on the presentation of the Legion brief the question of the Imperial veteran's widow was raised. I would like to have an opportunity of placing before the committee the position of these women. It seems to me under this Definitions clause that that might be the best place to do it. I admit that this particular section does not quite deal with the widows, but I think the position of the widow of the veteran of our allies is pretty well known and I am not going to speak at length on the matter.

The situation is that if an allied veteran is living in Canada having immigrated to Canada after the war, and lives here for twenty years and reaches the age which is necessary, and has the financial disabilities which would entitle him to the war veterans' allowance; and he dies after being here twenty years, then his widow is entitled to the allowance under the sections of this Act. But should he die before he has been here twenty years and his widow lives on in this country, reaches the age of 55 and has lived in Canada for twenty years, she is not eligible for the widow's pension, because her husband had died before he had lived here for twenty years.

It seems to me that that is imposing a hardship on a limited number of ladies who have been in Canada for twenty or more years, have reached the age of 55 and are in straitened financial circumstances.

We are proud of our comrades who fought alongside of us with the other allied forces. I feel that we can well recognize the fact that if a woman has lived in Canada for twenty years she has in fact become a Canadian. There are some of these women who were born in Canada and who married Imperial or allied veterans and returned to Canada. It may be that in the future there will be still more, because we had a number of young men training in this country under the Commonwealth Air Training Scheme during World War II. Some of these young men married Canadian girls; they went overseas and served perhaps in the Airforces of Australia or New Zealand or the R.A.F., and then after the war returned to Canada.

Now, they will have to live twenty years in Canada before they or their widows can obtain the allowance. Should they die before the twenty years are up, the widow who is a Canadian, born perhaps and lived here for the rest of her life, under the present regulations is not entitled to the allowance.

I would like the committee at some time to consider if they could not make a recommendation to the minister to say whether the definition of a widow might not be changed in some way, so that these widows of our allies, who have lived in Canada for 20 years, who have reached the age of 55 and who meet the financial requirements could be entitled to this allowance. I think it would be much better if the officials of the department would consider the possibility of amending the definition of "widow", or in some other way introduce a clause which would enable widows of these allied soldiers, sailors and airmen to receive the allowance. I know this is not included directly in this bill, but it was referred to in the second reading; the question was referred to in the brief submitted by the Canadian Legion officials; and I hope this committee, when it makes its final recommendations, will see its way clear to recommending the introduction of some amendment to the Act generally, in order to take care of these people. Perhaps the officials of the department might, in the meantime, say what would be the best way of bringing forward an amendment to include these allied widows.

Mr. HERRIDGE: I would like, Mr. Chairman, to support Mr. Pearkes' remarks. He puts the case very well; and there is no reason, in my opinion, for giving all the reasons once again for asking for this amendment. I emphasize that this has been requested by the Canadian Legion on several occasions, with full knowledge of the circumstances. I do urge that Mr. Pearkes' suggestion be given consideration, and that the chairman and the officials give this matter their attention and that before this committee rises, we shall see if we cannot do something to meet the situation which Mr. Pearkes has described and which is common knowledge to all those interested in veterans' affairs.

Mr. HAHN: Mr. Chairman, I would like to voice my support of this proposal. In the past years, in reading over the debates of this veterans affairs committee, I find the present proposal has been made from time to time. I do not know that there are so many people involved that it would be such a costly affair to put into practice. I am thinking particularly of all the widows, but it seems to me to be a strange thing that those who left this country as Canadians, because they married someone who was an Imperial war veteran and returned to this country, are being deprived of what I think should be rightly theirs, and which should be included in this Act. I do wish we could find some way of recommending that these people should be taken care of under the legislation which is passed.

Mr. BENNETT (*Grey North*): Mr. Chairman I think this could be discussed when we are considering our final report. General Pearkes admits it does not very well come under this section. This point has been argued many times in the House, and elsewhere. The answer is that the entitlement of a widow under the War Veterans Allowance Act flows from the veteran, and a widow is not entitled to the allowance unless her husband was qualified for the war veterans allowance by his service.

If we made this exception there is no reason why other Canadian-born widows, whose husbands did not qualify for war veterans allowances and who are in needy circumstances, should not get war veterans' allowances. As long as you have this 20-year rule—and that 20-year rule was proposed by the veterans' organizations themselves at the time—there will be borderline cases. There are borderline cases all the way through the War Veterans Allowance Act, and under legislation similar to the War Veterans Allowance Act. For instance, if you change the rule so that the widow would have to reside in Canada for 20 years, what about the widow who was here for 18 years? What about the flying instructor who was in Canada all through World War II? I always feel sorry for him; I think he is entitled to consideration. He was kept in Canada because he was a good flier, but he is on the wrong side of the borderline. The same thing happens under the means test. A widow with \$1,100 is not eligible under the Act. But the main principle here is that, if you depart from the rule that entitlement flows from the veteran you may be creating a new and radical departure from the Act. It would involve more than a few widows. It would involve a great many women in Canada, and I think you would be getting into the field of strictly welfare legislation which is ordinarily under the jurisdiction of the provinces. However, I think we could very well discuss this when we consider our final report.

Mr. GREEN: May I apologize, Mr. Chairman, for my late arrival. I was detained in the House. I have also been asked to explain the absence of Mr. MacDougall, who is also in the House waiting to speak.

Mr. BENNETT (*Grey North*): Are you paired with him?

Mr. GREEN: I have got to be back in the House, too. There is one feature about this question which I think explains the whole situation. In earlier

meetings of Veterans Affairs Committees we had many discussions about the Imperial veterans, and all those discussions were based on covering the veterans who came here before 1930. There had been migrations of Imperial veterans, perhaps two or three, before that time; but in 1930 the movement stopped and practically no Imperial veterans came here between 1930 and the end of the second world war. The idea was always to cover those veterans who were here by 1930. Really that should have been the wording of the amending section. It should have said "those who were here by 1930." But instead of that the wording was in the form we now find it—20 years. The 20 years, I think you will find, Mr. Chairman, covered the period from 1930 to the period when the amendment was written into the statute, which would bring it up to 1950 or thereabouts. But the intention always was that the men who had come here up to 1930 should be covered, and, that being the case, their widows should be covered too.

If the widow happens to lose out because her husband died in 1948 or 1949, just before the 20-year period expired, I think, taking into consideration the background of the legislation and the particular people whom it was intended to cover, there is a very good reason for making a change to put in the year 1930; decide on the year which was originally intended, and then word the section in that way, rather than on the 20-year basis. If a course of that kind is followed then the intention of the veterans' bodies would be carried out and it would not be a matter of welfare cases at all. I do point out one further fact, that many of these widows are Canadian women who married Imperial veterans. That fact is sometimes forgotten. On the basis of what has gone before and of the whole picture I think there is very very good ground for granting the request made by the Canadian Legion to have this group of widows included.

Mr. BROOKS: Mr. Chairman, I wish to say a few words. I was a little confused over what Mr. Bennett said and I am wondering if, perhaps, he is entirely correct. He said a widow of a Canadian veteran could not receive the war veterans' allowance if he had not been living here 20 years. Under the definition of widows in the Act it says: "means widow of a veteran" and then in section 3, "any veteran or widow who, in the opinion of the district authority, is permanently unemployable". That is, the allowance can go to any veteran or widow. And under section 30 the veteran is described as a veteran of the South African War, World War I or World War II, and so on. In any event the point I have in mind is this, that the widow of a Canadian veteran, even though he had not received war veterans' allowance because he had passed away before he was 60 years of age, can apply and receive the war veterans' allowance. I think that is correct. That is exactly what is being asked by Mr. Pearkes for the allied veteran's widow. That veteran would have qualified himself but he died before the 20 years were up. Then, Mr. Pearkes asked that his widow should receive the war veterans' allowance, as the widow of a Canadian received the war veterans' allowance had he lived to be 60 years of age. That is not, as Mr. Bennett told us, going to let in a large number of people. The Canadian widow is qualified now. What it would include would be the widow of the allied veteran who, had he been here the 20 years, would have received the war veterans' allowance. As I understood the other day from, I think it was Mr. Parliament, it would mean between \$300,000 and \$400,000 a year to include these war veterans. So, it is not such a tremendous amount. I really think it is a great injustice in our Act and one which should be corrected.

Mr. GILLIS: Mr. Chairman, this is something I have been hammering at for ten years. There is something in what Mr. Bennett says, but also something which he forgets. The average Canadian widow, qualified for mother's

allowance under provincial legislation, has to have one or two children under 16 years of age. The widows we are thinking about here cannot qualify for that type of legislation. Most of them are around or over 55. The fact of the matter is that we have covered the Imperial veterans widow, but I think the residence clause is on the wrong shoe. What you would have to do to qualify the people I have in mind is, instead of saying "if a veteran resided in Canada for 20 years" to say "if the widow resided in Canada for 20 years"; that is the only change you would have to make. I do not like the words "allied veterans". If you opened up the Act to put that in, it would be too wide. A lot of the satellite countries were our allies in the last war. If you use a strict interpretation of the words "allied veteran" it would open it up that wide. What I have in mind are the people Mr. Pearkes spoke of, the Imperial veterans. We have a lot of boys who went over in 1938 and joined the R.A.F. They are now back. We have rank discrimination today in every community across Canada where you have the older Imperial war veterans' widows. In the case of two widows living next door to each other, one is on the allowance and the one is not; she is six months short of getting the benefit because her husband died six months too early. I think the department would be well advised in taking a look at this thing. I have in mind the Commonwealth countries, Britain, Australia and New Zealand, because in these countries our people are eligible under their social security measures; and I think it is pretty near time we got around to the point of trying to make at least all Commonwealth countries complementary to each other, and our social security legislation reciprocal. I wonder if the parliamentary assistant would not prevail on his minister and the cabinet to make that change. Aside from "if the husband was in six years", if the widow was in herself she would be eligible.

Mr. QUELCH: I have brought this question forward before and I still think the suggestion is a logical one. The widow of a Canadian veteran is, I understand, entitled to apply for a war veterans' allowance at any time provided her husband has seen service in a theatre of war. It is quite possible at the time he died he could not have received war veterans' allowance, because his income was higher, but we recognize that later on he may have been in different circumstances and we grant that widow war veterans' allowance. In the same way the Imperial veteran, when he died, would not have entitlement, but if he lived here longer he would have had entitlement, and his widow would have been granted entitlement. Also, we could argue that the widow of an Imperial veteran should have that benefit.

Mr. BENNETT (*Grey North*): What I had in mind was the widow, for instance, of the flying instructor who served four or five years in Canada and does not qualify under the War Veterans Allowance Act and has a widow who was born in Canada. You are picking out a small group of widows and giving them the benefit of the War Veterans Allowance Act, where there may be many, many widows in Canada in needy circumstances who do not qualify because their husbands did not happen to see service in a theatre of operations. This Act was designed to look after the older veterans who could not get help under the Pension Act and who saw service in a theatre of operations. In 1943 the Act was amended to bring in the widow of that veteran. Later the veterans organizations made representations and this 20 year rule was adopted. Mr. Pearkes' and Mr. Green's arguments are not in accord. I would say to Mr. Green, if we made the time limit 1930 there would be widows who came to this country in 1931 and 1932 and you would still have your borderline cases. You have to draw the line some place.

Mr. GOODE: I agree with Mr. Bennett and have reasons for agreeing with him. Perhaps they are selfish, but nevertheless they are reasons. It is asking

this committee to grant something to which some Canadians are not entitled. I was on sixteen overseas drafts at Petawawa, volunteered for every one, was on the train twice with full equipment, and by order of the commanding officer was taken off both times. I was taken off sixteen drafts by the order of my commanding officer—which may be good, because I might not have been here otherwise. Some people are asking us on this committee to give these people benefits which my wife and other wives cannot obtain. Maybe it is a selfish viewpoint, but I think it is a businesslike viewpoint, because through no fault of my own—and I can assure the committee of that—I was not allowed to go to a theatre of war. Yet we are being asked to spread this bill very thinly and extend benefits to some overseas people. I do not like this word “allied”, though I would go along with the word “Imperial”. But you are asking this committee to do something that you will not do for Canadians who deserve it as well.

Mr. QUELCH: These Imperials would have to have seen service in a theatre of war?

Mr. BENNETT (*Grey North*): Yes.

Mr. QUELCH: Then I cannot follow Mr. Goode’s point at all.

Mr. PEARKES: That is the whole essence of this, this allowance is paid to veterans who saw front-line service. I entirely agree with that. I feel that, with regard to the widows of these Imperial veterans, it is an essential requirement that the veteran saw service in an actual theatre of war. I am not suggesting anything else.

The CHAIRMAN: There is just one exception to that, General Pearkes, and that is, British and allied veterans who received a small pension although they did not see service in a theatre of war.

Mr. QUELCH: That applies to Canadians, too.

The CHAIRMAN: Is paragraph 3 carried?

Carried.

Clause 2.

2. Subsection (1) of section 4 of the said Act is repealed and the following substituted therefor:

“4. (1) Subject to this Act, any person who, being a male veteran who has attained the age of sixty years or a female veteran or widow who has attained the age of fifty-five years, resides in Canada and

(a) is unable to maintain himself or herself by following his or her former ordinary occupation,

(b) is capable of taking light or intermittent employment, and

(c) is unemployed,

may, on application and as an alternative to any allowance for which such person may be eligible under section 3, be paid an allowance with respect to any period during which those conditions prevail, at the lesser of the following rates, namely,

(d) the monthly rate specified for the veteran or widow in Column II of Schedule B, or

(e) the monthly rate that will produce the total monthly income, including allowance, specified for the veteran or widow in Column III of Schedule B.”

That seems fairly self-explanatory.

Mr. WHITE (*Hastings-Frontenac*): I have a suggestion which I wish to make to you and to the committee. When we had the brief discussion the other night about my motion, you suggested that I was anticipating this section

and it should stand. I should like to point out that the section which you have just read does refer to schedule B. Then, from an examination of the next section, I see that it does not refer to a schedule, but it uses the same amounts, \$108 and \$1,440, which are exactly the same amounts as appear in the schedule. Then, there are the two schedules which refer to the amounts. My suggestion is this, Mr. Chairman, in order to save a discussion on three different sections all pertaining to the same matter, that you would either allow clauses 2 and 3 to stand until you come to the schedules and deal with them all together, or now deal with clauses 2 and 3 of the schedule, because I point out that you are dealing with exactly the same principle. The amounts are the same both for the allowance and the income, so that what any member of the committee might wish to say on clause 2 or 3, or say on each schedule would be exactly the same. I notice that there is a provision as to the date when the bill was to come into force, and I hoped that the bill would go through the House before the first of the month, so that the veterans would get their allowance for April. Mr. Chairman, if it would be agreeable to the committee that you have the one discussion to cover clause 2 and 3 in the schedules, I have a motion which I have drawn up to cover the whole three clauses. If, however, you feel that you can only deal with clause 2, then I have a motion which I wish to move pertaining only to clause 2 which you have just read.

The CHAIRMAN: The committee will note that the sole effect of clause 2 is to enable female veterans and widows who have attained the age of 55 years to take advantage of the benefits of section 4 of the Act. In other words, the only purpose of this amendment is to extend the benefit of the Act to female veterans or widows who have attained the age of fifty-five.

Mr. WHITE (*Hastings-Frontenac*): But I say, Mr. Chairman—and tell me if I am not correct on this—that if you pass clause 2 which you have just read, you are referring to schedule B, so that I presume that an amendment could be made at this time if you are just going to deal with that section, as far as schedule B is concerned.

The CHAIRMAN: I think it is quite clear that schedule B is not involved in this amendment. The only matter involved in this amendment is the giving to the widows and female veterans the benefit of section 4 of the Act. I take it that there is no objection to giving them the benefit of the Act, whatever it may be.

Mr. BENNETT (*Grey North*): I think that your motion, if you wish to make one, would come under clause 8, which is a clause which changes the rates and ceilings of schedule A and B. There is a different principle altogether in clause 3. It applies to section 5 of the Act, and it is not at all the same thing as you are talking about.

Mr. WHITE (*Hastings-Frontenac*): I appreciate that, but you will notice that in clause 3 the amounts which are used do not refer to the schedules at all. They refer to the amount of money spelled out, but it so happens that the amount used in clause 3 are exactly the same as the amounts in the schedule. My whole point was that if you are going to have three discussions, you might just as well have one discussion covering the whole thing.

The CHAIRMAN: I suggest that we carry clause 2 and see what you have in mind by way of amendment when we come to clause 3, which is the beginning of the setting up of the actual rates which, I take it, is what you have in mind. Is the clause agreed to?

Carried.

Mr. GREEN: With respect to clause 2, Mr. Chairman, could the parliamentary assistant tell us how many widows or female veterans it is expected will be taking advantage of this amendment?

The CHAIRMAN: The deputy minister has the records and perhaps he could tell us the number that would be likely to get the benefit of the proposed amendment to clause 2 of the bill.

Mr. BENNETT (*Grey North*): I do not think that anybody can answer that question. Can you answer it, Mr. Lalonde?

Mr. LALONDE: I am sorry but we have no way of knowing how many widows will fulfil the conditions of section 4 of the Act from the point of view of employability until the section has been tried out in the same way that it was tried out with the veterans themselves. I think it would be presumptuous to try to forecast what it will be. We will have to wait for the widows in the same way that we waited for the veterans, to determine how many want to take advantage of it.

Mr. GREEN: You have not made any estimate?

Mr. LALONDE: We do not think it is possible. We think it would be just a shot in the dark.

Mr. BROOKS: How many veterans are under it now?

Mr. LALONDE: At the moment, over one thousand; but even trying to apply that proportion to the widows might be misleading, because I think the conditions are different.

Mr. BROOKS: Wouldn't their scope of employment be far different from the scope of employment of the veterans themselves?

Mr. LALONDE: I am inclined to agree with you.

Mr. BROOKS: There would not be very many, though?

Mr. LALONDE: I do not know. The purpose is to give them the same opportunity that we have given to the veterans.

The CHAIRMAN: Does sub-clause 2 "Dependent" carry?

Carried.

Sub-clause 3, "Idem"?

Mr. CARTER: I wonder if someone would enlighten me as to why there is a change of terms? In clause 2, we talk about widows, while in clause 3 we have "surviving spouse"? Is there any special reason for that change?

Mr. LALONDE: There will be very few cases where that will apply; but it is possible that we may have a female veteran with a spouse who is disabled and who therefore would benefit under that section.

Mr. CARTER: You mean the husband might get it through his deceased veteran's widow.

Mr. LALONDE: If he was disabled and if she had been his sole means of support during her lifetime; she was a veteran the same as a male veteran, and the disabled husband would get the same benefit as the widow.

Mr. CARTER: Thank you.

The CHAIRMAN: Now, you have in front of you clause 3 of the bill, subsection 1, "Surviving spouse".

The principal change in subsection one is to increase the maximum allowance that may be awarded to the surviving spouse of a veteran under the circumstances specified in that subsection.

Mr. QUELCH: What will be the situation of a widow of a veteran who died within the past year? Will her pension be continued at the present rate, or will it be changed to the new rate?

Mr. BENNETT (*Grey North*): There is an amendment which I propose to make which is just being distributed and which covers that point.

The CHAIRMAN: Are you moving that amendment?

Mr. BENNETT (*Grey North*): Yes. I suppose I might as well do it now.

The CHAIRMAN: I have not studied it, but does it increase the charge on the Crown in any way?

Mr. BENNETT (*Grey North*): It clears up the case of a widow who is awarded the benefits of section 5 now, so that when this bill comes into effect she will get the benefit of the new rates.

The CHAIRMAN: In other words, your amendment clarifies the section and it does not increase the charge on the Crown?

Mr. BENNETT (*Grey North*): An award under section 5 would mean that the widow would be paid at the married rate, that is, at the old married rate of \$90; but this amendment will give this widow, after the bill comes into effect, the benefit of the amendment, and she will get paid at the married rate of \$108.

The CHAIRMAN: What I am getting at is this: does this amendment increase the cost as compared with the bill?

Mr. BENNETT (*Grey North*): Yes, and I have a statement to make in the approved fashion. If you wish me to make it now, I shall do so. I would like to propose a suggested amendment to clause 3.

The purpose of this proposed amendment is to ensure that beneficiaries, or potential beneficiaries, under section 5 of the War Veterans Allowance Act be eligible to receive the increase of allowances and permissible income to be provided for beneficiaries under sections 3 and 4 of the Act.

As this proposed amendment involves the expenditure of money, it is necessary to follow the same procedure that this committee followed last year with respect to several small amendments. You will recall that the procedure is that this committee should report the clause in question without amendment and in our report to the House we should recommend that the government give consideration to the amendment which we desire. Therefore, Mr. Chairman, I would suggest that if we pass this clause without amendment, it is on the understanding that this recommendation will be contained in our final report, which reads as follows:

With respect to clause 3, as the amendment contemplated therein would, to meet the view of the Committee, result in an increased charge upon the public, your Committee feels that it has no option under the rules of the House but to report the clause without amendment. The Committee would, however, recommend that the Government consider the advisability of renumbering clause 3 of said Bill No. 164 as 3(1) and that a new subclause 2 be added to clause 3, as follows:

(2) Where any veteran or surviving spouse of a veteran was receiving or was eligible to receive an amount under section 5 of the said Act as it was immediately prior to the date of the coming into force of this Act, in respect of a period ending on or after that date, the District Authority may, in its discretion and in lieu of any further amount under that section, award to such veteran or spouse:

(a) in respect of the portion of that period that is prior to that date, an amount determined in accordance with subsection (1) or (2), as the case may be, of section 5 of the said Act as it was immediately prior to the coming into force of this Act, and

(b) in respect of the portion of that period that is on or after that date, an allowance determined in accordance with subsection (1), (2) or (3), as the case may be, of section 5 of the said Act as enacted by this section,

less any amount received by such veteran or spouse in respect of that period pursuant to an award made under section 5 of the said Act as it was immediately prior to the coming into force of this Act.

The CHAIRMAN: Will you please explain that again to the committee?

Mr. BENNETT (*Gray North*): Well, Mr. Chairman, the idea of section 5 as it now stands in the Act is that when a war veterans' allowance recipient dies the widow may receive an amount under section 5 instead of being paid at the single rate. Instead of being kept at the single rate of \$50 she is entitled to receive the married rate of \$90 for one year. Well, if this bill is passed, of course, the widow under section 5 will receive the married rate for one year at the new rate of \$108. The idea of section 5 is to help a widow over the stress and strain and adjustment due to the death of her husband.

Now, the object of this amendment is to make sure that a widow who has been given an award under section 5 as of now or last month will be paid if this bill goes into effect, not at \$90, the present married rate, but at \$108, the new married rate.

Mr. QUELCH: Mr. Chairman, I think the amendment is a good one because it provides that the widow of a veteran who has died in the last year will get the new rate within a year.

Mr. WHITE (*Hastings-Frontenac*): Mr. Chairman, I would like to ask Mr. Bennett a question. Under section 3 in the amendment you have just read, if it should happen that the committee decided to recommend an increase change in schedule A whereby it might go up to \$120 a month, then under section 5 the widow would not get the benefit of that increase because this section, as I pointed out before, does not refer to the schedule but to the amount of \$108 a month or an income of \$1,440. Would that be correct?

Mr. BENNETT (*Grey North*): Mr. Chairman, certainly this section does depend upon the rates and the ceilings as established by clause 8 of the amending bill. Perhaps we can stand this section until we come to clause 8, and then can take the question up, Mr. Chairman, because Mr. White does apparently have a motion to move in connection with either the rates or the ceilings later on.

Mr. WHITE (*Hastings-Frontenac*): Well, Mr. Bennett, I would point out in section 2 you just refer to the schedule, but in this one you do not. There is probably some reason.

Mr. BENNETT (*Grey-North*): That is right, I think you have a good point. I think we can stand that for the time being, Mr. Chairman.

The CHAIRMAN: What we have before us, gentlemen, is this clause as it is. Mr. Bennett has said that if we desire it amended it is necessary when we report the bill to the House that we ask that the government give consideration to including in the bill the amendment which he has read. So that proposed amendment is not before us at the present time and cannot be. However, he has said that before we report the bill he will move that the government give consideration to putting this amendment into the bill.

The reason for this is that Mr. Bennett is not yet—I hope it won't be too long before he is—a minister of the Crown, so he cannot move this as an amendment and so it is not before us. Therefore there is no reason why we cannot consider clause 3, because it does not refer to the schedule.

Mr. BENNETT (*Grey North*): No, but Mr. White's point is that the amount of the ceiling and rates are set out in this clause 3 and that if Mr. White's motion were carried under clause 8 it would affect clause 3.

The CHAIRMAN: But if his motion to increase these amounts carries in clause 3, presumably the proposed increase in rates in the schedule will carry too?

Mr. BENNETT (*Grey North*): That is right, only, Mr. Chairman, I think the place for a real argument, if it is an argument on ceilings, would be under clause 8.

The CHAIRMAN: All right, we will let 3 stand.

Mr. GUNN: Mr. Chairman, I am not so sure that I agree with the opinion expressed by my legal colleagues here, if I may call them that, with regard to this particular amendment. You will observe that paragraph (b) takes care of the situation in accordance with the new legislation, whatever it may be, in section 5. This was designed so as to catch up whatever is dealt with in section 5.

Mr. WHITE (*Hastings-Frontenac*): Well, this is just catching up with the present schedule. If that schedule is changed, then section 5 would be thrown out.

Mr. GUNN: I don't think so. Looking at paragraph (b):

"(b) in respect of the portion of that period that is on or after that date, an allowance determined in accordance with subsection (1), (2) or (3), as the case may be, of section 5 of the said Act as enacted by this section,"

As enacted by this section!

Mr. BENNETT (*Grey North*): No, we are talking about this clause 3 of the bill which sets out the exact rates and the ceilings.

The CHAIRMAN: Just so that it may be made plain, we were on clause 3 then, which contains no reference to the schedule.

Mr. HANNA: It does not, but it uses the figures.

Mr. BENNETT (*Grey North*). In section 5 it says \$108 a month or the monthly rate that will produce a total income including allowance to the surviving spouse of \$1,440 a year.

Mr. WHITE (*Hastings-Frontenac*): If this clause 3 passed in its present condition and the schedule is raised to \$120 and a ceiling of \$2,000, would you say that the widow under clause 3 would still get \$108 or would she get \$120?

The CHAIRMAN: What I am saying is that if the majority of the committee were willing to change the schedule they would be willing to change this. Why shouldn't we take it in proper sequence?

Mr. GUNN: Whatever figures are mentioned here will be caught up by this proposed amendment of Mr. Bennett's.

The CHAIRMAN: If the committee wish to amend the schedule I am quite prepared to let everything stand and come at once to the schedule.

Mr. BENNETT (*Grey North*): Well, Mr. Chairman, I dislike very much siding in with Mr. White, but I think he is right.

The CHAIRMAN: Well, I am in your hands. We will go without further ado to clause 8 of the bill, first to schedule A.

Mr. WHITE (*Hastings-Frontenac*): Mr. Chairman, if we are at clause 8 of the bill which has to do with the monthly income and the ceilings I would like to move a similar motion to that which I moved the other night. I move, seconded by Mr. Green:

That the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will have the effect of providing for amendments to this bill that will substitute \$1,200 for \$840 in section 1, column 3, of schedule A, and \$120 for \$108 in sections 2 and 3 of column 2 in schedule A, and \$2,000 for \$1,440 in sections 2 and 3, column 3 of schedule A.

The CHAIRMAN: What is your idea, Mr. White—to do as Mr. Bennett recommends in reference to his proposed amendment, that is to pass the schedule in its present form and then you intend to move this after we have done that, or is it your idea that we do not carry this schedule until we report your recommendation back to the House and then wait to see if the Government act on it?

Mr. WHITE (*Hastings-Frontenac*): Well, with this motion, Mr. Chairman, it will be discussed if the committee so deals with it, and you can then recommend it and it will go forward to the House and come back again. I don't see how you can pass the schedule and send a recommendation in.

The CHAIRMAN: So your idea is that we should pass this and then stand further consideration of the bill until the Government acts on this?

Mr. WHITE (*Hastings-Frontenac*): No, I don't see how you can pass a schedule and make recommendations.

Mr. QUELCH: He means pass your amendment.

Mr. WHITE (*Hastings-Frontenac*): I thought you meant pass the schedule.

The CHAIRMAN: Your amendment. I want to get it clear as to what you want. You do not want us to pass the schedule at all; you want us to pass this motion, and pass it on to the House as our recommendation and the bill would wait in abeyance to see whether the government acts on your motion?

Mr. WHITE (*Hastings-Frontenac*): Well, if I understand correctly, if you pass the schedule that is the end of it. If there was any change you would have to pass my motion or some other motion and that would have to go back to the government and come back here. How could it be any other way?

The CHAIRMAN: The committee then should understand that if this motion carries we certainly cannot carry the schedule, and that means that the bill remains in abeyance until the government decides whether it is going to act on our recommendation or not. I want to know whether that is what you want, Mr. White?

Mr. WHITE (*Hastings-Frontenac*): That is certainly what I want, because I can't see that it can be done any other way. You either pass the schedule as it is or you consider my amendment or some other amendment and act on that. If there is any other way I would be glad to know about it.

The CHAIRMAN: We have the schedule in front of us and I take it you are asking the committee to pass your motion to ask the government to give consideration to introducing legislation and that that be passed by the committee instead of passing the schedule?

Mr. WHITE (*Hastings-Frontenac*): That is correct, yes.

The CHAIRMAN: So that the committee may be very clear what they are voting on in this matter we have the schedule in front of us providing for these rates. Mr. White has moved in effect an amendment thereto:

That the Committee recommend that the Government give consideration to introducing legislation during the present session of Parliament which will have the effect of providing for amendments to this bill that will substitute \$1,200 for \$840 in section 1, column 3 of schedule A, and \$120 for \$108 in sections 2 and 3 of column 2 in schedule A, and \$2,000 for \$1,440 in sections 2 and 3, column 3 of schedule A.

Of course, the committee will understand that if we pass this motion and report it back to the House, and the government does not see fit to act on it, we have, in effect, killed the bill. We should be quite clear what we are doing. You have moved an amendment to this schedule increasing the rates and I think, by the way you have worded it, that it is quite in order, but it should be understood the effect of our vote.

Mr. BROOKS: This is a recommendation to the government. If the government does not consider our recommendation it stands as it is; I do not see how it kills the bill.

The CHAIRMAN: We are certainly killing the bill in its present form.

Mr. BROOKS: It is just the same as the recommendation by Mr. Bennett.

The CHAIRMAN: Mr. Bennett has suggested we should carry the bill in its present form, and he will move a recommendation to change it in the House. I asked Mr. White if he was prepared to do the same thing, and he said he was not.

Mr. QUELCH: What would happen if you submitted a report to the House with Mr. White's amendment as a recommendation and moved concurrence? If that carried in the House, would we not have the right to move the amendment?

The CHAIRMAN: I would have no right to move concurrence. Having decided that we will not pass this schedule, we in effect, recommend that the government increase the rates, and having recommended that to the House, on what ground could we resume consideration of the original schedule?

Mr. BROOKS: My mind goes back to 1950 and 1951 when we had before us a pension bill. As I recall, at that time the bill was allowing 10 per cent. We on that committee moved a similar recommendation to this—that it should be 28 per cent. That went with our recommendations to the government. The government agreed to it, and it came back to the committee and it was written in. I think the same procedure could be followed in this case.

The CHAIRMAN: In that case, Mr. Brooks, the committee, I believe, passed a recommendation that it should be 25 per cent, but it already had the assurance of the government that the recommendation would be accepted. We have no such assurance.

Mr. BROOKS: Perhaps you will be just as good a chairman as we had at that time, and find out whether the government will consent to this recommendation or not.

The CHAIRMAN: I am pointing out that by carrying this amendment we would be turning down the schedule before us and replacing it by a recommendation to the government. That is quite in order under the rules and it is for everybody, I think, to speak on this motion and vote according to what he believes is in the best interest of the veterans. I am certainly not ruling it out of order. Are you ready for the vote?

Mr. QUELCH: Mr. Chairman, I think that this is what appears to be a simple way of dealing with an undesirable situation as we have it in this bill. The situation in this bill, so far as the veteran who is able to work is concerned, is, in my mind, satisfactory; but the bill in its present form discriminates severely against a veteran who is unable to work and who must exist on a disability pension of, say, \$50 or less. For instance, under this bill a single veteran able to work can have \$600 casual earnings, an allowance of \$60 a month, and earnings of \$120, making a total of \$1,440 per annum. That is the situation of a single veteran who is able to work. Now take a single veteran with a disability pension of \$50 a month. Suppose he is unable to work. He gets \$600 disability pension and a maximum allowance of \$20 a month, amounting to \$240 in the course of a year, and making a total of \$840. In other words, as I pointed out, the single veteran who is able to work is able to get as much as \$1,440, but the man whom we should be looking after, the man who is a recipient of a disability pension, who, possibly, may be suffering from a gunshot wound and is drawing a \$50 a month disability pension, is only able to get \$840 a year. This is a discrepancy which in my view should be taken into account when this bill is considered. Now let us take the case of the married veteran who is able to work. He can get \$600 from casual earnings. He can draw an allowance of \$108 a month, making a total of \$1,296, and he can have earned income of \$144. So a married veteran able to work can get a total of \$2,040. But the married veteran who has a disability and who is drawing a disability pension of \$50, is in a far different position. He is able to get \$600 a year disability pension, a maximum allowance of \$840, making a total of \$1,440. So we have a disability pensioner who is unable to work tied down to \$1,440, while a recipient of war veterans' allowance, married and able to work, can get \$2,040. In both those cases I have referred to, we are severely discriminating against the veterans whom we should especially be looking after to the highest degree. One simple way of overcoming this problem would be to raise the ceiling of \$1,200 in respect of a single veteran and of \$2,040 with respect to a married veteran. If we do not do that we should be doing something to safeguard the interests of the disability pensioner by declaring that the first \$50 of pension is not income under the war veterans' allowance. We should do something on this question, because certainly we are very seriously discriminating in this bill.

Mr. WESELAKE: If a disability pensioner suffering from a gunshot wound was unable to work, would he not receive a higher pension?

Mr. QUELCH: Not necessarily, because he might not have had his disability acknowledged. I know several cases of that.

The CHAIRMAN: Your idea, Mr. Quelch, is to draw attention to this situation. I suppose you are not opposed to the bill going through as it is, but you wish to draw attention to the situation you have mentioned.

Mr. QUELCH: I think we should have recommendations on those lines, very definitely. The simplest way would be to raise the ceiling, as the Legion wants parliament to do, to \$1,200 and \$2,040. There is also the case, raised by Mr. Gillis, of the person who has saved during his lifetime and who has a small superannuation. He is not allowed to draw the full veterans' allowance, but a man who has not tried to save anything and who is still able to work can draw a better allowance. That seems to me to be discriminating against the disability pensioner or anybody who is drawing a small pension because of his former savings, or for some other reason.

Mr. WESELAK: Under the assistance fund, the actual payments to the recipient are in fact \$60 and \$120 a month, and if this amendment was called there would have to be some reconsideration given to the way in which the assistance fund was administered, that is, if the ceilings were raised \$1,200 and \$2,000.

An Hon. MEMBER: Did you say \$60 a month?

Mr. WESELAK: \$70 a month.

The CHAIRMAN: Are you ready for the question on Mr. White's motion?

Mr. HERRIDGE: Mr. Chairman, I want to support what Mr. Quelch had to say. I think he very clearly indicated the injustice to certain groups of veterans, and particularly those who suffered some little non-pensionable disability; and I think it is quite clear indeed that they suffer some injustice. Again, the veteran, whether a pensioner or not, who possibly has a small annuity, is not in the same position as the person who is able to do some work. I think in both cases the bill as it now reads does create some injustice. Surely the best way to deal with the situation would be to accept the amendment as proposed by Mr. White, based on the original recommendation.

Mr. PHILPOTT: I am very strongly opposed to this amendment because it seems to me, if we pass this amendment in the form in which it has been put here, in effect we kill the whole bill; we kill the whole bill, even the cash increases. Your amendment reads to me that we kill the whole bill and leave it right back at \$60 a month and \$90 a month for a married couple. It seems to me you are trying to move an amendment, and you talk about raising the ceilings, but what you are doing in effect is killing the whole bill.

Mr. BROOKS: We are making a recommendation to the government.

Mr. PHILPOTT: But in a particular form which kills the whole bill. As far as I am concerned I am opposed to this amendment and certainly intend to vote against it. As to Mr. Quelch's point, it seems to me it is an entirely different matter altogether. He is talking about an injustice to people on disability pensions, which is not in this bill before us at all. If we are going to make any recommendations on that we should make them in a separate document.

Mr. BROOKS: It is in the bill.

The CHAIRMAN: We are in this position, gentlemen. The government has already indicated in the House that this is as far as it is prepared to go in this matter at the present time. If this committee does not pass the bill which was passed through the House of Commons and referred to us, and, instead, passes this resolution, it will be tabled in the House as our recommendation; and if the government does not see fit to change its mind, where do we go from there? Have we any right then to meet again when we have already reported on this matter, and take up this schedule on which we have already voted and the substitution for which lies in the House waiting for government action? It means that, if the government does not see fit to accept this resolution, I do not see anything else but that we will have killed the bill.

Mr. HARKNESS: I think that is a complete red herring. We have an absolute precedent for this. When the pension bill came in, the Prime Minister first announced in the House that it was 10 per cent, and then he announced it was 15 per cent which would be given, and that that was the utmost that the government would do. But, when the committee sent in a resolution along this line that they thought it should be 25 per cent, that resolution was accepted in spite of that fact and it had no effect of killing the bill before us whatever. We went ahead with the bill right afterwards. They may act one way or another, but no matter which way they act we are still in the same position we are in now as to considering this bill.

The CHAIRMAN: I was not here when that 25 per cent matter was acted on, but my understanding was, before it was actually decided to recommend the 25 per cent, there had been consultations between the representatives of the committee and the government, and the government had indicated it was ready to act upon the suggestion that the rates be increased to 25 per cent. But there is no such indication from the government as to this amendment.

Mr. HARKNESS: There was no indication then as far as I know.

The CHAIRMAN: I understand there was such an indication before the resolution went through, otherwise I think the committee would have rather raised the pension by the originally proposed amount of 15 per cent than not have had it raised at all. If this were to carry it will go into the House; the government has announced its position, and unless it is prepared to reconsider, how could we, having once decided on this, then take up this schedule which we have today turned down? On what basis would we act?

Mr. BROOKS: Mr. Chairman, I remember very well about the Pension Act. The late hon. Ian Mackenzie was the minister and I moved the resolution, as Mr. Herridge will remember very well, that it be 33½ per cent. My resolution was amended by a motion of Mr. Herridge that it be 25 per cent, and Mr. Herridge's amendment was carried. That was the recommendation which went to the House. It came back to us and the bill was carried with the recommendation. In this committee we are simply asking again that the ceiling be raised and we are recommending it to the government. If the government approved of it, it would come back to us the same as it did in 1950 on the Pension Act and was carried.

Mr. Philpott says he is opposed to it and that it has nothing to do with this. But the other day I remember distinctly Mr. Philpott was discussing the small pensioner and he wanted to know how he could get more superannuation and pension, and war veterans' allowance as well. It was pointed out to him that the only way it could be done was by raising the ceiling as stated in this bill, and now he comes and says he is opposed to any raise because it is going to kill the bill.

Mr. PHILPOTT: I said that I was opposed to the way you are moving this amendment. I have not the slightest objection to a resolution for a higher ceiling, but I certainly have no intention of voting for a mixed up thing like this which will kill the bill.

Mr. BROOKS: You asked the other day how it could be done and Mr. Quelch has told you now, and still you intend to vote against it.

Mr. ENFIELD: The answer to the question "If it were not approved what do we do then?" is very important for us to know at this point.

Mr. BROOKS: Of course, the bill has to go back to the House for third reading and we have no assurance it will be approved on third reading in any form.

The CHAIRMAN: If we pass this resolution can we report the bill?

Mr. BROOKS: We do not report the bill.

The CHAIRMAN: Suppose the government then says we do not accept the recommendation?

Mr. BROOKS: Do you suggest that the House sends bills to us for consideration and then contends that we cannot make any change in those bills? We listen to the reports, then we make recommendations here in this committee which we hope will be considered by the government; if they are not passed in the committee they do not go to the government. If they are passed in the committee they go to the government for consideration.

The CHAIRMAN: The way it has been done in the past is the way Mr. Bennett is proposing to make his amendment.

Mr. BROOKS: That is not the way it was done in the Pension Act.

The CHAIRMAN: I have sent for the record on that. I am interested to see it. I was not there at the time.

Mr. BENNETT (*Grey North*): I consulted Dr. Ollivier last year on this and he advised me that the procedure we followed last year is the correct procedure.

The CHAIRMAN: I also consulted him last year, and he told me at that time that this is the only way that we can operate, that is to make recommendations in regard to a bill which is submitted to us. That is why I was very careful to ask Mr. Bennett if he was going to move this in the proper form, and not to do something that would mean that we are turning the bill down. Putting it in other words, by passing the motion we are recommending that the government consider it further instead of passing the bill as referred to us. It is my duty as chairman to point that out to you before you vote.

Mr. HERRIDGE: Could I explain what really happened, because I actually know what happened? I think that Mr. Brooks moved an amendment urging the 33½ per cent increase in pensions. I moved an amendment for 25 per cent increase, seconded by Mr. Cruikshank. No vote was taken at the time. It lay on the table during the Easter recess, I think, for about a month. Then when we reassembled, I distinctly remember the late Hon. Ian Mackenzie coming to me and saying that the government had considered that amendment and were going to accept that recommendation.

The CHAIRMAN: That is what I thought. The government indicated it was ready to accept it.

Mr. HERRIDGE: The vote was taken on the amendment, and it was defeated, and then the vote was taken on my amendment and it was carried unanimously. The government accepted the recommendation of the committee.

The CHAIRMAN: The committee was already sure that the government was going to accept it, when it voted.

Mr. PEARKES: Is not this a somewhat similar situation? You have said that the government is not prepared to go higher than these allowances. Surely that statement was made before the Legion presented this brief to this committee, and before this committee had an opportunity of discussing that matter. Could we not follow much the same procedure as was done in the case of the Pensions Act, where you and a parliamentary assistant interviewed the minister, and the minister saw his colleagues? I think that they would come back to an increase to these ceilings after the representations which have been made by the Legion. Could we not at least try that? Could not you and the parliamentary assistant interview the minister and tell the minister what the Legion has said and what is obviously the opinion of this committee, and then report back to the committee what the government's final decision is?

The CHAIRMAN: Well, we could take a chance on that.

Mr. PEARKES: We have to take a chance on doing something.

The CHAIRMAN: As I have already suggested to the committee, should we not pass the bill and put through the increases that have been already agreed to, and then we can consider asking the government to hear representations made to us to go further? Mr. Pearkes has suggested that we adopt the other procedure—and that is quite in order. All I am saying is that it is a matter for the committee to decide which way we should proceed.

Mr. HOSKING: The members of our party have already seen officials of the department and have made our representations to the best of our ability. You know how far we have been able to persuade them to go. After having done that, we do not think there is any one in the committee who would expect us to vote on any measure which we know is going to kill this bill. We are in that position, and it should be made perfectly clear to these people what position we are in. We have already done what you suggested. They have gone as far as we can persuade them to go.

Mr. BENNETT (*Grey North*): In spite of what was done in a previous year, I submit that this committee cannot make a recommendation here involving the expenditure of money, even if the government were in favour of it. We still have to follow the procedure which we followed last year. Even if this committee in previous years did that, I submit, with great respect and being a greenhorn at the game, that you veterans—veteran parliamentarians, that is—were wrong in that case. Since there is an expenditure of money involved, we must pass the bill and make a recommendation when we report it. I think that is clear.

With regard to General Pearkes's point that the government did not know about the Legion's brief—the Legion has been pressing for a ceiling of \$1,200 and a ceiling of \$2,000 for some time. The Legion made representations to the government, to the Prime Minister and to the minister, and I can assure you that this War Veterans Allowance Act has been studied by the minister, by the government and by the departmental officials for a long time, with the object in view of doing their best for the older veterans. I think we should say "thank you" to the minister for getting this bill, which I think is a generous bill, because it added an additional expenditure of \$9,500,000 at a time when, as we all know, governmental revenues are down and we are having trouble balancing the budget. I do not think that the veterans in my riding are any different from the veterans in other places. I have four Legion branches in my riding, and I have not heard from any of them. In fact, when I go home, the veterans thank me for this bill, and they tell me that it is a generous bill. They say, "We thought we would get a small raise, but did not expect a 20 per cent raise". I have not had a telegram or a letter about it. I think we should pass this bill and get it into effect, so that these veterans can obtain this raise right away and not two months from now.

Mr. HANNA: I should like to speak along the same lines as the two previous members of the committee who have spoken. First of all, I compliment the Legion and other veterans organizations for having given this matter very serious study and having continually kept these veterans in mind. They have the sympathetic understanding of every member of this committee, no matter to which party he belongs, but I think that even the Legion would realize that all members of this committee have been after the government to do something for war veterans' allowance recipients. At least I know that that has been the case since I have been here. As a matter of fact, in my own case, it has come to the point that when the Minister of Veterans Affairs saw me he would almost seem to avoid me because I was always bringing up the matter of war veterans' allowances, or at least I felt that that was his attitude. Now we have a bill before us which, I think, is quite generous. I also think, Mr. Chairman, that there has been considerable misunderstanding about this matter of the ceilings. We have ceilings in this bill, and I think that the minister was probably a little modest in talking about ceilings of \$840 a year for single veterans and widows and \$1,440 a year for married veterans. From my study of the bill, I should say that those are not really ceilings Mr. Chairman; they are floors. They are not maximum incomes for needy veterans; they are minimums. The other day I asked what a needy veteran who had no

other kind of income and was single would receive under this bill, and I was told by the deputy minister that he would be entitled to receive \$70 a month. In the case of a married veteran, who had no other source of income, he would be entitled to received \$120 a month. If I remember the Legion brief, they asked for an income of \$60 and \$120 a month.

I think this bill is quite generous, but I am very fearful that if we neglect to return it to the government, but instead, send them some other proposal, there will be at least some considerable delay.

I have not been here as many years as some of the other hon. members, and I have no assurance when the bill might come back to us. I feel that many veterans throughout the country are quite anxious to get that extra \$10 or extra \$30 in the case of married couples.

I feel that we should not delay the bill and that we should pass it with, possibly, certain recommendations and send it back to the House as soon as possible. I am one of those who would like to see it go back to the House in the month of March so that the deserving veterans might get their increases in their April cheques.

Mr. WEAVER: When Mr. Bennett moved his amendment to section 3 there was no doubt in the mind of anybody what the procedure was, namely, that when the recommendation was made it would be accepted by the government. There is a great deal of difference, however, between that and the amendment which Mr. White moved and which is before the committee.

I very much like the term which Mr. Hanna just used, the term of "floor" rather than "ceiling", because if there was ever a floor, this bill puts a floor under the income of anyone who can qualify for the war veterans' allowance. All the talk about a ceiling is unrealistic; but the talk of a floor is realistic; and the more I look into the War Veterans Allowance Act, together with the present amendment, the more I see how well it is designed to do the job which is required of it.

For that reason I cannot take a chance to support this amendment at all. I want to see this bill made law. Therefore the sooner it is put to the vote the better, so that we can get this bill passed.

The CHAIRMAN: I would like to point out to the committee another question of order which comes up if we should decide this motion now. We have got the proposed schedules in front of us with certain amounts set out, and if we, instead, go on record as not being in favour of them and ask the government to consider different schedules, we have actually taken a decision in this matter; and if the government leaves our report there and does not accept it, then how are we going properly to revive that question? I leave it to the committee.

Mr. BROOKS: It would stand until we get their reaction.

The CHAIRMAN: But suppose we hear that they do not intend to accept it? We have already decided it as a committee. Why should we not pass the bill as it is and have this amendment considered as a recommendation which was brought before us? We would not, by doing this, endanger the bill.

Mr. GOODE: I was one, Mr. Chairman, who, you will remember, was ruled out of order in the last Veterans Affairs Committee on a matter of exactly this nature. I must not refer to that, but I do not think you will mind my bringing it to your attention. At that time I considered the terms of the motion were quite within the means of this country to pay, and I was quite sure at that time that the veterans of British Columbia were satisfied with the terms of that motion.

Here we are giving it to them. This is what they wanted at that time. I do not think there is too much difference between the time when I moved my motion and this present time. But this, perhaps, is the big difference with this committee, namely, that the gentlemen who are sitting on the

government side have a little more responsibility—if I may be allowed to use that term—than some other gentlemen who do not sit on the government side.

The government has the responsibility of keeping this country in some fair form of financial shape. We could not do so, as Mr. Bennett said, if there is going to be some difficulty this year. I do not want to put the country in more financial difficulty than it is likely to be in; and I am satisfied with this and I am going to vote for it when the time comes.

Mr. WESELAK: As a newcomer on this committee I am the last to speak. I feel that the aim of this legislation is to provide help where help is required. My personal feeling is that the extension of the definition of casual earnings, and a redefinition of the formula regarding the assistance fund, and the provision of medical benefits mean that help has been extended to those who need it. I feel that raising the ceilings would extend help more to those who do not need it as acutely as the ones who will receive it under the redefinition of this Act. Therefore, I propose to support this bill in its present form.

Mr. CAVERS: In the district in which I live there are nine branches of the Legion. I have received no representations from any of them to refuse this bill. Therefore, I assume that they are satisfied with its terms.

If we should refuse to accept the bill as it now stands, and if we present recommendations without passing this schedule, the government might decide not to reintroduce the bill at all. Then what is our position? No representations have been made to us not to accept what was allowed, and the veterans of the country have lost it all.

Mr. HARKNESS: Mr. Chairman, when the Legion came here to make representations with regard to the bill, they came on behalf of all the branches of the Legion. So it is ridiculous to advance an argument of that kind.

Mr. HAHN: Apparently I am one of the very few who did receive representations in respect to this bill, contrary to what Mr. Bennett and Mr. Cavers have found. I have received telegrams from the Legion in my area, as well as quite a number of letters drawing attention to the fact that this bill does not meet the requirements which the Legionaires feel should be met in looking after them at this time.

I am satisfied that, in so far as the war veteran is capable of earning casual earnings and can find a job, he is well looked after, in so far as there is \$2,040 as a ceiling for married men, and \$1,440 for single men, that is per year. But on the other hand the man who is disabled, as Mr. Quelch said earlier, and the one who has invested money and has savings—he is the fellow who needs more attention. Therefore, I must of necessity support the Legion brief and ask that we pass the amendment which Mr. White has proposed at this time.

The CHAIRMAN: I shall put the question. All those in favour of Mr. White's proposed motion will please raise their hands?

Mr. WHITE (*Hasting-Frontenac*): May we have a polled voted?

The CHAIRMAN: There is a motion by Mr. White which has already been read to you. It was seconded by Mr. Green. All those in favour of that motion will say yes or yea when their names are called, and those against it will say nay or no.

The CLERK OF THE COMMITTEE: The yeas number nine, and the nays number fifteen.

The CHAIRMAN: Then I declare Mr. White's motion lost.

We are now on clause 8, schedules A and B.

Shall clause 8 carry?

Carried.

We shall revert now to clause 3.

You have heard what the parliamentary assistant said, that if we carry this bill in its present form he intends to move in our report that the government give consideration to his amendment, which will make sure that this section will take effect from the date when the Act comes into force, in regard to the surviving spouse. Subject to that understanding shall clause 3 of the bill carry?

Carried.

Clause 4?

Carried.

Clause 5?

Carried.

Clause 6?

Carried.

Clause 7?

Carried.

Clause 9? "This Act shall come into force on the first day of the month next following the day on which this Act is assented to."

Carried.

The CHAIRMAN: Shall the title carry?

Carried.

Shall the bill carry?

Carried.

Shall I report the bill without amendment?

Agreed.

The CHAIRMAN: Now will you move your amendment, Mr. Bennett.

Mr. BENNETT (*Grey North*): Well, I have already gone on record, Mr. Chairman. Are we considering that amendment when we consider the report in camera? I have gone on record as passing that section on the understanding that that amendment be submitted to the government for their consideration.

The CHAIRMAN: That is right. This is part of our report. So I suppose we should go into camera and consider the report on the bill. Other than reporting the bill there will be this particular amendment of Mr. Bennett's, and anything else which any member wants to bring up or which members may wish to have included in the report.

Mr. BROOKS: You are not suggesting we should go into camera at 10 minutes to 10 to consider the report?

The CHAIRMAN: What I have in mind is this: I do not think there is any controversy about Mr. Bennett's motion; in that way we could carry it, and then tomorrow, if there is anything else which anyone wants to bring up, which he wishes to go in the report, there would be an opportunity to do so.

Mr. BROOKS: That would be in camera?

The CHAIRMAN: I suppose we could carry on tonight without going into camera.

An Hon. MEMBER: Is there not another bill coming before the committee?

The CHAIRMAN: This will not be the final report. We shall want to consider Mr. Bennett's motion and anything else which might properly arise.

Mr. BENNETT (*Grey North*): I was wondering if we could decide to report this bill tonight. I have been advised that the Senate is adjourning on March 31, and, if we do not get this bill reported and into the House tomorrow, we probably will not get Royal Assent until May. It is quite important for the veterans that we should get this back into the House tomorrow. I think we could arrange that.

Mr. BROOKS: I was talking to the leader of the opposition in the Senate, and he said they did not expect to adjourn until the 1st of April. They cannot go away until the bills put before the House are assented to. I do not think we should be stampeded into rushing this bill through tonight, because there are certain motions which are being moved in connection with the report. It is 10 o'clock and I object very strenuously because I think you are working on wrong premises, Mr. Bennett. The Senate is not closing on the 31st.

Mr. BENNETT (*Grey North*): I was told just three minutes ago that it was.

Mr. HAHN: That really does not make much difference, because the bill will not come into effect until the month following. If it was dealt with on April 6th, it would not come into effect until May 6.

The CHAIRMAN: Why should we not go on now and take up anything which we want to put into our report tonight? If we do not want to endanger this coming into force on the first of April, why should we not get this done tonight?

Mr. HANNA: I would like to suggest that we sit until after 10 o'clock if necessary so that this can come into effect before April.

The CHAIRMAN: Well, what do you say, Mr. Bennett? The suggestion is that we should continue sitting for a time, anyway. I think we should consider the various suggestions which people want to bring forward along with reporting the bill.

Mr. HANNA: I make that a motion—that we sit after 10 o'clock if necessary so that we may report the bill as early as possible.

Mr. HAHN: I second that.

Mr. BROOKS: We are meeting tomorrow at 3.30, tomorrow, the 25th. There is no reason why we should not finish this bill tomorrow. Surely it is not necessary to rush it through tonight. I think this is very unfair.

Mr. DICKEY: It would be even more unfair to the veterans not to do it tonight.

Mr. BROOKS: Always there is a threat thrown in.

Mr. BENNETT (*Grey North*): No. I do not see any object in holding this up. We have passed the bill. Why cannot we report it. The Veterans Benefit Act is being referred to this committee.

Mr. BROOKS: We made a resolution which has been voted down. The chairman has suggested that a recommendation similar to that one can be included in the report sent to the House. We intend to move such a motion, and we feel we should be given opportunity to do so.

The CHAIRMAN: I think the idea is that you should have the right to bring forward anything you want to bring forward tonight. You know what you want to bring forward, and the committee can deal with it. However, it is for the committee to decide. I have a motion that we should continue sitting.

Mr. ROBERGE: I move that we consider Mr. Bennett's amendment now.

The CHAIRMAN: If we consider it, we should go into camera and then we would be in a position to consider our report. We can consider Mr. Bennett's motion and any other matter which the committee wishes to bring forward. We are now at the point where we are considering our report. There is a motion that we continue sitting.

Mr. GILLIS: You have already ruled Mr. Bennett out of order in making his amendment, Mr. Chairman. He had to clear that matter with the cabinet.

The CHAIRMAN: No. Mr. Gillis. He put it in a form which could be accepted—that we ask the government to give consideration to introducing this amendment. In that form it is in order.

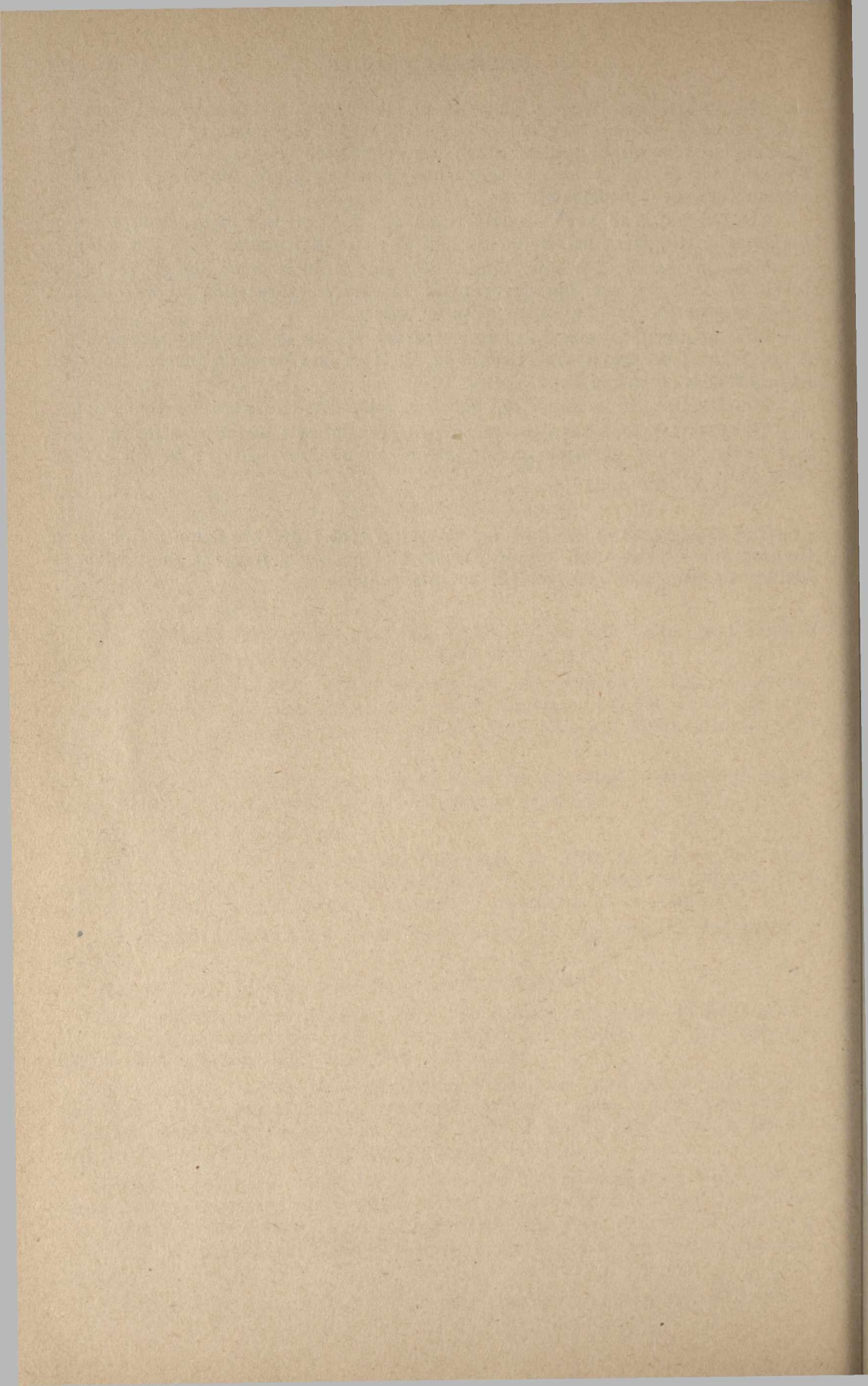
Mr. PEARKES: Surely it is not necessary for us to pass that amendment. A member of the government could bring it in and move it there. None of us is going to object to it.

Mr. DICKEY: It is important for this committee to approve that report.

The CHAIRMAN: I have the motion of Mr. Bennett which was made. Are you ready for the question on Mr. Bennett's motion? All in favour please raise your hands?

Carried.

The CHAIRMAN: Now then, I understand that there are some members of the committee who wish to put forward some other matters they wish to include in our report, so we will go into camera.



HOUSE OF COMMONS

Second Session—Twenty-second Parliament
1955

SPECIAL COMMITTEE
ON
VETERANS AFFAIRS

Chairman: W. A. TUCKER, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

BILL 278

An Act to amend the Veterans Benefit Act, 1954
and report thereon

THURSDAY, APRIL 28, 1955

WITNESS:

Mr. T. D. Anderson, Dominion Secretary, Canadian Legion, B.E.S.L.

SPECIAL COMMITTEE
ON
VETERANS AFFAIRS

Chairman: W. A. Tucker, Esq.,

and

MESSRS.

Balcom	Gillis	Murphy (<i>Westmorland</i>)
Bennett (<i>Grey North</i>)	Goode	Pearkes
Brooks	Green	Philpott
Carter	Hahn	Quelch
Cavers	Hanna	Roberge
Croll	Harkness	Tucker
Dickey	Herridge	Weaver
Dinsdale	Hosking	Weselak
Enfield	James	White (<i>Hastings-</i> <i>Frontenac</i>)
Forgie	Jones	
Gauthier (<i>Portneuf</i>)	MacDougall	

Eric H. Jones,
Clerk of the Committee.

ORDERS OF REFERENCE

MONDAY, March 28, 1955.

Ordered,—That the name of Mr. Jones be substituted for that of Mr. Johnson (*Kindersley*) on the said Committee.

FRIDAY, April 1, 1955.

Ordered,—That the name of Mr. Nesbitt be substituted for that of Mr. Pearkes; and

Ordered,—That the name of Mr. Churchill be substituted for that of Mr. Green; and

Ordered,—That the name of Mr. Blair be substituted for that of Mr. Brooks on the said Committee.

MONDAY, April 25, 1955.

Ordered,—That the following Bill be referred to the said Committee:
Bill No. 278, an Act to amend the Veterans Benefit Act, 1954.

TUESDAY, April 26, 1955.

Ordered,—That the name of Mr. Pearkes be substituted for that of Mr. Nesbitt; and

That the name of Mr. Green be substituted for that of Mr. Churchill; and

That the name of Mr. Brooks be substituted for that of Mr. Blair on the said Committee.

Leon J. Raymond,
Clerk of the House.

REPORT OF THE HOUSE

FRIDAY, April 29, 1955.

The Special Committee on Veterans Affairs begs leave to present the following as its

SECOND REPORT

Your Committee has considered Bill No. 278, An Act to amend the Veterans Benefit Act, 1954, and has agreed to report it without amendment.

The Canadian Legion, B.E.S.L., submitted a brief to the committee in which it recommended:

That the Department of National Defence make provision for members of the Armed Forces to contribute to unemployment insurance so that they may benefit from the Unemployment Insurance Act in the same manner as do industrial employees.

Your Committee suggests that this recommendation be given consideration by the appropriate departments of government.

A copy of the evidence adduced in respect of the said bill is appended hereto.

All of which is respectfully submitted.

WALTER A. TUCKER,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, April 28, 1955.

The Special Committee on Veterans Affairs met at 10.30 o'clock a.m. this day. Mr. Walter A. Tucker, chairman, presided.

Members present: Messrs. Balcom, Bennett (*Grey North*), Brooks, Carter, Croll, Dinsdale, Forgie, Gauthier (*Portneuf*), Gillis, Goode, Green, Hahn, Hanna, Harkness, Hosking, MacDougall, Murphy (*Westmorland*), Philpott, Quelch, Roberge, Weaver, Weselak and White (*Hastings-Frontenac*).

In attendance: The Honourable Hugues Lapointe, Minister of Veterans Affairs; Mr. G. H. Parliament, Director General, Veterans' Welfare Services; and Mr. T. D. Anderson, Dominion Secretary, Canadian Legion, B.E.S.L.

The Committee proceeded to consider Bill No. 278, An Act to amend the Veterans Benefit Act, 1954.

The Chairman presented the Fourth Report of the Sub-committee on Agenda and Procedure as follows:

Your Sub-committee met at 2.15 o'clock p.m. on Friday, April 1, 1955, with the following members present: Messrs. Brooks, Gillis, MacDougall, Roberge and Tucker, and agreed to recommend:

That the Committee meet at the call of the Chair after the Easter recess to consider Bill No. 278, An Act to amend the Veterans Benefit Act, 1954, when it shall have been referred to the Committee, and to hear the Canadian Legion in regard to the said bill, and

That, as the Committee has already reported Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952, to the House, the Federation of British Canadian Veterans of Canada be not asked to appear before the Committee but advised that if they desired to submit a written brief it would be laid before the Committee before it made its final report.

All of which is respectfully submitted.

On motion of Mr. Croll, the said report was adopted.

Mr. Anderson was called, presented a brief of the Canadian Legion, was questioned thereon and retired.

The Honourable Mr. Lapointe explained the application of the bill and answered questions thereon.

The Chairman laid on the Table a brief of the Federation of British Canadian Veterans of Canada in regard to matters of veterans' legislation. The Chairman read paragraph 6 of the brief concerning the Veterans Benefit Act.

Ordered,—That the said brief be printed as an appendix to this day's minutes of proceedings and evidence.

The Committee considered Bill No. 278, clause by clause.

Clauses 1 and 2, the preamble and the title were carried; the bill was carried.

Ordered,—That the Chairman report the said bill to the House without amendment.

The Committee continued its sitting *in camera*.

Following debate, on motion of Mr. Quelch,

Resolved,—That the report to the House on Bill No. 278 include the following:

The Canadian Legion, B.E.S.L., submitted a brief to the Committee in which it recommended:

That the Department of National Defence make provision for members of the Armed Forces to contribute to unemployment insurance so that they may benefit from the Unemployment Insurance Act in the same manner as do industrial employees.

Your Committee suggests that this recommendation be given consideration by the appropriate departments of government.

At 11.50 o'clock a.m., the Committee adjourned to the call of the Chair.

Eric H. Jones,
Clerk of the Committee.

EVIDENCE

April 28, 1955.
10.30 A.M.

The CHAIRMAN: If the committee will come to order, we will now proceed. The first item of business is the submission to the committee of the fourth report of the sub-committee on agenda and procedure which is as follows:

Your sub-committee met at 2.15 o'clock p.m. on Friday, April 1, 1955, with the following members present: Messrs. Brooks, Gillis, MacDougall, Roberge and Tucker, and agreed to recommend:

That the Committee meet at the call of the Chair after the Easter recess to consider Bill No. 278, An Act to amend the Veterans Benefit Act, 1954, when it shall have been referred to the Committee, and to hear the Canadian Legion in regard to the said bill, and

That, as the Committee had already reported Bill No. 164, An Act to amend the War Veterans Allowance Act, 1952, to the House, the Federation of British Canadian Veterans of Canada be not asked to appear before the Committee but advised that if they desired to submit a written brief it would be laid before the Committee before it made its final report.

All of which is respectfully submitted.

Mr. CROLL: I move the adoption of the report.

Mr. GREEN: Mr. Chairman, is there not some better arrangement that can be made about the meetings? One meeting has been called this morning for 10.30, and another meeting has been called for 3.30 this afternoon. There are five different committees sitting today; the External Affairs committee is sitting three times, at 11.00 o'clock, 3.30 and at 8 p.m. That committee is of vital importance to all the members from British Columbia, because the Attorney General is there, and the Minister of Lands and Forests, and that meeting has been set up for several weeks. Surely there is some way in which the conflict of these committee meetings could be avoided. I notice that we have a very small attendance here this morning, and it is really quite impossible to do justice to the work unless some better arrangement can be made for the sittings of the committees.

I suggest that this committee could very well have held off its sitting until next week, and by that time much of this rush would have been over. The bill that is to be considered today does not become of any practical effect until the first of July, so there is no time element in so far as getting the bill through is concerned.

I realize that as chairman you have great difficulty in arranging these meetings, but I do suggest that an attempt should be made to secure a time when the meetings will not conflict with other meetings. I do not see why it is necessary for this committee to sit more than once a day. That means that the work is rushed through, and is not done as thoroughly as it might otherwise be.

Mr. GOODE: Mr. Chairman, may I support Mr. Green. I find myself in difficulty today. I had to withdraw from one committee because of the meeting this morning and the broadcasting committee is sitting this afternoon at 3.30. It seems to me we should be able to make some other arrangements on a bill that is most important perhaps, but about which there is no great hurry.

The CHAIRMAN: Well, gentlemen, I cannot recall exactly what discussion there was before the agenda committee, but the understanding was that this committee should be called as soon as possible after the bill had been sent to us. We have had this meeting scheduled for quite a period of time expecting that the bill would go through the House and be referred to us. Of course, these other meetings have been called, really, since we decided to hold our meeting. The reason I called two meetings today was that I had hoped in reporting the evidence to attach to it something similar to what was done last year asking that consideration be given to certain representations made by various veterans' organizations. I thought that if we actually reported the bill with the evidence, then the question would arise how we would do that. Later it occurred to me that as there is a conflict of committee meetings, if we put through the bill today, and report it, I do not feel there would be any objection if sometime when we had time to consider the final report we brought it in in some such form as reporting that we had held meetings, and had already reported the evidence to the House, and asking that consideration be given to certain representations that have been made in those submissions. I think probably we can do it in that way, and so if we get through the bill this morning we would not have to meet this afternoon. We could meet at a time suitable to everybody in order to make our final report. That is what I thought we might do, because Mr. Green and Mr. Brooks spoke to me yesterday about this conflict and certainly we wish to meet the convenience of the members in these matters.

The brief of the Legion is very short as is the brief of the other organization that wishes to make representations. The agenda committee decided they would not ask them to appear before us personally but if they submitted a brief it would be put on our record. The bill is actually quite short, and therefore I thought if we got through this morning, all well and good, and if we did not get through this morning, we might meet sometime tomorrow instead of this afternoon.

Mr. HOSKING: Mr. Chairman, I appreciate fully the difficulty there has been with three committees meeting every day this last week and the week previous. It seems that someone is always being hurt by these committee meetings coming on top of one another, and I would like to point out that it is likely that the Minister of Trade and Commerce will be speaking and it is hoped that the very important committee being set up on atomic research will be busy the week following this and I do not think we should delay. I would suggest that we proceed. We should not have left it so long so that it conflicts with other committee meetings. I do not think anything can be gained by allowing all the committee meetings to drag back and back and crowd in on top of each other especially at a time when the sittings in the House are becoming so important. When we reach the discussion of estimates most of the members want to be in the House and not sitting on committees. I think we should get this over with and try to finish up before the next month or so, at which time we will be tied up in the House.

Mr. MACDOUGALL: Will you make a motion to that effect? I will second it.

The CHAIRMAN: The motion before the committee is to adopt the report of the subcommittee on agenda and procedure. If there is any great objection, we will not meet this afternoon, and if there is any great objection we will not meet tomorrow; but we have already met here, and the agenda committee report simply means that we should confirm our meeting here.

Hon. MEMBERS: Agreed.

Mr. GREEN: With regard to tomorrow, I would again point out that there are three meetings of the External Affairs committee tomorrow, and also a meeting of the broadcasting committee.

The CHAIRMAN: Mr. Green, I said that we will not meet tomorrow unless the committee is agreeable to meeting. All I am suggesting is that this report of the agenda committee be approved because it confirms our meeting here today.

Hon. MEMBERS: Agreed.

The CHAIRMAN: It is carried?

Hon. MEMBERS: Agreed.

The CHAIRMAN: We now have Bill 278 referred to this committee, and the Canadian Legion have asked to make a supplementary submission with regard to it. Mr. T. D. Anderson, general secretary, Dominion Command, Canadian Legion, B.E.S.L. is here to present the brief. I will ask Mr. Anderson to make the submission.

Mr. T. D. Anderson, Dominion Secretary, Canadian Legion, B.E.S.L., called.

The WITNESS: I would like first of all to express our thanks and appreciation for the opportunity of again appearing before you with this supplementary brief. Without further delay I will proceed to read it. You will note that the brief is rather short.

RE: UNEMPLOYMENT INSURANCE—ARMED FORCES

Recommendation

That the Department of National Defence make provision for members of the armed forces to contribute to unemployment insurance so that they may benefit from the Unemployment Insurance Act in the same manner as do industrial employees.

Comment

When the Veterans Benefit Act is amended in accordance with Section 2 of Bill 278, members of the armed forces who enlist after July 1st, 1955, will not be eligible to draw unemployment insurance after discharge.

There will unquestionably be a number who will be discharged for medical and other reasons from time to time, many of whom will be employable and not in receipt of either superannuation or a disability pension. Ex-service men and women in this category particularly will stand to benefit by any plan which will make it possible for them to draw unemployment insurance benefits.

In addition there will be a number who will leave insurable employment to enlist, and in most cases they will lose all entitlement to benefits during their term of service. This consideration may well be an important factor when the individual is deciding whether or not to enlist.

On the basis suggested the service man and the department would contribute equally, while the government would contribute one-fifth of the combined contribution of both.

The WITNESS: That, Mr. Chairman, is the submission, but before I take my seat I would like to take this opportunity to express thanks and appreciation to yourself and the members of this committee for the good work you have done in the interests of veterans over the years. I know I can do so on behalf of all members of the Canadian Legion. Many of the members who are here today have served on this committee for a good many years, and we want you to know that we deeply appreciate the sympathetic, kindly and sincere interest which you have at all times shown in the welfare of Canadian veterans and their dependents.

The CHAIRMAN: Are there any questions which any member of the committee would like to ask of Mr. Anderson?

Mr. GILLIS: Have you talked to any of the members in the services who may be affected by this bill as to whether or not they are willing to make that contribution? A great many of them are rather skeptical about taking more off their pay cheque.

The WITNESS: I think that is true, Mr. Chairman. Naturally, we have not been able to contact any large number of them. We are thinking, as the Legion almost invariably does, of those people who are likely to find themselves being discharged, as I say in the brief, for medical reasons and so on. They, after all, are the people in whom we are interested. There is no question about it; there will be a number, as there are in all phases of employment throughout the country, who will not be too fond of the idea of contributing to this fund, but by and large I think I can say that we have the interests of the unfortunate people in mind in suggesting this.

Mr. GOODE: You do not set a time limit in regard to this first paragraph of comment. According to this, a person could join the armed forces and leave the following day, or perhaps within two weeks, and he would still be able to draw unemployment insurance; is that what you mean? Are you including that group of people? You set no time limit as far as enlistment is concerned.

The WITNESS: We are putting them in exactly the same category as an employee in any other industry, are we not? We want them to have the same benefits.

Hon. Mr. LAPOINTE: You would want the same conditions that apply to ordinary civilian employees—

The WITNESS: That is correct.

Mr. GOODE: It did not say that in the brief.

Mr. MACDOUGALL: There is no compulsory feature about this, is there?

Hon. Mr. LAPOINTE: I do not see how you could possibly let some come in and keep others out. When you bring a certain class in under the Unemployment Insurance Act you bring the whole group in.

Mr. BENNETT (*Grey North*): Have you taken into consideration the fact that the army, the air force and the navy deduct 5 to 6 per cent at the present time from the pay of people who serve which, if they stay in for a long period, is applied to their pension, but which, if they get out, let us say, in five years, is given to them in a lump sum, with the result that an officer at the end of the five-year term could receive a payment of \$3,000, and a private, a payment of \$1,000 to \$1,500, plus the fact that they get a longer period of leave with pay at the end of the term amounting to many days. Those benefits I think would amount to much more than ordinary unemployment insurance. I was wondering if the Legion had taken cognizance of those two benefits that do apply to the armed services, when they submitted this brief?

The WITNESS: Yes, we are of course aware of the superannuation benefits available to them on discharge or release, but that still does not completely protect the individual who for medical reasons has to be discharged a year or two after enlistment.

Mr. BENNETT (*Grey North*): Would he be entitled to unemployment insurance if he was not able to work?

The WITNESS: If he were in insurable employment previous to his enlistment.

Mr. MACDOUGALL: Do we judge from this that it is largely for the protection of the short-term servicemen?

The WITNESS: Yes, I think, frankly speaking, that is the group which would benefit to the greatest extent by this. A man who makes a career of the armed forces and stays in until he comes to the period when his superannuation will pay benefits will actually lose, as a matter of fact.

Mr. CROLL: Those short-term people are a great minority, are they not, as compared to the great majority who appear to resent making a contribution which they are not likely to get back; is that not the situation?

The WITNESS: At the moment, Mr. Chairman, I think that is correct; in fact, I know it is. We do not know what the situation is going to be in the next five to ten years, however. All of you here can remember the days when the armed forces were reduced to an irreducible minimum, and a good many people were thrown out. Jobs were difficult to find, and there was no protection for that group which was discharged at that time. At the moment it would not appear that that is likely to happen, or that that situation would likely be repeated in the foreseeable future, but it could happen.

The CHAIRMAN: The minister is not a member of the committee, but he has indicated that he would be prepared to make some observations. Is it agreed that he be heard?

Hon. MEMBERS: Agreed.

Hon. Mr. LAPOINTE: Actually Mr. Chairman, I did not wish to make observations, but I did want an opportunity to question Mr. Anderson. I think my points have been more or less covered by the previous questions. What I had in mind was that the Veterans Benefit Act gave the unemployment insurance to members of the regular forces who were enlisted for not more than three years. In other words, if a member of the regular forces further re-enlisted after his three years, this privilege or benefit did not exist any more. Now, I cannot help thinking, as Mr. Gillis and Mr. Croll have pointed out, that the majority of the members of the armed forces who join the forces to make a career of it and who re-enlist after their three-year enlistment period is over—at least, I believe in the case of the army this is so, but the period of enlistment is longer in the navy and air force—

Mr. ANDERSON: Five years.

Hon. Mr. LAPOINTE: Yes, five years—that these people would be rather reluctant to contribute, because they intend to stay there and make a career of it. They are aware of the benefits they receive under the Defence Services Pension Act to which Mr. Bennett referred. Under the terms of that Act, after a certain number of years in the service, if they are discharged for any reason whatsoever, they will draw a pension to which they have contributed, and would probably not be called upon to draw any benefits under the Unemployment Insurance Act. I cannot help thinking that the majority of the regular armed forces would not want such a scheme because of the different conditions of service which exist there as compared to civilian employees. That is my personal opinion.

Mr. ANDERSON: I think what the minister has said is true. I think it is also true to say that no one who feels that he is in a permanent position wants to contribute to unemployment insurance benefits, but the reason the fund is there is because no one is certain he will be permanently employed. I do not know how far you want to extend this or how far you think it should be extended; it is a question and one that has certainly never been definitely decided in any quarter up to the present time. I believe the minister may have been suggesting that perhaps we could have this apply to the people who stay in only for the first three-year period, is that correct?

Hon. Mr. LAPOINTE: Either that, or a set term. I think the entire suggestion is worthy of consideration but I was thinking of some of the difficulties that might be in the way.

Mr. ANDERSON: I do not think it would be satisfactory but on the other hand it would not protect the group I mentioned in answering Mr. Croll's question; that situation arises where any large numbers are let out. They might be people who were only in for a short period of time and if that situation

arose we would have a serious unemployment situation. It is a matter of deciding what is the best policy, and it would depend on what would happen in the future, because the future is always uncertain.

Mr. BROOKS: When this matter came up in the House on second reading I recommended what Mr. Anderson is recommending this morning, and it pleases me to think that great minds sort of run along the same channel. I felt it established two classes in the army, for one thing. Before July 1 all those who enlist will have the benefit of this unemployment insurance. After July 1, of course, those who enlist will not have that benefit. Also, one of the arguments which seemed sound to me was that these men should be treated the same as civilians. This is employment for the soldier. He is a soldier and this is his employment. The civilian has the benefits of the unemployment insurance when he ceases to be employed. I think that when a member of the armed forces, once he decides to give up his employment, if it is only three years, should be treated the same as a civilian and should not be asked to go without employment for some time and without some benefits. Mr. Bennett spoke about the contribution they make and receive back from the pension fund. That is their own money. They paid it in and they get it back. That money has been paid in by these men themselves and I do not think that comes into the picture at all. I realize that there are quite a few arguments against contributing to unemployment insurance. For instance, Mr. Gillis spoke about the men not caring to contribute and I think Mr. Anderson answered him adequately—the contributions are made by the government.

Mr. GILLIS: I did not say they did not care to contribute. I asked if he had checked with any of them to ascertain if they wanted to contribute.

Mr. BROOKS: I do not think there is any great objection to it; I have not heard of any.

Mr. GILLIS: That is simply because they do not know anything about it as yet.

Mr. BROOKS: I do not think there has been any great objection. I can see, as Mr. Anderson has pointed out, that there are some advantages and to my mind the advantages outweigh the disadvantages. I would be in favour of giving serious consideration to the Legion's brief.

Mr. HARKNESS: I wish to make one observation. To me the army is a profession and I think we should be very careful about what we are asking these boys to do—those in the army. I am all in favour of this thing. If they want it by all means let us do it. However, every time I go into a bank and start discussing the question of unemployment insurance with the bank manager and the accountants they inform me that there never has been and that there never will be an unemployed bank manager. They ask why they should contribute to unemployment insurance when there is little or no chance of their getting anything out of it. I think the majority of those in the service would take the attitude of the bank managers.

It is the policy in banks across the country, and I think it is only right, that the banks very carefully weed out in the first year or two of employment any employees who are likely to be unemployable, and they do not let them stay, but once you are in a bank—

Hon. Mr. LAPOINTE: You are stuck!

Mr. HARKNESS: —it would be similar to the army attitude. They might not like paying the dues very much, but the army also weeds out in the first short period the ones who are likely to be those who would require unemployment insurance, and the boys that stay are there for the full period of time. I could see them taking the attitude, "I will never draw a cent of this; why

should I contribute?" Like Mr. Gillis, I feel that as long as they are in favour of it, let them have it, but I would ask that a very careful study be made of what the actual situation is.

Mr. GILLIS: If you are going to make a deduction from someone's pay envelope, you should be pretty sure he is agreeable to it. In respect to his pay the soldier is not exactly in the same position as a worker in industry. To start with he has his assignment of pay to his wife, which is quite substantial. Also, he has a 5 per cent to 6 per cent deduction for superannuation purposes, and if he is going in the regular forces and intends to make that his permanent employment, another deduction is made which is merely a contribution to the fund. I think he is likely to object to this unless he has been consulted. Most of the veterans I meet today with whom I discuss the question of separated family allowance, protest the amount they have to assign their families. As far as I am concerned, as I see the Legion's recommendation, it is a good thing for the fund. I also agree with him that no one likes to pay if he feels he has no chance of benefiting by it.

I think if you were to take a poll among the railroaders you would find that they resent paying unemployment insurance, because they say, "We will never be unemployable." In relation to the members of the services, I think if you cut them off at three years and protect them for a three-year period, that would be the thing to start with. And then if the other thing which Mr. Anderson anticipates comes up, it could be changed. I think that if you want to get your foot in we should have a cut-off date after three years.

Mr. QUELCH: It was mentioned that if you have a cut-off date in July, it would be discrimination against the soldier who has to contribute and he would undoubtedly feel that he was being discriminated against. The one who wants to contribute and is not allowed to do so, would also feel that he is being discriminated against, and in that event all the soldiers would feel they are being discriminated against. I feel that until there is a definite opinion expressed by the soldiers themselves we should continue the contributions as they are at the present time, and if a growing volume of protests start to come in—and the army is never hesitant in beefing if they feel strongly about a subject—then that would be the time to cut off the unemployment insurance.

An Hon. MEMBER: What is the contribution at the present time?

Hon. Mr. LAPOINTE: There is no contribution made by the personnel. The Department of Veterans Affairs pays into the fund an amount which constitutes both the employers' and the employees' contribution by making a contribution of 96 cents a week for each man as he is being discharged. The contribution is made for the men being discharged.

An Hon. MEMBER: At the time of discharge?

Hon. Mr. LAPOINTE: Yes.

An Hon. MEMBER: In other words, what has been said here about contributions from the armed services personnel does not apply?

Hon. Mr. LAPOINTE: No, it would not.

Mr. GILLIS: I did not say he contributed to this fund. It is to the superannuation fund, which is a different thing altogether.

Mr. BENNETT (*Grey North*): Has the Legion any objection to Bill 278 in its present form?

Mr. ANDERSON: No, except that we would like to see these people protected in some way—again I am referring to people who are likely to be released for medical reasons and so on. We certainly have had no serious objection raised by anyone to any of the features of the bill. Before I resume my seat,

I should like to say one more word. With regard to the suggestion that the viewpoint of the members of the armed forces should be ascertained, it would be desirable to obtain their opinion if there was any manner in which that could be done; we would be very much in favour of it. We are not anxious to bring about anything which the armed forces would not want. We simply feel that it would be an advantage to them and that is the only reason we suggest this. If the suggestion is overwhelmingly opposed by the members of the armed forces themselves we would not consider it.

Mr. QUELCH: I should like to ask the minister if it would not be possible to hold this in abeyance until the opinion of the soldiers has been obtained.

Hon. Mr. LAPOINTE: I hardly think so. As you know, these benefits were extended to the members of the regular forces at the time of the Korean conflict. It was brought in in this manner because of the changes in the composition of the 25th brigade in Korea which started off by being a brigade regarded as a special force on 18 months enlistment for the purposes of the Korean campaign. Eventually the special force as such disappeared through the members of it being either discharged upon termination of their enlistment, or through disability, or voluntarily transferring to the regular force, and signing an enlistment for a three-year period in the regular force. Therefore, the whole of the Korean force was eventually composed of members of the regular force, and this amendment was then brought into the Veterans Benefit Act, so that we could give the people who enlisted to go to Korea and serve there the same privileges as had been given to the members of the original special force and to World War II veterans; but through the change in the composition of the force, all these people were now regular force, and the amendment was made in the manner in which it now appears in the Act. It was never the intention that members of the regular forces who enlisted at any time and served in peacetime, and who might never be called upon to serve in a theatre of operation, should enjoy benefits under legislation designed for veterans who served in a theatre of operation; that is why this amendment is being brought in. None of these people are in a theatre of operation any longer. The reason the cut-off date has been placed on the first of July, 1955, was in order that everyone who enlisted into the regular force would have due notice that this benefit would cease on the first of July. Undoubtedly it would mean that for a short period, there will be, as Mr. Brooks pointed out, some members of the force to whom this Act will apply, and others to whom it will not, but that applies in many other cases in the armed services. One illustration which occurs to me, for instance, is the Defence Services Pension Act. Their conditions of pension are different depending on the time at which they joined the regular force. The old timers who might still be in the defence services have conditions of pension which are different from those who enlist now. That is bound to happen in view of changing conditions of service in any armed service.

The CHAIRMAN: As I understand it, Mr. Minister, the idea is that we are taking away from the Department of Veterans Affairs any obligation they have to contribute—to, in effect, at present, a peace-time occupation—and what may be done with regard to unemployment insurance it is thought should be left to the Department of Labour and the Department of National Defence. That is, it is their business, and we should not mix in it as the Department of Veterans Affairs. It seems to me that is a reasonable attitude to take. I remember very well when this unemployment insurance scheme was being set up and the suggestion was made to bring bank employees into the scheme. They said, "This is a scheme to help support the fund, and not to help us." Members of the armed forces might feel the same way about it. I am quite satisfied if this is carried, and everyone is under unemployment insurance who is in the armed

forces in peacetime the question would be asked why the government should contribute in respect to people in the armed forces when they do not contribute in respect to people in other occupations.

Mr. GILLIS: Fishermen, for example.

The CHAIRMAN: —and it would be said if they are going to be under the scheme, they should contribute to it. It seems to me before getting into the position of getting them in the back door in this way we should remember other similar groups did not want to get into it because they figured it was a scheme to help them carry the plan. It would be better for the Department of Veterans Affairs to withdraw as proposed, and leave it up to the armed services themselves, and the Department of National Defence and the Department of Labour to decide what they wished to do about unemployment insurance. I feel that the Department of Veterans Affairs are quite right in saying that it should not be under the obligation of appropriating money to look after people who are serving in peacetime armed forces. This department's job, I think, is to look after veterans who served during periods of wartime.

Hon. Mr. LAPOINTE: That is right. I might point out one thing which I mentioned yesterday in the estimates committee, and I may be permitted to repeat it here. One should recall the reason why unemployment insurance was brought into the Veterans Benefit Act. After World War II veterans who upon being discharged were unemployed, could draw what was called at that time "out of work allowances" which were benefits of about, I think, parallel amounts to the benefits to be drawn under the Unemployment Insurance Act. When the Korean conflict developed and the special force was raised, the government, as it will be recalled, was committed to give to the men who served in Korea the same advantages and benefits as had accrued to the veterans of World War II. However, as regards the out of work allowances, experience following the post World War II period had shown that those could be best administered through the offices of the unemployment insurance, and a very close liaison had to be maintained with the unemployment insurance office and the administration of the out of work allowances. In fact they were the ones who were called upon to do the work. Following a conference and a discussion between the authorities of the two departments, we arrived at the conclusion that by far the most efficient and practical way to give the Korean veterans benefits similar to the out of work allowances following World War II, was to have the government contribute into the unemployment insurance fund on behalf of each one of the men who were serving in Korea, and upon their being discharged to provide them with benefits under the Act. At all times, it was intended to be for people serving in Korea—in a theatre of operation—and it was not to be considered as a condition or term of service for people of the regular forces serving in peacetime because it would not have come under the Veterans Benefit Act or the jurisdiction of this department. It seems to me that this amendment is purely a question of putting our house in order.

Mr. HARKNESS: Apart from a man serving in a theatre of operation, we are in a period of what is generally called "cold war" and these people may be in an area of operations at any time. Also, I think we have to bear in mind that there are two general classes of men in the armed forces. One class might be called straight professional soldiers, people who intend to make the armed forces a career. When their first term of enlistment is up, they promptly re-enlist for a second, and then a third time, and so forth. The other group is composed of people, mostly young fellows, who put in their first three years. Perhaps they are discharged during that period for various reasons. It may be because the army does not think they are going to be good soldiers or it may be because of reasons of health or something else. Many of them at the end of three years have decided they do not want to make the army a career and

they do not re-enlist. The number of these people is quite considerable and I think they need some protection such as unemployment insurance or something else. I am not aware of the actual number of discharges from the armed forces last year—in 1954—but I think it was something like 10,000 or 15,000.

Hon. Mr. LAPOINTE: It was about 13,000, I think.

Mr. HARKNESS: —and that was the year after which all the people who specially enlisted for Korea either re-enlisted or got out. That was a year in which the Korean situation did not apply at all.

Hon. Mr. LAPOINTE: Yes, it did apply, Mr. Harkness, because it was a year when some of the special force who had transferred to the regular force saw the termination of their three-year period of enlistment in the regular force.

Mr. HARKNESS: There must have been few of those because the regular force people joined up in 1950. In any event, many of them were people who had not joined up for the Korean force but for the first term of service and they were discharged. Therefore, we have a very considerable number who are discharged from the armed forces every year—the minister indicated about 13,000 out of a total of about 100,000 all told. You see, that is a high percentage, and it seems to me under those circumstances that the people who serve for three years or less should be protected. I am inclined to agree with the proposal I understood Mr. Gillis to put forward that people should be protected by unemployment insurance during their first three years of service. Once they have joined up for a second or a third term then it could be removed if it is known that they intend to make the army their career and they do not need the unemployment insurance. The people who are serving their first term do need it, I think, and it seems to me that it would be proper to work something out to protect them.

Mr. MACDOUGALL: Mind you, I am not at all adverse to the suggested amendment to Bill 278, but I am very strongly of the opinion which was expressed by Mr. Harkness. I know that in the bank where I have my overdraft, they always tell me that we are a bunch of so-and-so's because they have to contribute to unemployment insurance. I do not make this motion in order to kill the situation at all, which is generally the term that is applied when you move that a bill or an amendment be given a six-month hoist. It seems to me, however, that what Mr. Quelch has said is applicable in many cases across Canada. As members of the House we all realize that it is pretty tough on occasions to impose contributions on either civilians or servicemen without having some idea as to how that imposition is going to be accepted by those who have to pay the shot. Surely through the various branches of the services some idea could be ascertained before this time next year as to how the servicemen feel with respect to this measure.

What my good friend Mr. Harkness said is true to an extent. We will say, for instance, about 10 per cent of the armed forces are discharged for various reasons before the expiry of their three-year period.

Mr. HARKNESS: Most of them just do not re-enlist after the three-year period.

Mr. MACDOUGALL: Yes, so I would move, Mr. Chairman, particularly in the light of Mr. Anderson's statement that Bill 278 is a good bill, and that this objection is, at the moment, not one that we can be too dogmatic about; I would suggest, sir, or rather I move—will you second it Mr. Quelch?—that the amendment as suggested concerning unemployment insurance for the armed forces be given a six-month hoist.

The CHAIRMAN: I am not certain what you mean, Mr. MacDougall. Are you suggesting that the bill itself be given a six-month hoist?

Mr. MACDOUGALL: No, just the amendment suggested by Mr. Anderson.

The CHAIRMAN: I simply put this out as a suggestion. The bill is in front of us and in reporting the bill we might suggest that some consideration be given by Labour and National Defence to the question of applying unemployment insurance to those who have had a period of short service in the army or something along that line. I do not see any reason why we should not suggest that the matter be studied and that the wishes of the armed forces be ascertained and that the whole thing be treated as would be the case with any other group who, it is felt, should be brought under unemployment insurance.

Mr. MACDOUGALL: That is precisely what I said, Mr. Chairman; precisely what I said.

The CHAIRMAN: I see. Then I see no reason why we should not consider this as part of our report in reporting the bill.

Mr. DINSDALE: I understand that with reference to unemployment insurance that any group of government employees can have themselves included in the program if they express that desire, is that correct?

Hon. Mr. LAPOINTE: I am not too familiar with the complexities of the Unemployment Insurance Act, but I do not think the mere fact that a group of employees express the desire to become insurable, guarantees that they become insurable. It calls for an amendment to the Act.

The CHAIRMAN: To the regulations under the Act.

Hon. Mr. LAPOINTE: Yes, it calls for an amendment to the regulations. That is the class of employees who can benefit under the Unemployment Insurance Act is determined by the regulations passed under the authority of the Act.

Mr. DINSDALE: Those regulations could be changed?

Hon. Mr. LAPOINTE: Oh yes, but the mere fact that a group of employees expresses a desire to become insurable when they are not insurable does not mean that this request is automatically granted.

Mr. DINSDALE: Oh no, they have to negotiate, of course.

Hon. Mr. LAPOINTE: But the civil servants do come under the Unemployment Insurance Act up until the time they are superannuated.

Mr. DINSDALE: This might be a good topic for discussion in the Current Affairs Bureau Department.

Mr. QUELCH: I think that would be the best solution, if we could make it optional, and allow the decision to rest with the soldiers as to whether or not they need it and then no one would have any grievance, but it would require a change in the Unemployment Insurance Act before that could be done.

The CHAIRMAN: This simply removes the Department of Veterans Affairs from the position of contributing to the fund on behalf of peacetime soldiers which is recognized as being unfair when we are not doing it for anyone else. In other words, everyone who comes under the Unemployment Insurance Act pays his own share of the cost of it, and the idea is that the Department of Veterans Affairs should not continue to pay the share of people serving in the peacetime army because there are lots of people who probably need that help just as much who are paying unemployment insurance. There is nothing to prevent the people in the armed forces making representations to be brought under the Act, and the Department of Labour then recommending a change in the regulations to bring them in subject to such conditions as have been mentioned. The only purpose of the bill is to obviate the necessity of the Department of Veterans Affairs doing something for the armed services in peacetime which it does not do for people in other occupations.

Mr. PHILPOTT: I suggest that we get on with the clause by clause discussion of the bill, and leave this discussion until later recommendations.

The CHAIRMAN: I would make the simple recommendation that, as to persons serving in the armed forces, the question whether it is desirable that they be brought under unemployment insurance be studied.

Mr. MacDOUGALL: Could the situation not be handled in this way, Mr. Chairman, that we accept Bill 278, and in the acceptance of it ask consideration for the amendment that has been suggested.

The CHAIRMAN: In our report we can say that we recommend that consideration be given to the application of unemployment insurance to the armed service in peacetime. We could put that in our report as an additional paragraph when reporting the bill.

Some Hon. MEMBERS: Agreed.

Mr. GILLIS: I think we should be more specific.

The CHAIRMAN: Could we discuss that when we come to our report? At that time we could discuss how specific we should be.

I have a brief from the Federation of British Canadian Veterans of Canada. The brief deals with the War Veterans Allowance Act, the elimination of the means test prevailing in the War Veterans Allowance Act, the Re-instatement in Civil Employment Act and the Canadian Pension Act, but there is one clause that deals with the Veterans Benefit Act. I would like to read that clause, and get your consent to having the entire brief inserted as an appendix to the evidence? Is that agreed?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: I will now read paragraph 6 dealing with the Veterans Benefit Act:

The Veterans Benefit Act—The Federation is pleased, and content, with any new amendments to this Act which will benefit the veteran, but, from practical experience administering various sections of it the veteran discharged from the armed forces, or special forces is penalized for, at least, six months, after discharge, from making application for unemployment insurance benefits, if his discharge is for reason of misconduct. If he cannot find suitable employment after discharge the penalty creates a longer period.

That is their submission on this question.

Mr. GOODE: The only question about it is this. Are we going to have the record in time to bring in the report?

The CHAIRMAN: I have already read the paragraph that concerns the bill. What I had in mind with regard to war veterans' allowances was that I thought we would not be bringing in our final report until we were certain there was no further legislation to be brought in. So I did not have in mind consideration of that report until there was ample time to deal with it. You are a member of the committee, Mr. Lapointe?

Hon. Mr. LAPOINTE: No.

The CHAIRMAN: You have no objection to our deferring our final report until we are certain there is no further legislation?

Hon. Mr. LAPOINTE: No.

The CHAIRMAN: Now, we have the actual bill, gentlemen.

Mr. WHITE (*Hastings-Frontenac*): You explained that the Department of Veterans Affairs had been making contributions on behalf of the soldiers and that you wanted to remove this obligation from the Department of Veterans Affairs. If it is taken from that department, what department is then going to pay the contribution on behalf of the soldiers?

The CHAIRMAN: After July 1st, they will be in the same position as any other person in any other type of employment. If they want to be brought under the Act, they will have to make representation and persuade the Minister of Labour to recommend an order in council.

Mr. QUELCH: Who will make representations?

The CHAIRMAN: I suppose the armed forces themselves will make them.

Mr. QUELCH: And the Department of National Defence?

The CHAIRMAN: Yes, if they think their troops would like to contribute to the scheme, they will take it up with them themselves.

Mr. WHITE (*Hastings-Frontenac*): That means that the soldiers who are entitled to unemployment insurance now will lose their entitlement after July 1st?

Some Hon. MEMBERS: No, no.

Hon. Mr. LAPOINTE: Only those who enlist after July 1st will not profit. The Act is applicable to those who enlisted for only a period of three years.

Mr. WHITE (*Hastings-Frontenac*): About how much does it amount to?

Hon. Mr. LAPOINTE: The estimate for this year is \$1,365,000 on the basis of 1,100 payments per month at an average of \$100 per claim. In my mind, this is being paid by the Department of Veterans Affairs on behalf of the Department of National Defence.

The CHAIRMAN: Clause 1; carried?

Carried.

Clause 2, carried?

Carried.

Shall the preamble carry?

Carried.

Shall the title carry?

Carried.

Shall I report the bill without amendment?

Agreed.

The CHAIRMAN: Now in addition to reporting the bill, we can at this point discuss anything which we might include in our report when reporting the bill, and for that purpose we will now go in camera.

APPENDIX

BRIEF OF

FEDERATION OF BRITISH CANADIAN VETERANS OF CANADA

1. *War Veterans Allowance Act*—The federation is pleased to learn that the government intends, at the present session of parliament, to increase the basic benefits of this Act by twenty per cent, and amend respective sections of the said Act to the benefit of certain recipients eligible for the same. Since the Act was amended in May of 1950 to embrace the Imperial and Allied veteran, and widow, some 4,000 of these have been enjoying the benefits of the Act when the government introduced the domicility section in our favour—the culmination of several previous appearances before respective veterans' committees, commencing from

1944. This Federation is fully, and with content, organized on a national basis, representing fifteen thousand British-Canadian veterans (Imperial and Allied) of World Wars I and II.

2. The War Veterans Allowance Act is divided into two very important schedules: sections 3 and 4. In view of the fact that there are 41,000 receiving benefit under the Act, which includes veterans and widows, in 1954, only 1,300 have taken advantage of the benefits of section 4, thus, without prejudice, and with sound reasoning, in so far as section 3 is concerned it can become an Old Age Veterans' Security Act for all who are eligible, at the ages of sixty and fifty-five respectively.

3. Section 4, of the W.V.A. Act, was legislated to answer the appeal by various veteran bodies, and older veterans, to allow them the privilege of increasing their benefits by entering suitable employment on a part-time basis, without any compulsion to do so. It was an incentive. We propose to submit reasons from practical experience working daily with this section of the Act, in particular, why it is not working to a much more advantageous degree, than shown by statistics.

4. The Federation, therefore, recommends that the age limitation now prevailing in the Act should be lowered, for future applicants eligible, to the age of fifty-five, male only, and placed under section 4 for benefit on a month-to-month basis—reporting each week to the nearest National Employment Service office for suitable employment.

5. Elimination of the Means Tests—prevailing in the W.V.A. Act for all male recipients who reach the age of seventy years, and all females at the age of sixty-five.

6. *The Veterans Benefit Act*—The Federation is pleased, and content, with any new amendments to this Act which will benefit the veteran, but, from practical experience administering various sections of it the veteran discharged from the armed forces, or special forces is penalized for, at least, after discharge, from making application for unemployment insurance benefits, if his discharge is for reason of misconduct. If he cannot find suitable employment after discharge the penalty creates a longer period.

7. *Reinstatement to Civilian Employment—section of the Veterans Benefit Act*—Four major industrial and commercial corporations of national importance have requested that, during the hearings of the committee the comparison between theirs and the government's qualifications of the seniority standards are vastly opposite.

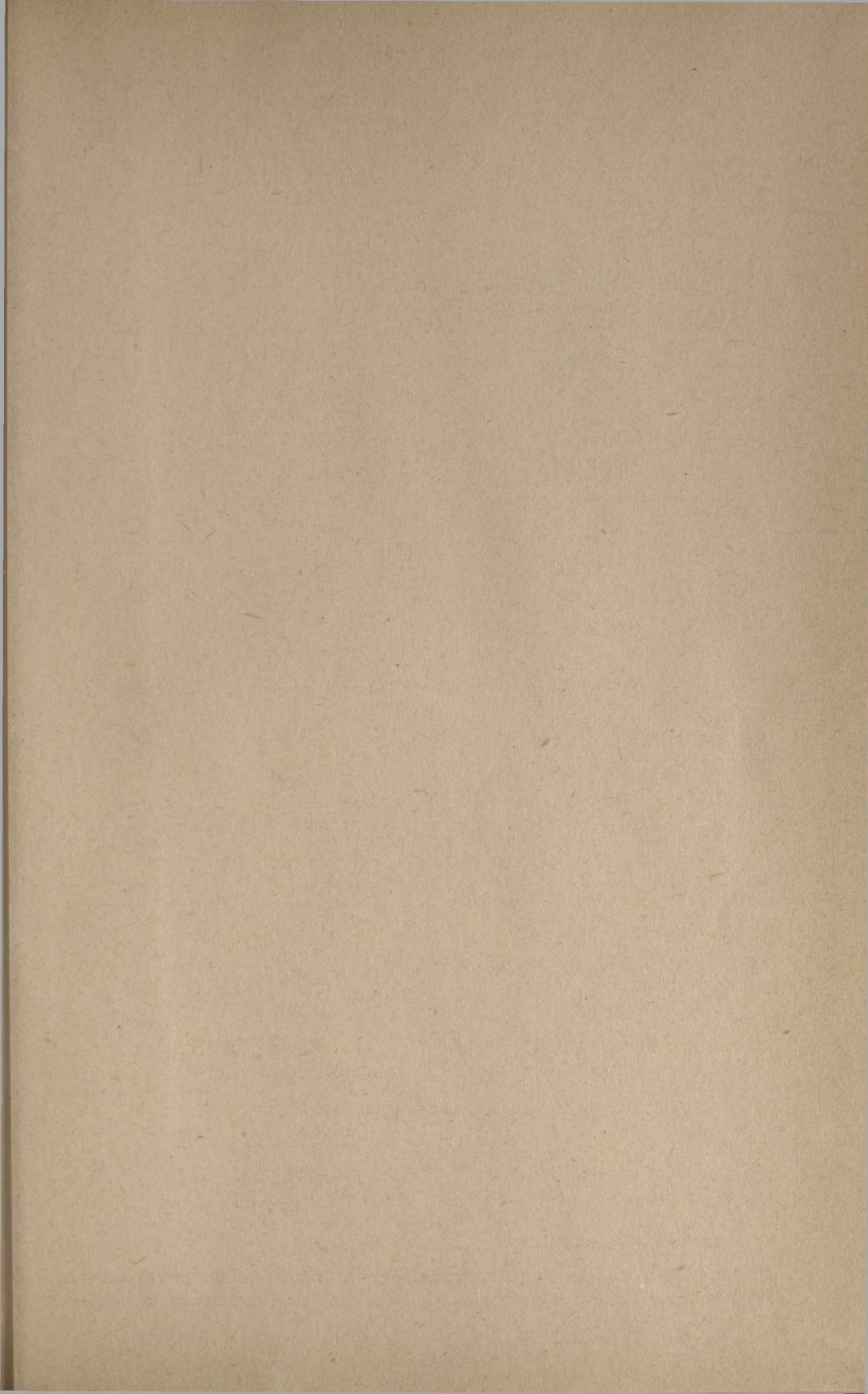
8. *The Canadian Pension Act*—The Federation is content with the regulations governing this Act, excepting section 25 of the same, dealing with awards for meritorious service. The degree of award to the veteran or his dependents is not regulated. From examples which will be submitted, we shall endeavour to show why it should be regulated.

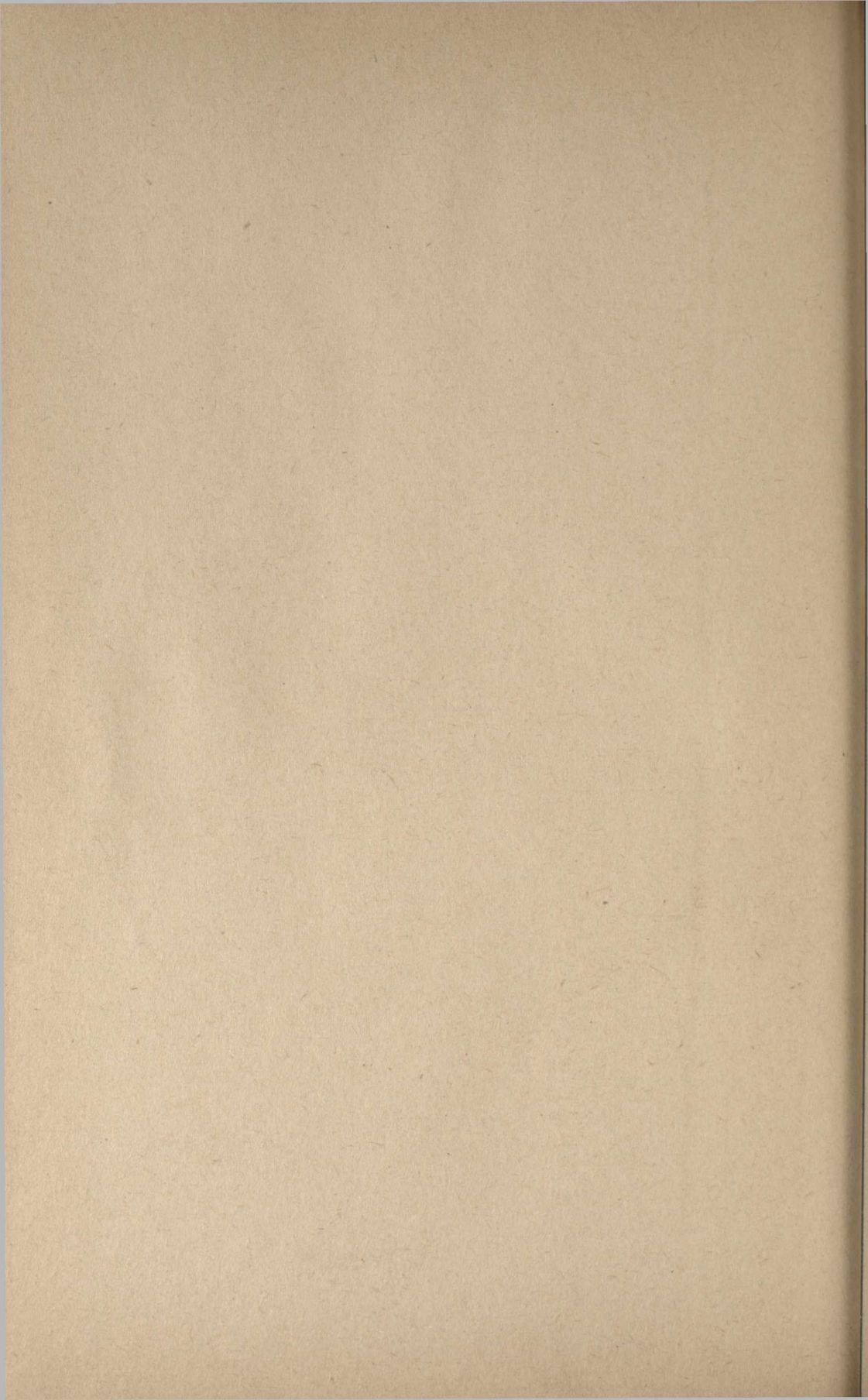
The aforementioned paragraphs contain the views, recommendations and constructive opinions of the entire membership of the Federation, and are, therefore, respectfully submitted to the parliamentary Committee on Veterans Affairs for hearing.

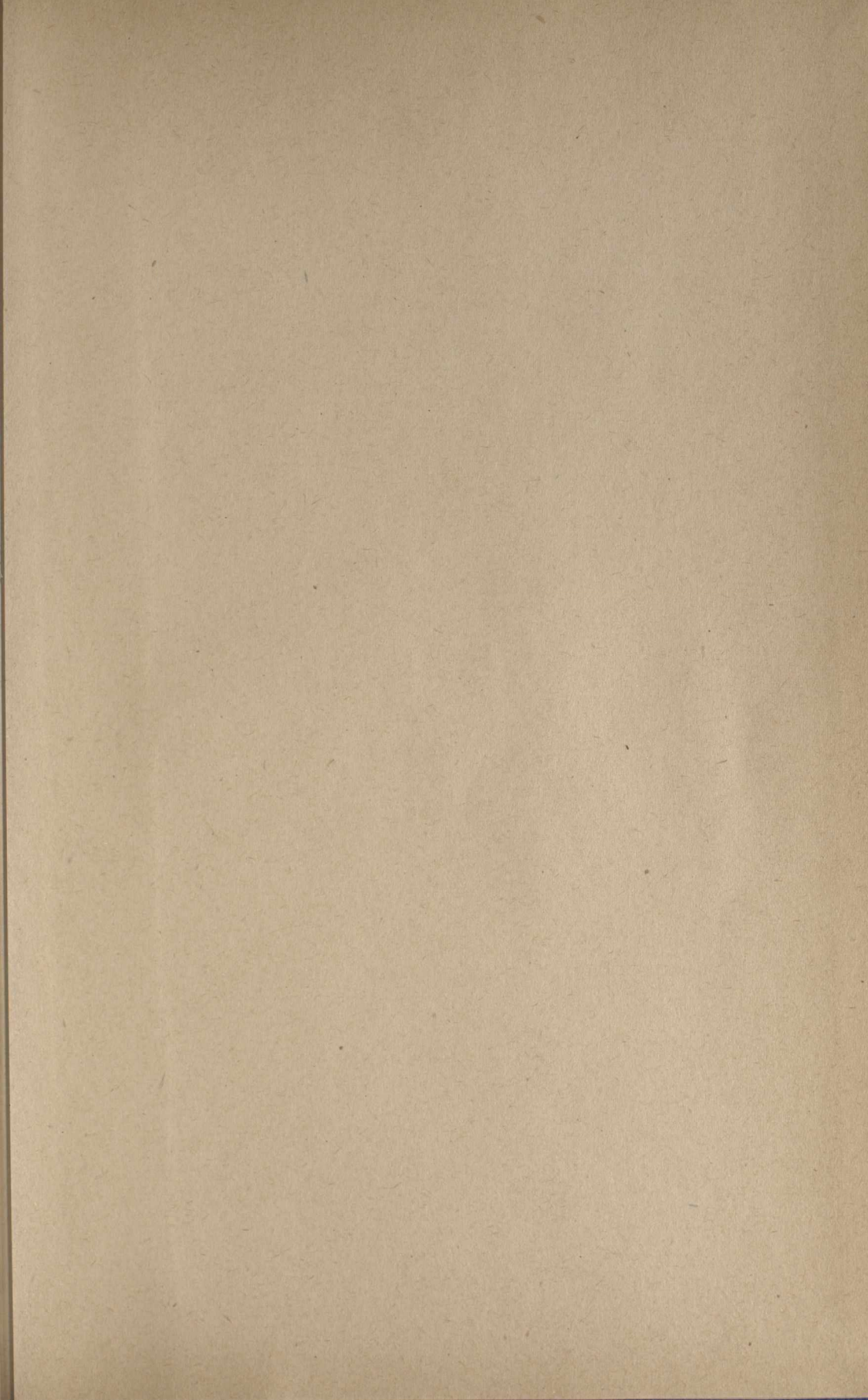
(Sgd.) Stephen G. Jones,
Past President—
Welfare and Pensions Officer.

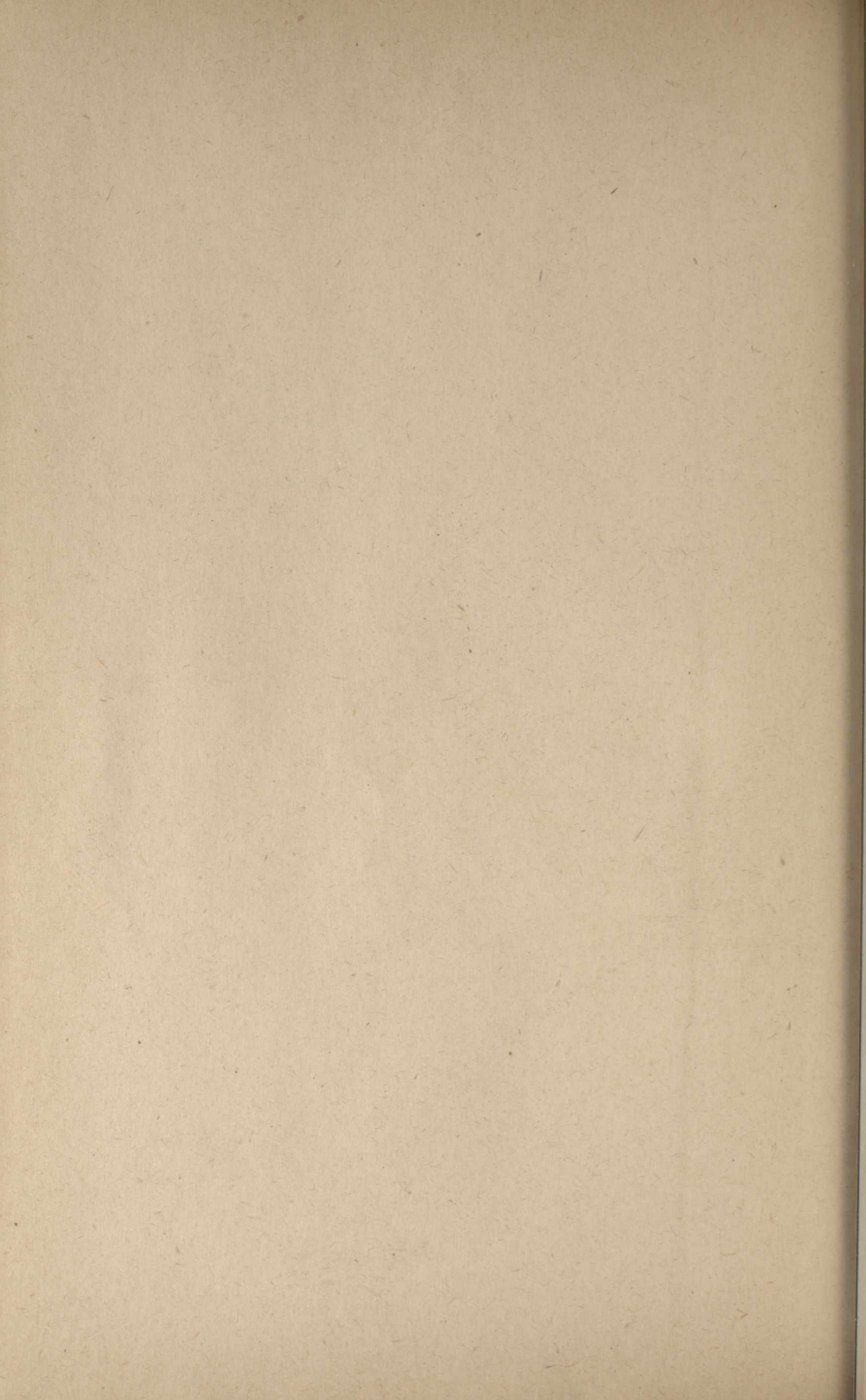
(Sgd.) Harry E. Woodhouse,
Dominion Command Secretary.

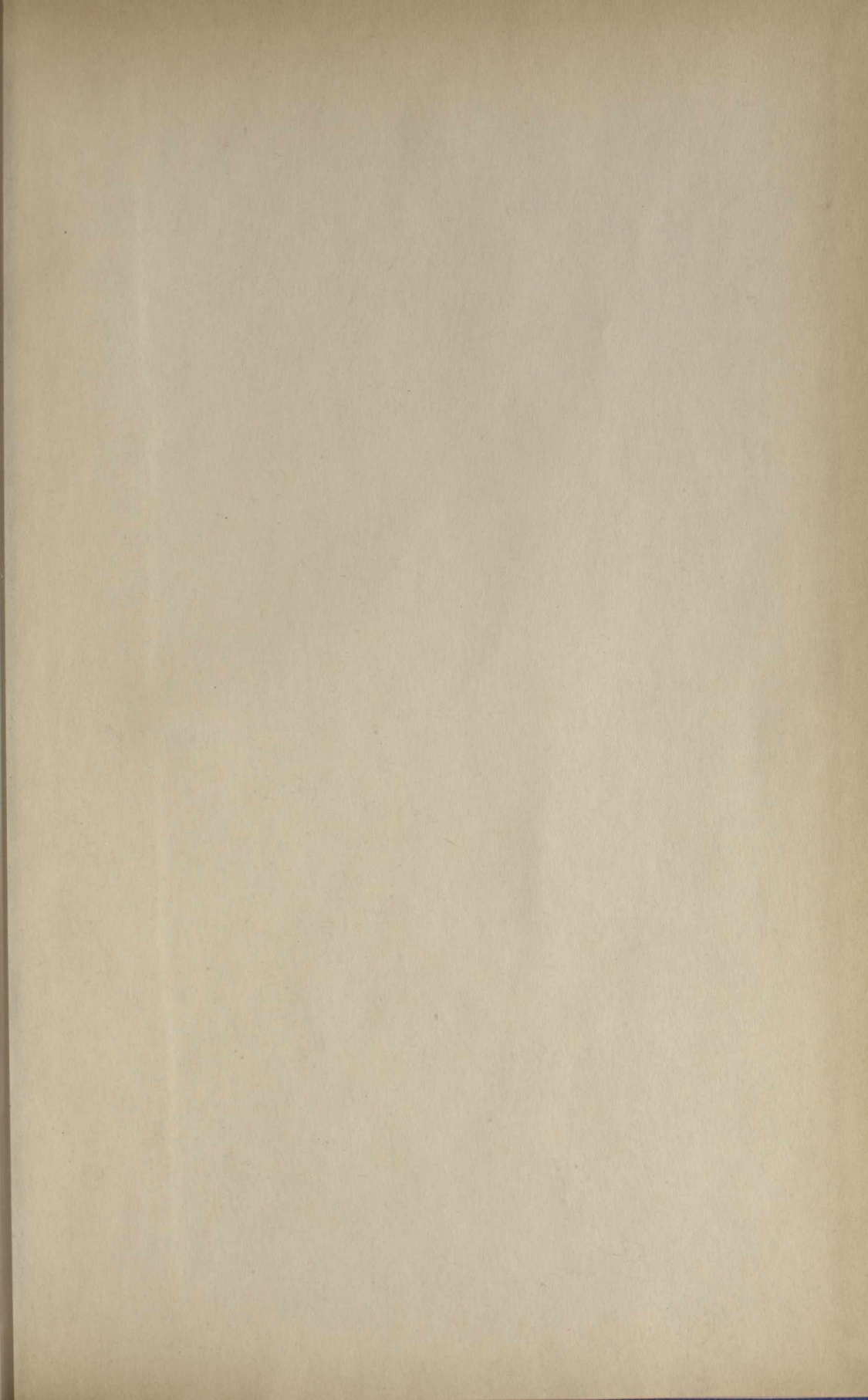
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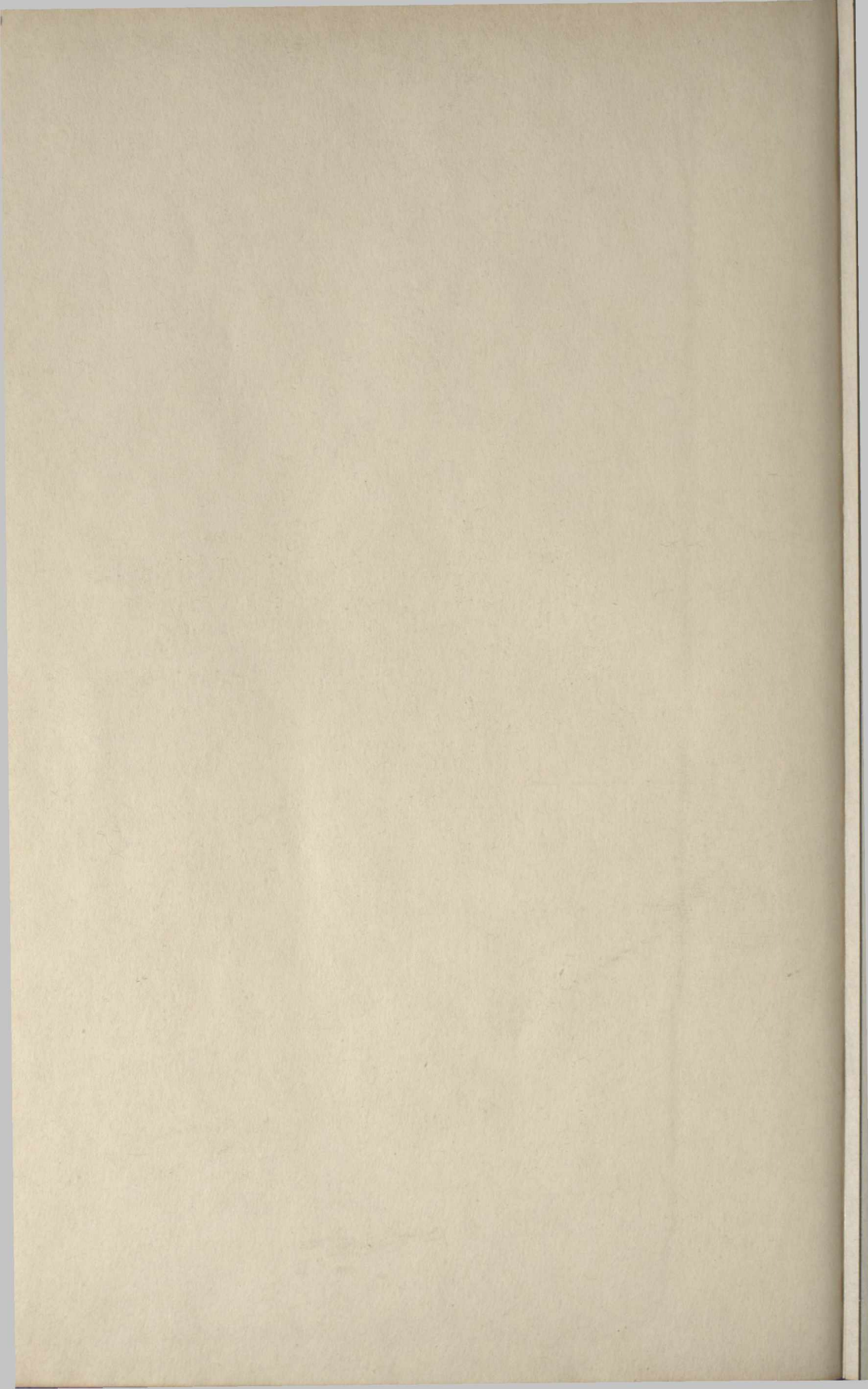


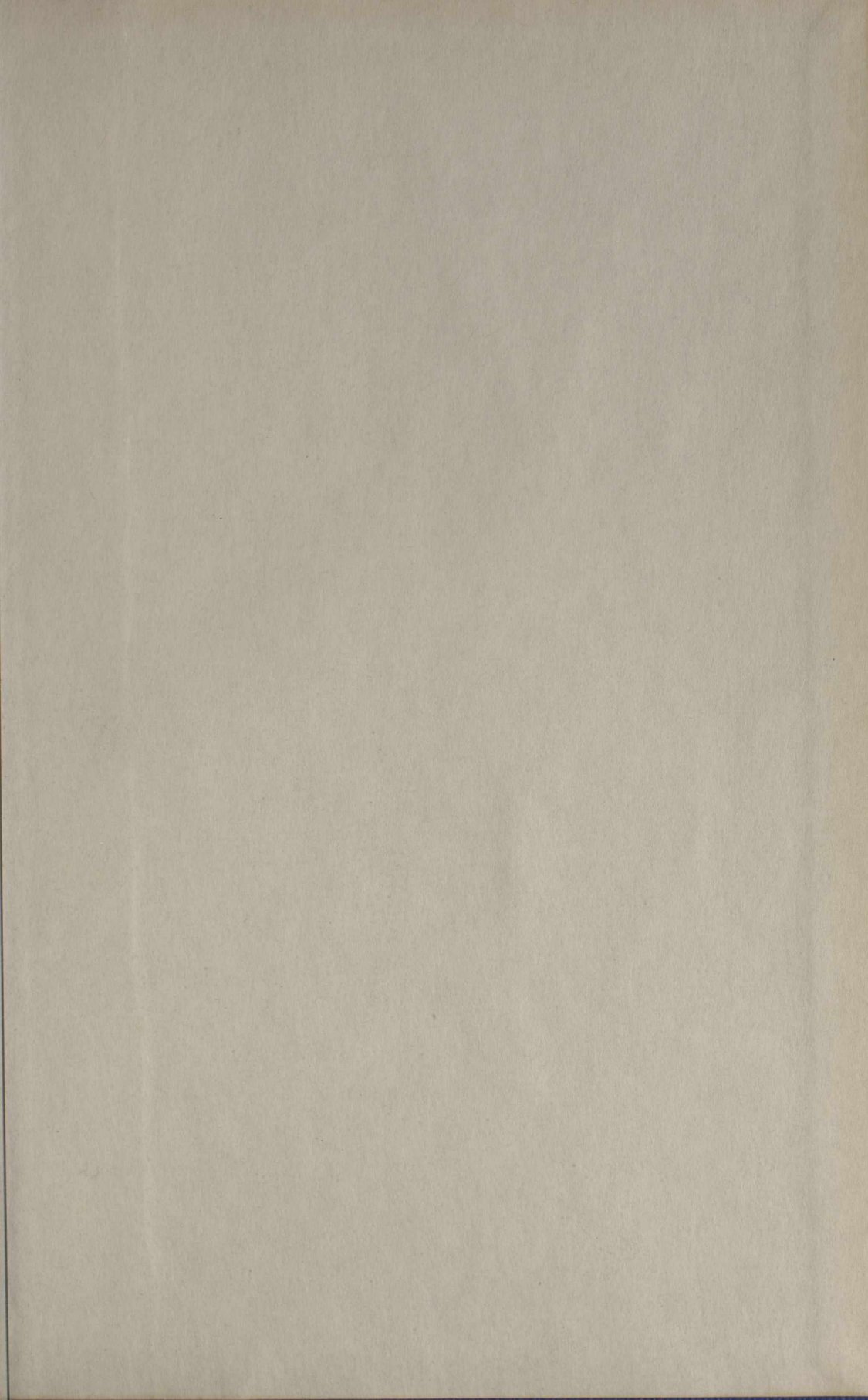












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