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SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

FRIDAY, FEBRUARY 28, 1941

TUESDAY, MARCH 11, 1941

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1941

MEMBERS OF THE COMMITTEE

Hon. CYRUS MACMILLAN, *Chairman*

Messieurs:

Abbott,
Black *(Yukon)*,
Blanchette,
Bruce,
Casselman *(Grenville-Dundas)*,
Casselman *(Edmonton East)*,
Cleaver,
Cockeram,
Cruickshank,
Emmerson,
Eudes,
Ferron,
Gillis,
Gray,
Green,
Harris *(Grey-Bruce)*,
Isnor,
Lapointe *(Matapedia-Matane)*,
Macdonald *(Brantford)*,
MacKenzie *(Neepawa)*,
Mackenzie *(Vancouver Centre)*,
MacKinnon *(Kootenay East)*,
Macmillan,
Marshall,
McCuaig,
McLean *(Simcoe East)*,
Mutch,
Quelch,
Reid,
Ross *(Middlesex East)*,
Ross *(Souris)*,
Sanderson,
Thorson,
Tucker,
Turgeon,
Vien,
Winkler,
White,
Wright.

J. P. DOYLE,
Clerk of the Committee.

ORDER OF REFERENCE

HOUSE OF COMMONS

MONDAY, February 24, 1941.

Resolved,—That a select committee be set up to which shall be referred for consideration the general provisions of the Pension Act and the War Veterans' Allowance Act, and to which shall be referred specifically such questions connected with pensions and the problems of ex-service men as the House may deem advisable; and

That Rule 65 be suspended in relation thereto; and

That the said Committee be empowered to send for persons, papers and records; to examine witnesses for evidence; to print such papers and evidence from day to day as may be ordered by the Committee for the use of the Committee and members of the House; and to report from time to time; and

That the Committee shall consist of the following Members: Messrs. Abbott, Black *(Yukon)*, Blanchette, Brooks, Bruce, Casselman *(Grenville-Dundas)*, Casselman *(Edmonton East)*, Cleaver, Cockeram, Cruickshank, Emmerson, Eudes, Ferron, Gillis, Gray, Green, Harris *(Grey-Bruce)*, Isnor, Lapointe *(Matapedia-Matane)*, Macdonald *(Brantford)*, MacKenzie *(Neepawa)*, Mackenzie *(Vancouver Centre)*, Macmillan, Marshall, McCuaig, McLean *(Simcoe East)*, Mutch, Quelch, Reid, Ross *(Middlesex East)*, Ross *(Souris)*, Sanderson, Thorson, Tucker, Turgeon, Vien, Winkler, White, Wright.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

FRIDAY, February 28, 1941.

Ordered,—That twelve members shall constitute a quorum of the said Committee.

Ordered,—That the said Committee shall be granted leave to sit while the House is sitting.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

THURSDAY, March 6, 1941.

Ordered,—That the following Bill be referred to the said Committee:—
Bill No. 17, An Act to amend the Pension Act.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

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TUESDAY, March 11, 1941.

Ordered,—That the name of Mr. MacKinnon *(Kootenay East)*, be substituted for that of Mr. Brooks on the said Committee.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

REPORTS TO THE HOUSE

February 28, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act begs leave to present the following as a

FIRST REPORT

Your Committee recommends:

(1) That twelve members shall constitute a quorum.
(2) That it be granted leave to sit while the House is sitting.

All of which is respectfully submitted.

CYRUS MACMILLAN,
Chairman.

March 11, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act begs leave to present the following as a

SECOND REPORT

Your Committee recommends that authority be granted:—

(1) To consider and report upon all matters relating to ex-service men of the last and present war, including matters relating to provision for medical, hospital and convalescent treatment, grants, gratuities and allowances, upon or after discharge and provision for their rehabilitation.

(2) To consider and report upon the desirability of enacting legislation in respect of persons injured in the course of duty during the present war, or in respect of dependents of such persons losing their lives in the course of such duty.

(3) To appoint sub-committees to examine witnesses, to send for persons, papers and records, and to report back to the Committee from time to time.

All of which is respectfully submitted.

CYRUS MACMILLAN,
Chairman.

MINUTES OF PROCEEDINGS

February 28, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 o'clock, a.m.

The following members were present: Messrs. Abbott, Black (*Yukon*), Blanchette, Brooks, Casselman (*Edmonton East*), Bruce, Cruickshank, Emmerson, Ferron, Gillis, Green, Isnor, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), Macmillan, Marshall, McCuaig, Mutch, Quelch, Reid, Ross (*Middlesex*), Sanderson, Tucker, Turgeon, White, and Wright.—26.

Nominations for Chairman having been requested, Mr. McCuaig moved, seconded by Mr. Brooks, that the Hon. Cyrus Macmillan be Chairman. There being no other nominations the motion was adopted unanimously. The Hon. Mr. Macmillan then took the Chair and thanked the members of the Committee for the honour conferred on him.

Mr. Turgeon moved, seconded by Mr. Casselman, that the quorum of the Committee be reduced from twenty to ten members. In amendment thereto, Mr. Reid moved, seconded by Mr. Tucker, that the quorum be reduced from twenty to twelve members. On the motion being put, the amendment was adopted on division.

On motion of Mr. Tucker, seconded by Mr. Casselman, it was

Ordered,—That the Committee ask leave to sit while the House is sitting.

Mr. Reid moved, seconded by Mr. Blanchette, that 1,500 copies in English and 300 copies in French of the day to day proceedings and evidence to be taken before the Committee be printed. Motion adopted.

Considerable discussion took place with respect to increasing the scope of the Order of Reference. For this purpose Mr. Mutch moved, seconded by Mr. Green, that a small sub-committee be appointed by the Chairman, to draft an amendment to the Order of Reference for submission at the next meeting. Motion adopted.

Mr. Isnor moved that the Committee adjourn to the call of the Chair.

March 11, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 o'clock, a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Black (*Yukon*), Blanchette, Bruce, Casselman (*Grenville-Dundas*), Casselman (*Edmonton East*), Cleaver, Cruickshank, Emmerson, Eudes, Ferron, Gillis, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), Macmillan, Marshall, McCuaig, McLean (*Simcoe East*), Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Thorson, Tucker, Turgeon, Winkler, White, Wright.—31.

The sub-committee appointed at the last meeting, composed of Messrs, Tucker, Green and Isnor, for the purpose of considering the enlargement of the scope of the Order of Reference, reported as follows:—

> That this Committee requests from the House, authority to consider and report upon all matters relating to ex-service men of the last and present war, including matters relating to provision for medical, hospital and convalescent treatment, grants, gratuities and allowances, upon or after discharge and provision for their rehabilitation.

After discussion thereon, the said report was amended by adding the following:

> That the Committee be authorized to consider and report upon the desirability of enacting legislation in respect of persons injured in the course of duty during the present war, or in respect of dependents of such persons losing their lives in the course of such duty.
>
> That the Committee be authorized to appoint sub-committees to examine witnesses, to send for persons, papers and records, and to report back to the Committee from time to time.

On motion of Mr. Tucker, the report, as amended, was unanimously adopted.

Hon. Mr. Mackenzie informed the Committee that Mr. Walter Woods, who has been Chairman of the War Veterans' Allowance Board, has been appointed associate Deputy Minister, with special relation to rehabilitation work.

General McDonald submitted a history of all the pension legislation in Canada. Copies of this were distributed to members of the Committee.

On motion of Mr. Reid, it was ordered to be printed as an appendix to the minutes of evidence.

Brigadier-General H. F. McDonald, was called and asked to read his report to the Committee. After discussion, it was decided, on division, to defer consideration of this report until the next meeting.

The Committee then proceeded to consider Bill No. 17, An Act to amend the Pension Act. Sections 1, 2, 3 and 4 were considered, but no decisions arrived at.

On motion of Mr. Reid, the Committee adjourned at 1.05 p.m. to meet again on Thursday, March 13, at 11.00 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277.

March 11, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order, please. The first business is a report of the sub-committee consisting of Mr. Walter Tucker, Chairman, Mr. Green and Mr. Isnor. This report has to do with an extension of the reference. The proposed wording of the extension is this:—

> That this committee request from the house authority to consider and report upon all matters relating to ex-service men of the last and the present war, including matters relating to the provision for medical, hospital and convalescent treatment, grants, gratuities and allowances upon or after discharge, and provision for their rehabilitation.

W. A. TUCKER.

Mr. REID: Have we copies?

The CHAIRMAN: We have no copies, unfortunately. Mr. Tucker is not here. Mr. Green, would you care to comment on this?

Mr. ISNOR: Mr. Chairman, I should like to comment unless Mr. Green has something to say. I am in accord with the wording in so far as it goes, but I feel that it should go beyond that scope. We on the Atlantic are from time to time faced with a little different situation from that which exists in other sections of Canada—at least, in Central Canada. For instance, the men serving at the present time at headquarters in Ottawa, who are in uniform, are taken into consideration and will be looked after and provided for should anything happen to them while in the service. That is my interpretation of it, at least. There are men who are more or less directly associated with war activities at Halifax—and I speak more particularly of Halifax because I know the situation down there—who would not enjoy the benefits covered by this proposed reference or extension to the reference. I feel that provision should be made for that type of person whether in uniform or out of uniform. I have in mind two specific cases during the explosion of 1917. While the finding was never given that that incident was the direct result of war action, we in Halifax know that we lost 1,700 lives at that time. That was a disaster that was not taken care of. No provision was made except there was a special commission set up to provide for and allow certain pensions for those who lost their sight, limbs and so on. I brought to the attention of the present Minister of Pensions when he was Minister of Defence a case of an individual who was serving on one of the boats plying the waters of Halifax harbour. That boat was taken over the morning of the explosion. The individual I am referring to lost a leg and to this day, of course, has not been able to carry on his original calling. He received a small pension, very much smaller than that given by the Pensions committee for the same loss of a limb by soldiers. On more than one occasion I brought that to the attention of the minister but due to the fact that there was no provision made for it he was unable to be compensated to the extent that I felt was justified.

Since the present war we had a disaster at the head of Halifax harbour in which nine pilots lost their lives due to a collision. There was not a great deal of newspaper publicity at the time and I do not propose to give it undue publicity

at this time except to say these men were carrying on their duties. They were at the head of the harbour meeting convoys coming in and going out, and it was because of the collision that these men lost their lives. If it were not for the war they certainly would not have been placed where they were at the time. Everything was in darkness; there were no lights showing, and if it had not been for the war that would not have been the case, and it is not likely there would have been a collision.

Mr. Chairman, and members of the committee, I feel that our scope should be wider so that it would include such cases as those mentioned by me. I could enlarge on that but it is not necessary. What I have said gives you a little background as to why I propose this: "Also that the committee be authorized to consider and report upon the desirability of legislation in respect of persons injured in the course of duty during the present war, or in respect of dependants of such persons losing their lives in the course of such duties." I would place that before you, Mr. Chairman, for consideration by this committee.

The CHAIRMAN: First we have the unanimous report of the subcommittee which I read when I first came in. I believe it would be better first to adopt that unanimous report and then if it is your wish we can add the additional paragraph to widen the scope of the committee's investigation. That would be the proper procedure, it seems to me.

Mr. TUCKER: I would move that we adopt the unanimous report of the subcommittee and then consider Mr. Isnor's suggestion.

Mr. GREEN: I second the motion.

Mr. QUELCH: Would you mind reading that again, Mr. Chairman?

The CHAIRMAN: "That this committee request from the house authority to consider and report upon all matters relating to ex-service men of the last and the present war, including matters relating to the provision for medical, hospital and convalescent treatment, grants, gratuities and allowances upon or after discharge, and provision for their rehabilitation."

Mr. REID: Before that motion is adopted may I make one comment? If you pass this motion and then discuss Mr. Isnor's recommendation it will open up your resolution again because your resolution as it stands, to my mind, in speaking about rehabilitation, takes only within its scope all ex-service men. What Mr. Isnor had in mind, I believe, was something apart from pensions. In speaking about rehabilitation Mr. Isnor would take within the scope of rehabilitation those people who may have been affected by the war or who have been on war service although they may not necessarily be known as ex-service men.

Mr. ISNOR: That is the point in the whole thing. The section as drawn deals only with ex-service men.

Mr. CRUICKSHANK: Does it include women?

Hon. Mr. MACKENZIE: It may.

Mr. TUCKER: What I had in mind was this. The report of the subcommittee deals with pensions for men in the service. It seems to me that we should adopt that now. The suggestion of Mr. Isnor opens up a new field altogether. Once you adopt the principle of that anyone who is injured or killed on account of being where they would not have been if it had not been for the war then you bring into the situation munition workers and everybody else. It would include anybody who was injured in a munition plant or a shipyard; it brings into the picture that whole question and also brings into the picture the question of the extent to which these questions are already covered by the Workmen's Compensation Act and so on.

While I am very heartily in favour of something being done so that everybody who is injured on account of the war or whose dependants are adversely affected on account of the war shall be looked after by the state,

I believe our first duty is to look after the interests of ex-service men; and then if we have plenty of time to go into the other questions we can ask for leave to study them and make recommendations on them. In the meantime the government would have a chance to study the whole problem of how far it wants to go or have this committee go into that other field, because I believe it is very definitely another field.

Hon. Mr. MACKENZIE: May I say a word? With reference to the addition, I have no objections at all to it being incorporated in the terms of reference to the committee. With reference to the additional scope suggested by Mr. Isnor, a committee has been working upon this problem for, I believe, several months, and has made a report. It is an interdepartmental committee of civil servants. Recommendations have been made by that committee dealing with the whole question of civilian injuries as they are dealt with in England. That was a very detailed and technical business, so by way of procedure we brought the problem of these workers in A.R.P. units to the fore. The recommendation with reference to injuries to A.R.P. voluntary workers is now before the Department of Justice who are looking into the legal aspect of the recommendation. The main recommendation in general is also up for consideration, so I see no objection presently to a subcommittee of this main committee, or the main committee, going into what has been done already, and making a recommendation to the house based on the discussion and decision of this main committee.

There is a lot of material now ready and a subcommittee of five or six from this committee could study it and bring in a very useful report to this committee.

Then there is another point which was raised in the house the other day which also deals with those in the service. An order in council passed last year protected only those who were serving on ships of Canadian registry. Mr. Gillis quite properly raised a point in the house the other day as to why Canadian seamen serving on other ships were not protected. One or two other members of the house brought up the same question. I think that question might be very well considered. As a matter of fact the chairman of the interdepartmental committee to which I have referred was Mr. R. K. Smith and only two weeks ago a recommendation was sent to him as chairman of that committee from our department asking him to investigate that very question. I think the subcommittee could very well—if that is the wish of this main committee—go into that phase of the situation and also the question of the auxiliary war services. There is no provision made yet for any wounds or injuries sustained by those who are in the auxiliary war services who are on duty to-day and actually in a theatre of war.

Mr. GREEN: To whom would that refer?

Hon. Mr. MACKENZIE: Your legion services overseas, Y.M.C.A. services. They are affected by bombing. I think that is a very good thing to consider. It has been considered, as a matter of fact, and is now, I believe, before one department which is giving it the anxious consideration it deserves. I think possibly it should be dealt with by this subcommittee.

Mr. CRUICKSHANK: Are they not enlisted?

Hon. Mr. MACKENZIE: No.

Mr. ISNOR: Again, the wording was " overseas ".

Hon. Mr. MACKENZIE: I beg your pardon?

Mr. ISNOR: Again, you say, " overseas ".

Hon. Mr. MACKENZIE: Not necessarily, no, no. There is no limitation. Injuries can be civilian injuries caused by a war agency anywhere. There was no intention to limit it to " overseas " at all. That is a matter for this committee to decide. It was thought that the first thing to be done was to find out what

has been done already in each of these divisions, and whether the committee here would like to proceed with the reference as it is or appoint a sub-committee to consider that matter is for this committee to decide.

Mr. CRUICKSHANK: I would like to suggest that we confine ourselves at the present time to provision for members of His Majesty's forces, and also women and children. I come from a rural riding, but with all due respect to people of whom Mr. Isnor spoke, of people injured in the performance of war work—and I think such people are entitled to consideration,—at the same time I think we should confine our work to enlisted members of His Majesty's forces.

Mr. CASSELMAN *(Edmonton East)*: I think Mr. Isnor's point is well taken for this reason: as the Minister knows his attention has been drawn to the case of a widow whose husband lost his life while overseas on convoy duty. This should not be limited by the fact that a man has enlisted. The principle involved is that war is war, and anyone injured in the course of war work should receive consideration wherever he was. I have in mind men on the convoys that were sunk by surface raiders for instance; if they were Canadians, I do not care whether they were on foreign ships or what the ship's registration was; the point that should decide is whether they were Canadian citizens. If so, I think they are just as much enlisted men as though they had been sworn in in any one of the branches of the service. I think there is a point there in Mr. Isnor's recommendation which we should consider on principle; that they are just as much in the service and therefore should be considered by this committee.

The CHAIRMAN: May the chair point this out: The resolution moved by Mr. Tucker, and seconded by Mr. Green, is the unanimous report of the committee and is a positive resolution asking for authority to report upon matters—and so on. The suggested addition by Mr. Isnor asks for authority to report upon the desirability of legislation. It seems to me that we should dispose of Mr. Tucker's motion first and then discuss the other.

Mr. ISNOR: I am interested as a member of that committee and I favour the resolution of acceptance, but I could not let this opportunity pass of bringing this up, because I think it is a very important angle which if overlooked might cause considerable confusion and no little trouble at a later date That is my thought. There are a great many members sitting in this committee who had the privilege of visiting Halifax last July, and they saw almost an acitve state of war. They saw us preparing for a real possible menace that was not so very far away; and when we realize something of distance, that it is only two hours from Iceland so far as modern planes are concerned, the position in which Nova Scotia finds itself is very close to the category which was formerly considered and referred to as a "theatre of war". It is because of the proximity of that danger and the existence of that menace that I think some provision should be made. Also, what applies to the people of Halifax applies equally to a city like Sydney; to convoy ports which will not be operating just two or three months of the year but which are operating throughout the entire three hundred and sixty-five days of the year. The danger there is a very present one and one which has been brought to my attention, asking me to pass it on, as I am doing. They desire to have attention directed to the things that they might experience and which they do experience every day and every night while they are carrying out their duties, duties which very apparently are connected with the war.

Mr. TUCKER: Mr. Chairman, I am inclined to agree that any person who has been placed in jeopardy on account of the war should be looked after and that his dependents should be looked after. I am satisfied that it will require a brand new bill outside of the Pensions Act for ex-service men. It is a matter of government policy. I am glad to hear the minister state that it is now under study; and I think that, as he said, it would be a very fine thing for this committee to study anything that is prepared by way of recommendation and brought before this committee. I do not know how long it will take to finish this work, but I

think we should concentrate on getting this disposed of, with the thought in mind that the government is giving attention to this phase of the matter and that at some later time we may be given an opportunity to ask for authority to deal with it. I think, myself, that authority to deal with it will involve the setting up of a quite extensive code of law, the same as the Pension Act, because if you deal with one branch of civilian activity you will have to deal with all of them, and it is a brand new field. I think we should see if we can get through with this before we take on the other, especially in view of what the minister says about the government having already gone into the matter and having it before them for immediate consideration.

Mr. GILLIS: I think Mr. Isnor's point is being confused. I do not think Mr. Isnor had any intention of asking that we go into the whole matter and include all people who are employed in war industries—munition plants, and so on. We understand now that they are protected, as the ordinary citizen engaged in any similar civilian occupation is, by the workmen's compension laws. People in these war industries are not taking any more chances than men employed in a mine. Men employed in the mine are liable to the effects of an explosion at any time which might kill a thousand people. As I understand it we are meeting now for the specific purpose of deciding the terms of our reference. If our discussion is to be limited to the terms of our first reference then we are to deal exclusively with men who are in the forces, actually participating in the war as enlisted men. Now, as I understand Mr. Isnor's motion, and I think it is absolutely correct, he wants to include men who are engaged in convoy service, engaged in the patrolling and guarding of ships in and out of Halifax harbour. I think men who at the present time are engaged in convoy work or work of that kind are just as essential as the men who are in the front line, and their work is just as dangerous. In the house from time to time we hear that the requirement at the present time is for ships and more ships; getting the necessary stuff over to Britain for the prosecution of the war. Well, it is going to require men to pilot these ships and to guard them across the Atlantic; and as I pointed out in the House the other day the question is one which is arising now. Why is not some provision made for men in services of this kind? They are entitled to protection. The particular case in point is that of a widow who at the present time is awaiting an adjustment of her pension. Her husband went across in a convoy, and he was killed by a bomb while on the other side. Men who are engaged in that kind of work are entitled to protection. As I understand the matter, this particular case has been brought to the attention of the British Ministry of Pensions. I think we should include persons engaged in that category of service now, and we should waste no time about it.

Hon. Mr. MACKENZIE: Do you know what happened in that particular case? Did she get any pension? The man was a Canadian but he was on a British ship and he was injured while on convoy duty. Do you know whether she is getting any pension?

Mr. GILLIS: No, absolutely none; that woman has been receiving relief. The matter is under adjustment, and I think it is laxity on the part of the people of Glace Bay in not getting proper information. I went to the representative of the British Ministry of Pensions and he states that he has drawn it to the attention of his government and has filed the necessary papers, and it is expected that some action will follow. I did not know that yesterday. I think we should include this class of people specifically; that we should broaden the terms of our reference and get down to business. I think now, in view of the fact that this service is absolutely necessary, it is a war service, and these people are really enlisted just as specifically as men who are in the armed forces, that we should extend the scope of the thing to include the merchant marine and people doing war work.

The CHAIRMAN: Your suggestion is even broader in scope than that suggested by Mr. Isnor. You are asking that the committee be authorized to include, he asks that the committee be asked to report on the desirability of including. Would you be willing to amend that?

Mr. CLEAVER: If I might make a suggestion, Mr. Chairman: This committee is a very large committee, and many of us have different ideas. Would it not be wise to have the chairman of this committee nominate a steering committee of say five, but certainly not more than seven members, and when suggestions of this nature are made have them canvassed fully by the steering committee, and have the steering committee bring in recommendations to this committee? We have been here half an hour already and I suggest that a lot of time will be lost if such matters are decided by the main committee. It is for that reason that I suggest a smaller sub-committee.

The CHAIRMAN: Yes, I will be glad to do that after this meeting.

Mr. CLEAVER: I shall be pleased so to move if I can get a seconder.

The CHAIRMAN: Just a moment, would Mr. Tucker and Mr. Green be willing to incorporate Mr. Isnor's suggestion in their motion?

Mr. GREEN: In so far as I am concerned, Mr. Chairman, I think perhaps it would be a very good idea to add the paragraph just as Mr. Isnor has drawn it. That stresses going into the desirability of bringing in a new type of legislation to cover these borderline cases; and probably if we had a sub-committee appointed to look after that work they would get something very useful and be able to help out the interdepartmental committee to which the minister has referred; and if we did it in that way it would not interfere with the main work of this committee, which is to deal with ex-service men's problems. After all, it is only a question of the reference, and we cannot have our reference too wide.

Mr. CHAIRMAN: Will you accept that, Mr. Tucker?

Mr. TUCKER: Yes. I was speaking to Mr. Green just now. He emphasizes the idea that it was a study of the desirability of bringing in legislation. I think that is a matter which the sub-committee proposed could very well take under consideration.

Hon. Mr. MACKENZIE: I think properly you should ask permission of the House for the power to appoint sub-committees.

Mr. TUCKER: I will include that in the motion also.

Hon. Mr. MACKENZIE: It will have to be put in proper language.

The CHAIRMAN: The motion is to accept the unanimous report of the committee, as amended by the addition of Mr. Isnor's paragraph; and that this committee receive power to appoint sub-committees. Is it your wish to adopt the motion?

Motion agreed to.

The CHAIRMAN: Just one question before we leave that. Mr. Cruickshank, you brought up the question of adding "and women", what did you mean?

Mr. CRUICKSHANK: Yes. For instance, a nurse might not be included as the thing now stands.

Hon. Mr. MACKENZIE: They certainly are included.

Mr. TUCKER: The motion as it stands includes women; they are comprehended within the meaning of the term "ex-service men".

Hon. Mr. MACKENZIE: Mr. Chairman, before we proceed, I would like to take advantage of this opportunity to inform the committee that this morning Mr. Walter Woods who has been chairman of the War Veterans' Allowance board, was appointed associate deputy minister with special relation to rehabilitation work. I thought that would be a matter of interest to all members of this committee.

The CHAIRMAN: The second point on our agenda is a history of pensions legislation.

Hon Mr. MACKENZIE: General McDonald has made a very excellent history of all the pension legislation in Canada. This was prepared by Mr. Harry Bray, a member of the commission, and it is for the committee to decide whether that should be printed and distributed to the several ex-service men's organizations and others interested or just sent out in multigraphed form and distributing it to the members of this committee. I think it is a very excellent history of pensions in Canada and that it would be very useful to the members of this committee.

Mr. REID: I think it might be advisable to consider printing it and giving it as wide publicity as possible.

The CHAIRMAN: You would so move, Mr. Reid?

Mr. REID: Yes.

Mr. ISNOR: Would it be included in the minutes?

Mr. GREEN: Are we going to hear it now?

The CHAIRMAN: Yes.

Mr. GREEN: Before General McDonald proceeds, would the minister tell us whether or not the government proposes to bring in any amendments to the War Veterans' Allowance Act or to the Veterans' Assistance Commission Act? The original terms of reference to this committee referred to the War Veterans' Allowance Act, but as yet there has been no mention made of any amendment.

Hon. Mr. MACKENZIE: The situation, Mr. Green, is this: This committee is empowered to discuss the general provisions of the Pensions Act, the War Veterans' Allowance Act, and also specifically the bill referred to us by the House. At the present time it is not intended by the government to amend the Veterans' Allowance Act, unless an amendment arises from the discussions of this committee.

Mr. CRUICKSHANK: May I ask a question? Will any organizations, or individuals for that matter, be permitted to come before this committee; for instance, the Canadian Legion, women's organizations, and organizations of that kind?

The CHAIRMAN: Yes.

Hon. Mr. MACKENZIE: There are quite a number of requests from organizations of that kind before the sub-committee at the present time.

The CHAIRMAN: Yes, I have several of them here.

Mr. REID: It is the intention to hear these delegations?

The CHAIRMAN: Yes.

Mr. REID: I move that we hear General McDonald.

Brigadier-General H. F. MCDONALD, *Chairman of the Canadian Pension Commission*, called:

The CHAIRMAN: General McDonald, will you please present your report.

Mr. REID: Could we have copies of his report?

The CHAIRMAN: Yes.

The WITNESS: I have here a brief factual history—although it is not so very brief—of pensions legislation as it has gone on in Canada. It is purely for the information of the committee and for anybody else they may authorize it to be given to. With your permission, sir, I would ask that I not read it; it is very long. It is purely designed to attempt to give the hon. members of the committee a perspective of what has gone on in the past, without any expression of opinion one way or another. With your permission, I would

ask leave to put it into the record. I have sufficient copies here to be distributed to the members of the committee.

The CHAIRMAN: Is it agreed that this history be put into the record?

Some Hon. MEMBERS: Yes.

By Mr. Reid:

Q. Gen. McDonald, might I ask whether this history was drawn up by Mr. Bray or yourself?—A. It is drawn up and authorized by the commission. I was grateful to Mr. Bray for the great deal of work he did in connection with it.

Q. It was under your supervision?—A. Yes.

By Mr. Cruickshank:

Q. Does this history make any suggestions from your experience?—A. No sir. It is purely in an endeavour to give members of the committee a perspective of past history.

Mr. GREEN: Is this to be read out?

Hon. Mr. MACKENZIE: I think so. I think it had better be read.

Mr. CASSELMAN *(Edmonton East)*: What purpose is to be served by that? We all have copies of this in our hands. It seems to me that it is a matter we should study at our leisure.

Hon. Mr. MACKENZIE: The only reason for having it read was to give anybody who wished to ask any questions about it an opportunity to do so. That can be done at the next sitting of the committee quite as well.

Mr. CASSELMAN *(Edmonton East)*: Could we not ask questions after reading it?

Mr. ROSS *(Souris)*: It is rather lengthy. I think if we read it over ourselves first and at the next meeting ask questions, it would expedite matters.

The CHAIRMAN: Is it the wish of the committee to defer discussion of this history until the next meeting?

Mr. CRUICKSHANK: Yes.

Mr. GREEN: Of course, Mr. Chairman, this is the basis of pension legislation. It is all right to say we will all take it to our offices and read it; but it is 21 pages long and there are a lot of things to meet. I doubt whether everybody on this committee will read it. If Gen. McDonald goes through it page by page we might clear up points as we go along; in this way we all have the story right there and we start out with the background of the pension legislation.

Mr. CRUICKSHANK: I think that would take too much time. I will move that Gen. McDonald go through it at the next sitting. I am sorry to hear that my fellow member from British Columbia is not going to read it.

Mr. GREEN: You read your own. I will read mine.

Mr. CRUICKSHANK: I move that it be considered at the next meeting.

Mr. ROSS *(Souris)*: I second that motion.

Mr. CHAIRMAN: You have heard the motion that it be deferred to the next sitting.

Mr. MACKENZIE *(Neepawa)*: We have to read this sometime. Why defer it to the next sitting? We will have to go through it at the next sitting just the same as now. I agree with Mr. Green that the thing should be read now.

The CHAIRMAN: There is a division of opinion.

Mr. MACKENZIE *(Neepawa)*: I do not get time outside of these meetings to read a great deal.

The CHAIRMAN: As there is a division of opinion with regard to what we should do, we will hear it now.

Mr. TURGEON: Is it the intention to question Gen. McDonald as he is reading it or is it the intention to simply have it read?

Hon. Mr. MACKENZIE: Questions afterwards.

Mr. TURGEON: I am inclined to think we could ask questions more intelligently if we first read it ourselves. I have no objection, but I think we should know if we are just going to listen to the reading of it first.

Mr. CLEAVER: Mr. Chairman, I submit that there is no weight at all to the argument that some of us may not be sufficiently interested to read this ourselves. Any member of this committee who is not interested enough to read this report himself certainly is not interested in it. Why should other members of the committee have their time taken up unnecessarily? I submit that it is an extremely important thing that we should have time to read this brief history carefully in our offices and to make notes on the questions we wish to ask. Certainly the gentleman who prepared it has spent a lot of time on it. Why should we not give it equal consideration? I would move that the consideration of this memorandum should be left to the next meeting of the committee.

Mr. CRUICKSHANK: It has already been so moved.

Mr. MACDONALD *(Brantford)*: I understand this committee was appointed to study the question of pensions; in order to do so we have to get the background. We are in a far better position to give it proper consideration if we have the history of pension legislation in Canada. We are more or less a study group. If we are a study group, it seems to me one of the best things we can do is to sit down and study together the history of this legislation. Someone said we could do it in our rooms. Of course we could do it in our rooms, but where is a better place and time than right here and now? If Gen. McDonald reads it, we can all follow it. If we want to ask him questions we can ask them at the time or we can ask them later on. I think the time of the committee would be well spent this morning if we started right in and had this read, and considered it as we went along. We have spent about 15 minutes on it now, and a large portion might have already been read. I suggest that we start in now without wasting any more time.

Mr. CRUICKSHANK: Question.

The CHAIRMAN: All in favour of having this read now and questions asked upon it, if necessary, please signify?

Mr. CRUICKSHANK: There is a motion before the committee that it be deferred.

The CHAIRMAN: Is that motion seconded?

Mr. CRUICKSHANK: Yes. It was seconded by Mr. Ross.

The CHAIRMAN: It is moved and seconded that the reading of the history be deferred until the next sitting.

Mr. TUCKER: Before the motion is put, Mr. Chairman, I should like to ask if there is any other work we could do if this motion does carry.

Hon. Mr. MACKENZIE: Yes. We will proceed with the sections of the bill.

The CHAIRMAN: Will all in favour of the motion please signify? I declare the motion carried and this matter is deferred to the next sitting. We shall proceed now with the consideration of Bill 17. With your permission I was going to ask Gen. McDonald to read this bill section by section and explain the sections, if any explanation is necessary, as we go along.

Mr. MACDONALD *(Brantford)*: Why read it now, Mr. Chairman?

Mr. MACKENZIE *(Neepawa)*: Why not let us study this bill? How many members have the bill here?

Mr. CASSELMAN *(Edmonton East)*: We have had the bill for two weeks.

Mr. MACKENZIE *(Neepawa)*: About five members have the bill.

Mr. QUELCH: Is it the intention to deal with the bill now?

Hon. Mr. MACKENZIE: Just purely in a preliminary way.

Mr. QUELCH: It is not the intention to take any action on it?

Hon. Mr. MACKENZIE: No. I am only suggesting the best procedure would probably be to go through it section by section, with explanations, and defer anything which any member wishes to defer. Then later on we can go through it more exhaustively. There is no hurry to deal with any of the provisions, and there is no intention of adopting any section at the moment. We are trying to get copies for those who have not got them.

Mr. TUCKER: It could be read, Mr. Chairman.

Mr. CHAIRMAN: Yes. Would you go ahead, Gen. McDonald?

The WITNESS: Mr. Chairman, as members of the committee know, this is an act to amend the Pension Act, made necessary by the need for making the beneficial provisions of that act applicable to men who serve in the present war. It has not been an easy piece of drafting owing to the necessity of maintaining in the act the provisions as they applied to the previous war, making provision for the present war and also maintaining the benefits which applied to members of the forces not in any war. There are the three separate categories which we have to work into this amending bill somehow.

By Mr. Green:

Q. What do you mean by "members not in any war"? Do you mean permanent forces or what?—A. That was the class referred to, Mr. Green, in the office consolidation of the Pension Act, section 11, sub-section 2, "in respect of military service." As you are aware, I am referring to the old Pension Act, which referred to the great war, section 11, sub-section 2, "in respect of military service rendered after the war."

Q. That means a man in what was known as the permanent forces and in the militia?—A. Permanent forces, navy, militia and air force. That applies to members of what used to be called the non-permanent active militia during the period that they were on duty under training; and in that case, of course, their disability had to be directly related to their military duty before pension could be awarded. But still the rights of that class have to be preserved after this war and the rights which they have had during the interval between the two wars.

Q. When you say "not served in any war," what does that mean at the moment? What class does that cover at the moment?—A. That does not cover any at the moment, but it will cover some after the close of this war, and also cover the right to be maintained to this class of personnel during the period lapsing between the two wars.

Q. It does not cover the reserve army at this time?—A. No; that does not cover the reserve army. The reserve army is covered by active service, because they are on active service during the time they are on duty. It covers them while on duty.

By Mr. Cruickshank:

Q. What about trainees? Are they in this?—A. They are members of the forces.

Q. They will come in this?—A. They will come in the body of the act.

Mr. Ross *(Souris)*: I wonder if Gen. McDonald would mind moving up to the platform. It is difficult to hear him down there. His voice would carry better if he were up at the table.

Mr. REID: I understood the hon. the minister to state that we were not passing the sections now. Might I suggest that General McDonald read the

section and if we want to ask him any questions we can do so; otherwise we will be drifting along and getting nowhere. I think in that way much information could be acquired.

Mr. BLACK: You mean to read it section by section?

Mr. REID: Yes.

The WITNESS: Section 1 reads:

> 1. Paragraphs (*i*), (*j*) and (*p*) of section two of the Pension Act, chapter one hundred and fifty-seven of the Revised Statutes of Canada, 1927, and paragraph (*o*) of the said section, as enacted by section two of chapter thirty-eight of the Statutes of 1928, are repealed and the following substituted therefor:—
>
> (*i*) 'member of the forces' means any person who has served in the naval, military or air forces of Canada since the commencement of the great war;"

Mr. TUCKER: I think, Mr. Chairman, we could pass a section like that. I understood the suggestion was that we should defer action on anything that was in doubt, but a thing like this which simply makes a change necessary because of the outbreak of the present war I think we could pass and be done with it.

Mr. GILLIS: How does that apply to our terms of reference? We were asking to have the terms of reference broadened to include certain categories which are not covered by that particular section, and I think we should defer that section.

Hon. Mr. MACKENZIE: I think in fairness to those soldier organizations which may wish to be heard we should not pass anything at the moment.

Some Hon. MEMBERS: Hear, hear.

Mr. CRUICKSHANK: I presume "since the commencement of the great war" means the last war?

The WITNESS: 1914-1918.

Mr. BRUCE: This may be a greater war before we are through with it.

The WITNESS: It is purely a question of convenient nomenclature, doctor.

> (*j*) 'military service' or 'service' includes naval or air service and means service in the naval, military or air forces of Canada since the commencement of the great war;
>
> (*o*) "theatre of actual war' means—
>
> (*i*) in the case of the military or air forces, the British Isles, the zone of the allied armies on the continents of Europe, Asia or Africa or any other place at which the member of the forces has sustained injury or contracted disease directly by hostile act of the enemy;

Mr. ISNOR: Would that mean that a member of a Canadian unit at Greenland or Iceland would come under the terms of that paragraph?

The WITNESS: I wonder if you would permit me to read the whole section, because there are one or two remarks which I should like to make?

Mr. ISNOR: Yes.

Mr. CLEAVER: Why is the word "other" there? Why should not the section read: "any place at which the member of the forces has sustained injury," etc?

Mr. BLACK: It means the same thing.

The WITNESS: I do not see any valid reason why "other" should be in.

Mr. MACDONALD (*Brantford*): If you leave out everything that goes before then you could leave out the word "other".

The WITNESS: I think it is very largely a question of emphasis.

By Mr. Green:

Q. Is that wide enough to cover men serving in Iceland?—A. I think Iceland is in the continent of Europe.

Q. It is not on the continent of Europe.—A. It is in the geographic continent of Europe.

Mr. BLACK: It would cover any place in the world.

The WITNESS: Any other place.

Mr. GREEN: Yes, but there is a rule of law that where several things are mentioned of a similar type and a general word is put after them, that general word is construed as applying only to the same type of things which are specifically mentioned. I do not think that wording as sound, if it is intended to cover men serving, say, in Newfoundland or Iceland or in the West Indies. Apparently it was put in originally to apply to the last war; this is just a case of taking the wording that was applicable to the last war and not changing it to mean conditions at the present time . You should leave out "Europe" and "Asia" and "Africa," and go on and leave it at "any place." There would then be no question about it, but when you put just three places in and then hope to cover the American continents by putting in the word "other", I do not think it is sound drafting at all.

Mr. MACDONALD (*Brantford*): I think Mr. Green is on sound ground there, legally. It seems to me that this clause should be referred to the legal branch of the department to get an interpretation of it, because we all want to make sure that we take in, as Mr. Green has said, Iceland and Newfoundland. We may be down in South America before this war is over, and I think we ought to be sure it is wide enough. My suggestion would be that it should be referred to the legal adviser to this committee.

Mr. TUCKER: I think Mr. Green is right. The controlling factor is "any place in which a number of the forces sustains injury or contracts disease." Why all this verbiage about Asia and Africa? All you need to say is "at any place at which a member of the forces is in contact with the enemy."

The WITNESS: Mr. Chairman, perhaps I might explain for the information of the committee the necessity for having a definition of "theatre of war" in the Act, because there are two principal benefits which depend upon service in a theatre of war.

One is referred to in section eleven of the present Act, sub-section 1, paragraph (*b*):—

> (*b*) no deduction shall be made from the degree of actual disability of any member of the forces who has served in a theatre of actual war on account of any disability or disabling condition...

Under the present Act that means that a man who has served in a theatre of war and who has a pre-enlistment condition, aggravated, gets pension for the full disability and not only for the amount due to the aggravation.

That is one of the reasons for a definition. The other one is in section twelve, the section covering improper conduct.

> (*c*) that in the case of venereal disease contracted prior to enlistment and aggravated during service pension shall be awarded for the total disability at the time of discharge in all cases where the member of the forces saw service in a theatre of actual war...

By Mr. Bruce:

Q. As we are not all lawyers—A. I am not either, sir.

Q. Would you mind indicating a little more specifically where that may be found?

Hon. Mr. MACKENZIE: It is in the main bill, not in the amending bill; in the act itself.

Mr. MACDONALD (*Brantford*): I think we all agree with General McDonald that there has to be a definition of "theatre of actual war." The point is that we do not think the definition as drawn up here covers what this committee would like it to cover. That is why I say the definition should be referred back for a better description.

The WITNESS: I quite agree, Mr. Macdonald. I am not a bit satisfied, myself, with the definition, frankly. It has been a very difficult definition to draw in the face of present conditions and future contingencies.

By Mr. Reid:

Q. Up to the present time, and under the present Pension Act, the theatre of war is defined as the continent of Europe principally, and we have denied pensions to those who joined the active service force who only saw service in Canada or in Great Britain. Our whole Pension Act has been designed to give greater benefits as such to those who saw service in an actual theatre of war. Now we are coming to the time when we are trying to super-impose on the present act the new conditions which have arisen during the present crisis. I am wondering if we pass this in its present form will it not raise a conflict of view. If you pass it as it is now defined "the theatre of war" takes in not only the continent of Europe but Great Britain and perhaps this country as well, and you may have those men coming back who have seen service in Canada and Great Britain during the last war. I think it is worth looking into a little more carefully.—A. I quite agree, and I only wish the committee could crystallize something more comprehensive.

Hon. Mr. MACKENZIE: May I read the definition of "Theatre of actual war," as it will be found on page 2 of the present Act:—

> (i) in the case of the military or air forces, the zone of the allied armies on the continents of Europe, of Asia or of Africa or any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy;
>
> (ii) in the case of the naval forces, the high seas, or wherever contact has been made with hostile forces of the enemy, or any other place at which the member of the forces has sustained injury or contracted disease directly by hostile act of the enemy.

Mr. BLACK: The only difference is the addition of the words "British Isles."

Mr. CASSELMAN (*Edmonton East*): Why can we not cover it by simply saying "theatre of actual war means any place at which a member of the forces has sustained injury or contracted disease directly by hostile act of the enemy"? Cut out all your geography and your distinction between naval, military and air forces and simply let that cover the whole thing.

Mr. CLEAVER: Then you would make it too restrictive. You could not then grant war veterans' allowance to any man unless he had received an injury or contracted disease directly by a hostile act of the enemy.

Mr. CASSELMAN (*Edmonton East*): This is only for the special extra privileges.

Mr. TURGEON: I should like to make a suggestion as to procedure. We have decided that we are not going to pass any of these proposals, because it would be fairer to outside persons who wish to make representations to us. Would it not be better if General McDonald, as he reads each item of bill 17, to explain to the members of the committee the reason which in the opinion of those who drafted the bill made the amendments necessary?

To-day's meeting is only one of study. We are not going to pass or reject, and if General McDonald, the chairman of the Pension Commission, would give us the reason why each amendment to the existing legislation is proposed, we could take those things under consideration and then be prepared properly to discuss them the next time we meet, and then either to move to accept, reject or amend as we see fit.

Personally, I am rather in favour of what has been suggested, that this whole section could be reduced to a few words to interpret the term "theatre of war." It may be that General McDonald could tell us something which would change my mind on that point. But I think it would be better if we had explanations of the reasons for the introduction of the proposed amendments and not try to deal further with them to-day.

Mr. FERRON: I second that motion.

The CHAIRMAN: That is the purpose of the whole discussion.

Mr. TURGEON: But we are discussing these things in detail as to whether we should reject them or not, after we had decided that we were not going to either reject or accept them.

Mr. MACDONALD (*Brantford*): I think the conclusion which Mr. Turgeon has arrived at is correct. Nevertheless, as the sections are read, we may have suggestions to make regarding them without coming to any conclusion.

On the other hand, if we pass over the section dealing with the meaning of the words "theatre of actual war," the chances are we will never come back to it, and I think the members should be allowed to make their suggestions as we go along so that a note will be made of them, and then when we go back over the bill we can decide what to do about these matters.

Mr. TUCKER: I think, Mr. Chairman, the suggestion made by Mr. Casselman is a good one. It would cut down a whole lot of unnecessary verbiage, because the controlling thing is whether they receive their injury by direct contact with the enemy, and it does not matter where that happened. If that is the controlling thing, why put in a whole lot of stuff about Great Britain, Africa, and so on? If there is a reason, we can be told what that reason is.

The WITNESS: The definition to be effective must refer to a group and not to an individual. I mean, if you were going to confine benefits under the act to the man who suffered a direct wound or injury from the enemy wherever he served then it would be perfectly simple. But these benefits are given to a group or class who serve in a certain area. Do I make myself clear?

Mr. CRUICKSHANK: I want information as I go along. I do not know what I am talking about otherwise. The act says: " . . . or any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy." I want to understand what that means. For instance, we have a very well known general serving us now who has been spending part of the past season in a Vancouver hospital with sciatica. The minister knows the general to whom I am referring. I want to know if the act as proposed covers that. I am not a medical man, but I want to know whether this covers it. What does it mean? Suppose a man gets stomach trouble which is contracted during the war. Is it considered to be by direct act of the enemy? Does this proposed act cover that?

The WITNESS: Mr. Cruickshank, that particular officer is not suffering from either aggravation or venereal disease.

Mr. CRUICKSHANK: I did not say venereal disease.

The WITNESS: These are the two things that the act has reference to. This act benefits a class of person who served in a certain area which may be defined as a theatre of war. Now, is it the opinion of the committee that these benefits should be extended to people who served within Canada, for instance—

Mr. BLACK: How would you interpret the words "or any other place"?

The WITNESS: Any other place.

Mr. BLACK: That would be the whole world.

The WITNESS: Yes, sir.

Mr. MACDONALD: Will the general tell us that the words "theatre of actual war" can occur any other place in the act except the two instances which he quoted?

The WITNESS: These are the two principal benefits that apply.

Mr. MACDONALD: Do the words occur in any other place?

The WITNESS: I think so, yes.

Mr. MACDONALD: In different places?

The WITNESS: Yes.

Mr. REID: On going back to the question—I will simplify it without giving an opinion—does the definition of the words "British Isles" open up the door, shall I say, for those who served in the last war? That is the question I am trying to put over. I am not giving my opinion on it at the moment.

Mr. BLACK: There are cases in which men were hurt and contracted disease during the Great War—

Hon. Mr. MACKENZIE: I think it would.

Mr. REID: That was the point I was trying to make when I spoke first.

Hon. Mr. MACKENZIE: I think it would.

The WITNESS: I think it would.

Mr. MACDONALD: I do not think it was intended to do that.

Mr. CRUICKSHANK: We cannot think in this.

Hon. Mr. MACKENZIE: This will be referred back.

Mr. REID: That point struck me and I thought I should point it out.

Mr. CASSELMAN (*Grenville-Dundas*): Would it meet your purpose if you defined it as follows, "Theatre of actual war means—" deleting all of the words from there down to "at which" and ahead of that put "anywhere outside of Canada at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy." You will have covered everything that is intended.

Mr. TUCKER: The only difficulty about that is somebody might get injured in Canada. There may be a naval bombardment of the coast or Halifax, and those who were injured are entitled to be protected just the same as the others.

The WITNESS: May I make a suggestion? I am sure the chairman will stop me if I am saying too much. We will have no trouble in redrafting this if we can get guidance from the committee as to just what is wanted. Mr. Casselman's proposed amendment may make it clear, but suppose he and I are serving in Newfoundland and Mr. Casselman suffers an injury from a direct act of the enemy, an individual injury, is Newfoundland therefore to be considered a theatre of war for all the rest of the soldiers who are serving there?

Mr. TUCKER: Under your amendment here it would be, because the moment anybody is injured by direct contact with the enemy that place becomes an actual theatre of war under your act as you have amended it.

Mr. TURGEON: The words "the member" would limit that.

The WITNESS: That was in the old act originally, as I recollect it. That was placed in the act to give those few people who were bombed in the hospitals in the last war in England the full benefit of anything that would accrue to anybody who came in. For instance, there were nursing sisters and other persons injured in these bombing raids. But by including them they did not make Great

Britain or just that area a theatre of war for the man who was suffering an aggravation of sciatica. He did not get the full benefit unless he was actually injured.

Mr. GREEN: Is not what you really want one subsection dealing with cases of the last war and another subsection dealing with cases of this war? I think you are trying to make one subsection cover two things that are incompatible.

The WITNESS: I shall be very happy to arrange, with the minister's concurrence, with the legal advisers of the department to redraft this section if the committee will say what area it thinks should be considered a theatre of war.

Mr. CASSELMAN (*Edmonton East*): The whole world.

Mr. CLEAVER: As this subsection is to be referred back to the law officers of the crown for redrafting, might I suggest that the law officers of the crown might consider the advisability of incorporating this definition into two actual sections, where the principal theatre of actual war applies. If this definition only applies to two individual sections it might lead to greater simplicity in the act if the drafters of the act would enlarge those two actual sections to make them mean what they say rather than having to refer back to a definition.

Mr. REID: You may have to have two subsections there. Theatre of actual war means in so far as the Great War is concerned just what you have in the present act. Then, theatre of actual war in so far as the present war is concerned could be defined in the way that the chairman read—

The WITNESS: The drafting is the simplest end of it. If the committee will give some advice as to the areas they wish to consider theatres of war the law officers of the crown will do the rest.

Mr. MCLEAN: Is it possible for us to name areas which shall be considered actual theatres of war? That is something that will change from time to time. All we can do now is give a definition which would be a guide and not name what areas are actual theatres of war because as the character of the war changes different areas will come in and it will be impossible for us now to suggest what areas should be considered theatres of war.

The WITNESS: If you give somebody, the commission or His Excellency in Council, authority to declare any particular area a theatre of war it will be all right.

Mr. CLEAVER: Widen the scope of the definition by regulation.

The WITNESS: Yes.

Mr. TUCKER: It is a matter of degree. If one person gets injured by an act of the enemy that is a theatre of actual war for him alone. If several people get injured and it gets to be on a big enough scale that should be a theatre of war for everybody.

The WITNESS: Precisely.

Mr. TUCKER: It is pretty hard at this stage to draw a line and say, before we know where the fighting is going to be, what should be a theatre of actual war. I think that is perfectly clear.

Mr. REED: Could there not be some clause put in there which says, "Any country or place that has been attacked by a hostile enemy." This country may very well be a theatre of actual war before we are through.

Mr. TUCKER: I think the idea of providing any place being declared a theatre of war by order in council is the best way out of it.

Mr. MACDONALD (*Brantford*): I think it is clear from the definition as presently printed that the island of Iceland is not included. If anyone is injured in Iceland he would not come under the provisions of this act if the strict interpretation of theatre of actual war is carried out.

The WITNESS: The commission has not passed on that, because the necessity has not arisen yet for the commission to interpret it. Quite frankly, if the position did arise the commission would interpret it.

Mr. MACDONALD (*Branford*): As the act reads now the only islands are the British Isles and the continent of Europe. If you meant to include any other islands they should be in there or the interpretation clause should be amended to make sure that such places as Iceland are in there. I think it is going to be difficult to get a proper interpretation clause; I do not think we can decide here to-day. I believe, Mr. Chairman, it should be referred back to the law officers.

The WITNESS: Unless we have some direction from the committee or suggestion from the committee as to what areas they wish to consider as theatres of war or what type of area, we are at a loss to know what to do.

Mr. CRUICKSHANK: May I make a suggestion? I shall make it general. These gentlemen are conversant now with the views of the committee. I would suggest a subcommittee consisting of Messrs. Green, Tucker and Macdonald, who are all lawyers, be formed to bring in a recommendation covering the point we have in mind. After we have the report of the subcommittee we will pass on it. I make that suggestion.

Mr. BLACK: Mr. Chairman, is there any doubt about what is meant by theatre of actual war in the definition, as contained in the original act and in the bill? The only additional words in the bill that have to do with that section are the words "British Isles." The interpretation of the Pension Act in the past by the Pension Commission has not included the British Isles as a theatre of war. Men suffering injuries and applying for pension have not been awarded pensions because they sustained that injury in the British Isles. This proposed amendment is to broaden the act to that extent; but having done that you define the theatre of actual war "in the case of the military or air forces as the British Isles, the zone of the allied armies on the continent of Europe, Asia or Africa or any other place—" that means the whole world—"at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy." Unless he has sustained injury or contracted disease directly by a hostile act of the enemy he is not entitled to pension. That can happen anywhere in the world under this section and as I see it the section as it appears in the bill before the committee is a complete section and does not need any further addition.

Mr. CASSELMAN (*Edmonton East*): What are we arguing about?

Mr. BLACK: Nothing.

Mr. CASSELMAN (*Edmonton East*): Is not this the basic principle. We are trying to grant pensions to the men who received injuries by reason of a hostile act of the enemy. We are trying to give them greater benefit than a man who was injured while he was in the service, but not by the hostile act of the enemy. Now, is that or is that not the two distinctions we are trying to draw?

Some Hon. MEMBERS: No.

Mr. CASSELMAN (*Edmonton East*): No? All right, what is it, then?

The WITNESS: We are trying to define a man who serves in a certain area.

Mr. TUCKER: It is quite plain that this will have to be sent back for redrafting because it will open up hundreds of cases already settled. That is, in a case where they served in England in the last war and where they suffered an aggravation of their condition, and you are not paying except for aggravation of condition. The moment this passes you are paying for the whole thing. Now then, this thing has to go back for redrafting anyway—I think the general will agree with that?

The WITNESS: Yes, I agree with that.

Mr. TUCKER: There should be a clause just referring to the last war, and then I think there should be a clause just referring to this war; and while I appreciate what Mr. Cruickshank has said about the policy involved I think we have a lot more to do about it than that.

Mr. CASSELMAN *(Edmonton East)*: In determining the amount of a proper or adequate pension I think there are two things which have to be kept in mind. I can quite appreciate why there should be a greater pension paid to a man who received his injuries by a hostile act of the enemy; but at the same time there should also be some compensation for the man who has received his injuries in the course of his duties but not necessarily by a hostile act of the enemy. I am thinking at the moment of planes colliding in the air right here in Canada. It seems to me these are two basic things that we should keep in mind, and we should draft our Act along those lines and not get lost in interpretation of any certain section of it. I should like to impress that on the committee.

The CHAIRMAN: Mr. Cruickshank has made a motion.

Mr. CRUICKSHANK: I will withdraw it.

Mr. TUCKER: What Mr. Casselman says is just what a lot of people thought would be a wise distinction to make, but it has not been the basis of action in the past. The basis of action in the past has been a man who served in a theatre of actual danger was entitled to more consideration than a man who had not served in a theatre of actual danger. That is the idea, if it is a theatre of actual war. That is, a man who served two years or more under the risk and strain of service in a theatre of actual war where there was considerable risk was entitled to more consideration that a man who served outside of the theatre of danger. They tried to make some difference for that reason. Now, it may be that, owing to change in the nature of war, a distinction should be made. That is what Mr. Casselman says. I think that is a matter for the committee to decide; whether the war has changed so much that everybody is in so much danger that the only distinction should be whether a man was in danger or not. There may be something in the idea that a man who serves in Great Britain is under greater nervous strain and is entitled to more consideration than a man who serves in garrison duty, say in Newfoundland. I think there is some room for a distinction.

The CHAIRMAN: In the light of this discussion and in the light of the suggestions which have been made the department will refer this question to its legal advisers.

Mr. ISNOR: Before you pass on that, I have been listening to the legal advice as to interpretation, and I would direct your attention to the wording of the old Act—or the present Act—subsection *(o)* of clause 2. The first subsection *(i)* under *(o)* deals with, "military and air forces". There is a distinct division of military and air forces there, and there is a further division geographically. In the case of 2 *(ii)*, it deals with naval forces, and it opens up a territory which is very much larger in scope. I agree with the view expressed by Mr. Casselman that that is intended to serve the purpose of taking care of any individual no matter where he may have received his injury. I think the second subclause there is applied not alone to the naval forces, but to the military, air and naval forces wherever they may have met with the hostile forces of the enemy, or any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy; I think that covers what a majority of this committee have in mind in regard to protection.

Mr. TUCKER: Would people serving in the naval air arm come within this? If they were doing convoy duty on the high seas would not they be entitled to be included under this section? As the section now stands a man serving on a destroyer would come within the provisions indicated, but how about the case of a man who is doing convoy work in the air? It seems to me he would similarly be serving on the high seas.

Mr. ISNOR: I expect they are recognized as members of the forces.

Mr. TUCKER: I should think they should be.

Hon. Mr. MACKENZIE: That is a different principle entirely from the one on which this bill has been drafted so far.

Mr. TUCKER: If you are going to include sailors—it says here so far as theatre of war is concerned, in the case of naval forces, on the high seas; but in the case of the air force it would not be the high seas, they would have to be over the land. Now then, there is another requirement for redrafting right there.

Mr. FERRON: And there are many other places.

Mr. TUCKER: If you are going to make it a theatre of actual war for the purpose of giving the actual right of the Act to persons serving on the high seas then you will have to change your definition of " theatre of actual war " in order to include that.

Hon. Mr. MACKENZIE: It was considered to be so inclusive; your point is that it is not in here as drafted?

Mr. TUCKER: It is not in here as drafted.

Hon. Mr. MACKENZIE: That would be a point, of course.

Mr. BLACK: This only extends, as I see it, pension rights to those who have sustained injury or contracted disease directly by a hostile act of the enemy?

Hon. Mr. MACKENZIE: That is right.

Mr. BLACK: For instance, a man is serving on a warship and there is an explosion on that ship not due to a hostile act of the enemy but to some member of the crew of that ship, and he gets no pension for that, though he is on active service, or on the high seas; but it is due not to the hostile act of the enemy but to a hostile act by someone of his own ship—perhaps I should not say " hostile ", but rather an unfortunate act by someone on his own ship.

The WITNESS: That is incurred during service. He would come in under that.

Mr. QUELCH: But he would not be eligible for war veterans' allowance.

The WITNESS: He would be entitled to pension.

Mr. QUELCH: There is a great difference between a pension and war veterans' allowance.

Hon. Mr. MACKENZIE: Yes.

Mr. CLEAVER: This whole discussion brings the committee back to the point which I raised a few moments ago. I think the whole misunderstanding of this division arises over the fact that it applies only to two separate cases which the general has indicated; namely, aggravation and venereal disease. That is why I suggested we could perhaps simplify the Act and make it more understandable if the officers of the Crown would incorporate this section in the two actual sections meant to apply.

Mr. GREEN: I think it is quite clear from the discussion that it would be wise to leave the matter as it stands now in so far as men who served in the last war are concerned; then you won't get your wires all crossed. Would it not be possible for the law officers to draft a new subsection applying to the men who serve in the present fighting forces and cover them altogether; the navy, the army and the air force, and give the Pension commission the discretion to declare any particular area a theatre of war.

Mr. CRUICKSHANK: I would like to see the clause in that section made clear so we could comprehend it. In the existing Act there are many cases which are not covered. Aggravation of a physical disability incurred in the last war would preclude him from getting any further benefits, as I see it. It is not only to cover the pensioners in the present war, but certainly to rectify the rotten mistakes

that have been made in the past and are existing today for veterans of the last war. One of the important duties of this committee is to bring in legislation covering the veterans of the last war and to improve their condition.

Mr. GREEN: This section is not in dispute in connection with veterans of the last war. I do not think there is any question as to its interpretation as it relates to them.

Mr. MACDONALD: I think there is a misunderstanding on the part of some members of the committee. Some members of the committee apparently are under the impression that you have to be injured in a theatre of actual war in order to get a pension.

Hon. Mr. MACKENZIE: Oh, no.

Mr. MACDONALD: That is not so. The words "theatre of actual war" apply, as Mr. Cleaver has said, to the case where you would have some injury or disease when you started and it is aggravated on service; or else someone contracted syphilis. "Theatre of war" in this Act only refers, as I understand it, to those two cases. There may be some minor ones, but just minor. The pension comes under the words "war service", and you can get, a person even in the last war could get a pension if he were injured in Great Britain, in the British Isles. Many people got pensions who were injured in the British Isles; but if they were in the British Isles and never on the continent and contracted syphilis I do not think—probably I am wrong in that—at any rate, if it became worse, were aggravated, they would not get any consideration for that aggravation; but if they were injured in Great Britain while in the service they got a pension; or, if they were injured and got a pension of 5 per cent or more then if they were only in Great Britain they would not get the benefit of the War Veterans' Allowance Act. I think members of the committee should keep in mind that we are not discussing under the words "theatre of actual war" pensions generally, we are only discussing them in the two cases that are in point.

Mr. TURGEON: That brings me back to the suggestion I made a little while ago. We have had an hour's discussion now really only to find out what we are talking about and what we are not talking about, and I think if the chairman of the commission would explain in detail what each amendment is it would be helpful. Had that been done in this case then the committee would know that the amendment now before us refers only to two sections. We would know that we were dealing only with these two sections and would not disturb ourselves with the larger questions which it has been sought to discuss but which do not come under this particular amendment. I think we would save time and make better progress and receive more instruction ourselves as individuals if the reason for each amendment was distinctly told to us by the chairman, or the witness; then, after that, after he is completely through, we might go into any discussion instead of interrupting him in the middle of his presentation and going into a debate on it. If we find out just what each section refers to and what it is meant to be, it might be more profitable to the committee.

Mr. MACDONALD: If I remember correctly, almost at the commencement of the discussion of this section 2, our witness told the committee that it only applied to the two sections in question.

Mr. TURGEON: But we did not let that sink in.

The WITNESS: The next section is defined in the margin as "war service."

> (*p*) "War service" means service in the naval, military or air forces of Canada during the great war, or during the war with the German Reich and its allies, or during any other war in which Canada may hereafter become engaged;

By Mr. Green:

Q. Why is that put in?—A. To define "war service".

Hon. Mr. MACKENZIE: I think it might be desirable to make a change there in the last phrase, "or during any other war". What we had in mind particularly was that if the war were extended to any other country that was not one of the Axis powers at the present time. I beg your pardon, Mr. Green, were you referring to the last war or to future wars?

Mr. GREEN: Why was this new sub-section (*p*) put in?

Hon. Mr. MACKENZIE: It is necessary to define war service for the purpose of providing a basis for pensions.

Mr. REID: I notice that in the old Act you just have the word "war", while in the amendment you have changed this to read "war service".

Hon. Mr. MACKENZIE: Yes. That is what I referred to to provide a distinction; "war service" means service in the forces. In the old Act that was described as military services.

Mr. TUCKER: Does that carry you any further than your subsection (*j*) which described it as "military service" and the new section (*p*) describes it as "war service". It seems to me both are the same. Is there any difference?

The WITNESS: Military service means service in the forces since the beginning of the great war, whether during war or peace.

Hon. Mr. MACKENZIE: That is true.

The WITNESS: And war service defines service actually during the war.

Mr. GREEN: Why did you put in, "during any other war"?

Hon. Mr. MACKENZIE: That is the point I thought you mentioned, Mr. Green. I do not think it is necessary, really.

Mr. TUCKER: I think it is undue pessimism too.

Hon. Mr. MACKENZIE: Yes.

The WITNESS: If we had put that in the last Pension Act we would not have been here discussing this to-day.

Hon. Mr. MACKENZIE: I think it is quite unnecessary, myself; it is a matter for the legal gentlemen to decide.

Mr. GREEN: I doubt if it is wise to leave it in there.

The WITNESS: That is subject to the recommendation of the committee.

Mr. TUCKER: Somebody thought that we were getting ready for a next war.

Hon. Mr. MACKENZIE: We will consider it further anyhow.

The WITNESS: Section 2:

> Section two of the said Act is further amended by inserting the following paragraphs after paragraph (*p*) thereof and by re-lettering paragraph (*q*) as paragraph (*s*):—
>
> (*q*) "*great* war" means the war waged by the German Emperor and His Allies against His Majesty and His Majesty's Allies; and the period denoted by the term "*great* war" is the period between the fourth day of August, one thousand nine hundred and fourteen, and the thirty-first day of August, one thousand nine hundred and twenty-one, both dates inclusive;

which merely is in order to distinguish that war by the use of the adjective "great" as distinguished from this one. Then (*r*) is the definition of the present war:

"'war with the German Reich' means the war waged by His Majesty and His Majesty's Allies against Germany and Germany's allies which for the purposes of this act shall be deemed to have commenced on the 1st day of September, 1939, the date or dates as the case may be, of termination of which will be such date or dates as may be proclaimed by the Governor-in-Council."

By Mr. Reid:

Q. Will you not have to re-letter the Act because sub-section (*q*) in the present Act deals with widowed mothers whereas sub-section (*q*) in the new Act and (*r*) deals with the great war and war with the German Reich?—A. Yes.

Q. You will have to re-letter that?—A. Yes. It is re-lettered above, if you will notice that. Paragraph (*q*) is re-lettered as (*s*) now at the top of page 2.

Q. Oh, yes.

By Mr. Green:

Q. Just what effects will follow from putting that date in as September 1, 1939, instead of the date upon which Canada declared war?—A. I think that was taken because it was the date that was referred to in the order in council.

By Mr. Reid:

Q. You have the date of the first great war?—A. It is only a matter of a few days, anyway.

Q. You have the date of the first great war mentioned?

Hon. Mr. MACKENZIE: I am not sure, but I think there were some of the troops called out on that date.

Mr. ISNOR: Yes, there were.

Hon. Mr. MACKENZIE: It might have been to protect them.

Mr. ISNOR: They were called out on the 28th of August.

The WITNESS: It was selected so as not to shut out anybody who was taken on active service.

Mr. TUCKER: On that date the declaration bringing the War Measures Act into existence and providing for the calling out of troops was passed, the 1st of September. I think that is the reason.

Mr. CLEAVER: Yes. That is in the explanatory note.

Mr. CASSELMAN (*Grenville-Dundas*): It was in order to cover disability incurred from the 1st day of September.

The WITNESS: Paragraph 3 is merely correcting a clerical error in the old Act. In the old Act the section is referred to as Section Ten C. inadvertently and it should be Nine (A).

Hon. Mr. MACKENZIE: It is purely routine.

By Mr. Green:

Q. What does section 9 (A) provide for?—A. It is concerned with retirement, with the provision that a civil servant who may be appointed a member of the commission is permitted to continue making contribution to superannuation and may avail himself of the benefits.

Q. Should the old Act have been section 9 instead of 10? The old Act says section 10 of this Act. Your new definition is section 9.—A. Yes. The old Act should have said section 10. It is purely a mistake in printing.

Section 4 amends section 9 as follows:

"9. The Governor-in-Council upon the retirement of any member of the commission, or the court, who has served either as a member of the commission or as a member of the Board of Pension Commissioners for Canada or of the Federal Appeal Board or of the Pension Tribunal during at least 20 years. . . ."

and so on. When that was provided, service on the pension adjudicating bodies was considered for the privileges of superannuation. I do not know why the Federal Appeal Board was left out, but it is just being put in, in order to put them on a parity with the other members.

By Hon. Mr. Mackenzie:

Q. Does that mean that length of service on the Federal Appeal Board would qualify them for pension?—A. This section provides a discretionary power in the Governor-in-Council to pay a member of the commission a certain pension on retirement from service. In the computation of the period of service—that is to say, he has to have served 10 years and reached the age of 70 or served 20 years and been retired from physical or mental incapacity—service on any of these bodies is counted. That is to say, we have members of the commission now who served on the Board of Pension Commissioners; the name was changed to the Canadian Pension Commission, and they have served continuously. Their whole service counts.

By Mr. Reid:

Q. Are there any members who have been retired who are in receipt of part civil service superannuation and part pension?—A. No, sir. The Act provides, or this section provides, "and is not entitled to superannuation under the Civil Service Superannuation Act."

By Mr. Casselman (Grenville-Dundas):

Q. Is this designed to cover some specific case or cases?—A. There is at present one member of the commission who was on the Appeal Board. There are several members of the commission who were members of the Pension Tribunal.

Q. The ambit of this section as it is now cannot go wider than to affect the rights of one person?—A. I am sorry. I did not hear the question.

Q. The section as drawn now cannot be widened out to cover more than the one individual, can it?—A. Well, it is to provide for members of the Federal Appeal Board. Of course, these are all old institutions and I do not suppose many members will be appointed in the future. But there is at present one member of the commission who was a member of the Federal Appeal Board; and under the present legislation he is not permitted to count his service on the Federal Appeal Board towards the computation of any consideration that the Governor-in-Council might be prepared to give him on retirement.

By Hon. Mr. Mackenzie:

Q. Would it be as part of the 20 years.—A. It would be part of the 20 years or the 10 years, as the case may be, if he reached 70.

By Mr. Green:

Q. Which member is that?—A. Mr. Riley.

By Mr. McLean:

Q. Could we have a little enlightenment now in connection with the question of retiring allowances for men who serve on these boards? I take it that members of the commission would not get the benefit of superannuation—A.—unless they were contributing to the superannuation fund, under the Civil Service Superannuation Act, before they were appointed.

Q. Then it would be on the basis of their amount of contribution before they were appointed?—A. Well, no. If I may be permitted to say so, I am one in that category myself. I was a contributor to the superannuation fund before I was appointed to the commission. I continue to contribute on the same basis as before, and at the conclusion of my service, on my retirement, I will be entitled to such superannuation as the ordinary civil servant.

By Mr. Green:

Q. This section would not apply to you at all then.—A. No; I am sorry to say, it would not.

By Mr. McLean (Simcoe East):

Q. I should like to ask this question. Let us take the case of a man who is appointed to a commission. He is not a civil servant. As the Act stands at present, without this amendment, has the Governor-in-Council the power, on his retirement, to grant him a pension?—A. Yes, under any one of three conditions: first, that he has served twenty years on one of these bodies mentioned in this section.

Hon. Mr. MACKENZIE: Or more than one, jointly.

The WITNESS: Or more than one, yes; if he has served for 20 years, total service, on one or more of these bodies; or that he has reached the age of 70 years and has so served ten years, or thirdly, they may, if necessary, allow him to be retired for physical or mental incapacity.

By Mr. Black:

Q. That is provided by section 9 of the Act now?—A. Yes. The only change in this is to bring in the Federal Appeal Board.

By Mr. Wright:

Q. Is there any provision made whereby he contributes towards any fund the same as any other civil servant?—A. He is not a civil servant. He is appointed by order-in-council.

Q. He does not contribute towards any fund?—A. No. He makes no contribution. But of course it is only discretionary with His Excellency the Governor-in-Council. It is not a right.

By Mr. Green:

Q. Does Commissioner Riley come under the 20 year or 10 year provision?—A. It all depends how long he goes.

By Hon. Mr. Mackenzie:

Q. How long has he been there now?—A. Mr. Riley was appointed in July, 1936.

By Mr. McLean (Simcoe East):

Q. Do I take it that so far as the Pensions Act is concerned, it does not provide mandatory—if you wish to call them that—pensions for commissioners unless they were contributing to the civil service fund?—A. No. That is the only right they had. Anything else is discretionary.

Q. It is discretionary?—A. With the Governor-in-Council.

By Mr. Green:

Q. Did you say Commissioner Riley was appointed in 1936 or 1926?—A. 1936. He served some years on the Federal Appeal Board, until its abolition.

By Mr. Casselman (Grenville-Dundas):

Q. What was his length of service on the appeal board?—A. I am not quite certain, Mr. Casselman. I could get it. I think it was about seven years. Mr. Dixon, could you give that?

Mr. DIXON: About seven years, sir.

The WITNESS: He was about seven years on the Federal Appeal Board until it was abolished.

By Mr. Green:

Q. Then he went to the Pension Commission?—A. No; he was only appointed to the Pension Commission in 1936.

Q. Was he right out of the service for a period?—A. Yes.

Q. For how long?—A. The Federal Appeal Board was abolished in 1930, was it not? He was six years out.

By Mr. Turgeon:

Q. Am I right in inferring that, if this section should pass, the members of the old Federal Appeal Board would be in the same position as the members of the old Pension Board?—A. Yes.

Q. It is just a case of making one board come under the same regulation as the other boards are now under?—A. Yes.

By Mr. Green:

Q. Have there been any other cases where there has been a gap like that?—A. Oh, yes; there was a gap in connection with certain members of the pension tribunal who were subsequently appointed to the Pension Commission.

Q. And they qualified for this pension?—A. They qualified for consideration for this pension.

By Mr. Cruickshank:

Q. If we brought some of the old board back again and put them on for a couple of weeks, would they be eligible for pension?—A. Provided they served twenty years.

Q. It cost us enough to get rid of them last time.

By Mr. Casselman (Edmonton East):

Q. When a man is appointed to that board and he was not a civil servant before, is there any particular reason why he should not be dealt with in the same way as a civil servant? Could it be put into the Act that he should be dealt with in the same way as a civil servant in the matter of putting aside for superannuation the same percentage as is being put aside by the temporary war help now?

Mr. CRUICKSHANK: The poor little girl who gets $57 a month has to contribute.

By Mr. McLean:

Q. From the fact that this clause is in the Act, is that considered more or less a guide to the Governor in Council that this is a right that the gentleman has on retiring?—A. It has never been invoked. The Governor in Council has never invoked it.

By Hon. Mr. Mackenzie:

Q. Did anybody ever qualify for it?—A. Nobody has ever qualified for it so far. The ex-members of any of these bodies who are drawing any superannuation are those who qualified under section 9 (*a*); that is to say, they were civil servants and continued to contribute.

By Mr. Turgeon:

Q. Are there any of the members of the commission now who are paid a pension under the Civil Service Act who have not paid an annual fee or whatever you call it?—A. Contribution to the civil service fund?

Q. Contributions, yes. Are there any who have not made contributions?—A. Yes, quite a number.

Q. That is, they qualify without having made contributions?—A. They do not qualify for anything. They have no right. They may be considered.

By Mr. McLean:

Q. You say it has not been invoked. In the case of future retirements, what I am getting at is whether the fact that this section is in this Act would be taken by the Governor in Council as a sort of guide that the gentleman in question has a right. What I am trying to get at is just what we are putting into this Act because, candidly, I am in favour of superannuation; but if a man is appointed to a position with a pretty high salary and serves for a number of years, just why he should have the right to one-third of his salary as a retiring allowance for the rest of his life, I cannot quite understand.—A. He has no right.

Q. I am just asking that. I am just asking what interpretation would be put on this by this gentleman who might be affected by it. If it does not mean anything, well and good. If we are putting sections into the Act which are going to be interpreted when the question of heavy retirement allowances comes up, and then be referred back to this Act, I think we want to consider pretty seriously what we put into this Act. I have in mind one gentleman who served on a pension commission and later received a very high retiring allowance, not on retiring from that position but on retiring from another very very highly paid position. The only reason I am bringing up the question is that I should like to know just what we are doing when we are passing sections of the Act.

Mr. CLEAVER: The section is already in the Act. As I understand it, we are simply correcting an obvious oversight which was made at the time the section was passed; that is, we are making it apply equally to the entire field.

Mr. TUCKER: We have the right when dealing with this section to make recommendations. If we think that this section should not be in there, we have the right to so recommend. I am not quite satisfied that if you give the right to His Majesty to grant a pension for certain services, it creates practically as much of a right on the part of the subject to claim that pension from His Majesty. While it is quite true that the subject could not come along and sue for this right, when the power is right there I am sure that when service is completed a person will come along and say, "I have completed my service under the Act which entitles you to give me that pension," and I am sure he would never be turned down unless parliament stepped right out and refused to appropriate the money.

I understand that this is to take care of one man who served on the Federal Appeal Board. The desire is to have that service count as part of his service which will give him the right to ask for a pension. That is the only purpose of the amendment, but of course this committee would have the right to make some recommendation on the section as a whole if they want to do so.

Mr. MACDONALD: Frankly, I cannot understand the attitude of some of the members of this committee who come here for the purpose of seeing to it that those who are worthy will receive pensions. I think that is the purpose of all members of the committee. We want to see that everybody who is entitled to a pension gets one.

It turns out that some men may act on the Federal Appeal Board. At the end of this time a person may be seventy years of age, probably sick, has no money, has served his country well, and this committee is going to say, "Well, we are here to see that people get their pensions who are entitled to them and that the Governor in Council cannot grant a pension to that man." If he has served well as a commissioner, are we going to say to the Governor in Council, "No, you cannot give the man even one-third of his salary." He does not

necessarily get that; he may only get one-tenth of his salary. He may need a pension. I think this is the last committee in this House which should say that he should not get it.

The CHAIRMAN: The section is not under discussion for acceptance or rejection. As I understand it, the section is under discussion for explanation, and General McDonald has given us his explanation. Are there any other questions?

Mr. GREEN: Is Commissioner Riley seventy years of age?

The WITNESS: This is not being done for Commissioner Riley in particular. I quoted him as an example.

By Mr. Green:

Q. I thought you said he was the only one who would be covered by the amendment?—A. At the present time.

By Mr. Isnor:

Q. How old is he?—A. I have not the faintest idea.

Hon. Mr. MACKENZIE: Fifty-five years of age. That is a guess.

By Mr. Cruickshank:

Q. What salary does he get?—A. $6,000 a year.

Mr. CRUICKSHANK: The point is, and there is no use camouflaging it, that there has been a lot of discussion amongst the private soldiers, their widows and orphans, about pensions. We are here to discuss pensions, quite true, but every civil servant has to contribute monthly, and many of them are going without food to do it right here in this city. But if a man is getting $6,000 a year—I should not talk against it as I might get a job on that board sometime—I would not mind contributing. I do not see why any other civil servant has to contribute when a man getting $6,000 a year cannot contribute. When we get down to the real meat of this thing, the main thing is who is going to get pensions and how much are the widows and orphans going to get. That is the most important part of the work of the committee. How are we going to go back and justify what we do get for the private soldiers, when we are quibbling around here about this sort of thing? I do not know who Mr. Riley is. All it amounts to is a substantial retiring allowance to some person, and $2,000 a year is something to consider when these other people have to contribute monthly.

Mr. QUELCH: I think there is a point we will have to keep in mind. I think there are a lot of injustices under the old Pension Act. We know that when the committee met in 1936 on several occasions when certain matters were brought up it was admitted that certain soldiers were really entitled to certain things but that we could not afford to do them—the money was not available, and those injustices were not remedied. Many people feel to-day that we ought to pare down on the higher pensions in order to make pensions available for those in the lower brackets. If we are going to be told that we cannot allow pensions to widows of pensioners who have less than a fifty per cent disability because we have not got the money, then I would say it would be better to reduce the higher pensions in order to make them available to the widows of pensioners who have less than fifty per cent disability.

If we are going to be met with the same argument that money is not available, to meet the injustices under the present pension system I say we will have to start and cut down on those receiving pensions in the higher brackets in order to make them more nearly equal.

Mr. TURGEON: I am very glad that my friend made that suggestion. It just happens that I know Mr. Riley very well, and I am sorry I do. I mean that in this way, that I wanted to continue discussing this matter on principle rather than as one dealing purely with an individual person. If we are going

to say that no member of the commission should receive a pension which some of us consider to be too high, that is a question of principle and should be discussed in a different manner. But if I understand the explanation that has been given to us by General McDonald, this discussion concerning Mr. Riley never would have taken place if in the present Pension Act the words "Federal Appeal Board" had been inserted years ago.

Section nine says:

"At that time"—

That is the time when the board was set up—

"it was not contemplated that a member of the old Federal Appeal Board should ever be appointed a member of the commission."

If it had been contemplated that a member of the old Federal Appeal Board might sometime be appointed a member of the commission, I think those who drew the statute at that time would have mentioned the Federal Appeal Board, the same as they mentioned the pension tribunal, and Mr. Riley or anybody else would have automatically come under the pension regulations to-day and this amendment would not be necessary at all. Therefore, the necessity arises not because Mr. Riley happens to be there but because the Federal Appeal Board was not mentioned when the present legislation was passed and when there happened to be a member of that board on the commission.

Mr. GREEN: Is there not a little difference in this way, that at the time section nine was passed they included all the boards that were then in existence, the pension tribunals, and so on? Probably the Federal Appeal Board was left out on purpose. The explanation given here is that it was an oversight, but I should like to be sure. Was it the fact that the Federal Appeal Board had gone out of existence some time before section nine was passed in its present form?

Mr. TURGEON: Now you are going back and picking up service in a prior board; in other words, leaving a gap in this case of five or six years.

The WITNESS: I think the pension tribunal was out of existence. The pension tribunal was put in sometime after its abolition when it became desirable to secure the services of some of the ex-members of the tribunals on the Pension Commission.

Mr. GREEN: For the next meeting could you bring us the history of section nine?

The WITNESS: Yes, sir, I will.

The CHAIRMAN: May we meet again on Thursday at 11 o'clock?

Mr. REID: Agreed.

The Committee adjourned at 1 o'clock p.m. until Thursday, March 13, at 11 a.m.

APPENDIX "A"

CANADIAN MILITARY PENSIONS LEGISLATION—

A BRIEF HISTORY

Soldiers of France demobilized in Canada about the year 1670, received grants of land as compensation for service. Officers accepted seigniories and soldiers farmed as tenants under their former officers. England pensioned soldiers in Canada by government grants of land. This form of pension or compensation was continued to Canadian soldiers of the Revolutionary War and the War of 1812. Whilst money was also paid to regulars and militia men, such payments were given either as additional pay, prize money or gratuity.

In 1867, by means of the British North America Act, the Federal Government of Canada was empowered to legislate with regard to military and naval matters. The earliest Canadian legislation on record relating to pensions for military service, however, appears in respect to persons incapacitated while repelling the Fenian Raids in 1866; and by virtue of an Order in Council dated July 8, 1885, with respect to those who assisted in quelling the North West Rebellion.

There was no Canadian pension provision for those who served in the South African War of 1899-1902. Members of the Canadian South African Contingent were required to qualify under the British regulations, and pensions both respecting disability and death arising out of the South African Campaign, were paid by the British Government, although in comparatively recent years our legislation has made provision for supplementing such pensions to Canadian rates and our War Veterans' Allowance Act has been amended to confer its benefits upon Canadians who had active service in South Africa.

A study of early provisions reveals that confusion existed as to the principle upon which our Pension law should be based. We find that a service pension, given upon completion of long term service, was considered a mark of gratitude, whereas pension for disability or death due to service was given in payment of a debt. Pensions solely to provide subsistence in cases of need were seriously considered. For the purpose of this history however, it is sufficient to say that (apart from long service pensions) the Law was finally based on the principle of providing reparation or compensation for the degree of incapacity in the common labour market (or to the dependents following death), suffered by a member of the forces as a consequence or result of service.

Between the years 1885 and the outbreak of the Great War in 1914, little legislative action was taken other than the passage of the Militia Act of 1901, providing service pensions to officers and men of the permanent militia on completion of service, and the Pay and Allowance regulations of 1907, governing "compensation on account of deaths, injuries and disease." The latter regulations differentiated in the degree of pension between "war" and "peace" casualties. Following is an excerpt taken from part 8 of the Pay and Allowance regulations aforementioned:—

PENSIONS FOR WOUNDS, ETC., ON ACTIVE SERVICE

438. The following rates of pension and remuneration will be granted militiamen wounded or disabled on active service, and to the widows and

children of those who have been killed in battle or who have died from injuries or illness contracted on active service:—

Rank at time of wounds, illness, etc.	First Degree	Second Degree	Third Degree	Fourth Degree
Lieutenant	$400	$300	$200	$150
Warrant Officers.....	300	225	150	112
Staff-sergeant	240	180	120	90
Sergeant	200	150	100	75
Corporal	170	130	85	65
Private	150	110	75	55

(*a*) The first degree shall be applicable to those only who are rendered totally incapable of earning a livelihood as a result of wounds received in action.

(*b*) The second degree shall be applicable to those who are rendered totally incapable of earning a livelihood as a result of injuries received or illness contracted on active service, or rendered materially incapable as a result of wounds received in action.

(*c*) The third degree shall be applicable to those who are rendered materially incapable of earning a livelihood as a result of injuries received or illness contracted on active service or rendered in a small degree incapable of earning a livelihood as a result of wounds received in action.

(*d*) The fourth degree shall be applicable to those who are rendered in a small degree incapable of earning a livelihood as a result of injuries received or illness contracted on active service.

439. If the provision awarded to a widow or an orphan is in the form of a pension, the undermentioned rates per annum must not be exceeded in settling the amount of the pension, viz:—

440. To a widow a sum equal to three-tenths of what her late husband's daily pay would amount to for the period of twelve months.

With the advent of the Great War and mobilization of a large army mainly of civilians for active war service outside Canada, the inadequacy of existing legislation became apparent.

The situation, however, continued to be governed by Orders in Council administered by the Minister of Militia from the outbreak of the Great War until the passage of P.C. 1334 on June 3rd, 1916, which vested administration of all existing regulations in a Board of Pension Commissioners comprising three members.

Contingencies continued to be met by Order in Council until, upon recommendation by Parliamentary Committee, P.C. 3070 of December 21st, 1918, was passed. This Order in Council not only directed that the "Commissioners comprising the Pension Board shall devote the whole of their time to the performance of their duties", but also consolidated all previous pension provisions for direction of, and administration by the Board. In fact it would seem the terms of P.C. 3070 largely formed the basis of the original "Pension Act", Chapter 43 assented to on July 7th, 1919.

The absence of more comprehensive legislation prior to the enactment of 1919 will be more readily appreciated when it is recognized that until our participation in the Great War of 1914-1918, pensions had been paid mainly respecting members who had either completed their contract or ended the term of engagement in the Militia or Permanent Force; whereas, during and since the Great War the major problem has been that of deciding pension eligibility in respect to disability or death arising out of "Active Service."

Basis of Entitlement

Pension entitlement has been decided respecting members of the forces generally on the following basis:—

1. Compensation for disability resulting from service.
   (*a*) In the case of those who served in a theatre of war or on active service, for disability incurred during, attributable to, or aggravated during service.
   (*b*) In the case of Militia or Permanent Force, where the disability is considered to be directly caused by service or incurred during the performance and as a result of duty.
2. Long service; completion of contract or termination of engagement.

The same rules have applied and still govern the matter of entitlement to pension for widows, in so far as the qualification to pension for dependents is contingent upon the establishment of relationship to service of the condition resulting in the death of the member of the forces, in the same manner as that governing entitlement to pension set out above.

Until June 3rd, 1916, pension was payable only when disability or death was *directly caused* by the performance of duty during service. This principle, namely, that pension shall be paid only when disability or death was the *direct result* of service, was the principle upon which pension laws were based in all countries up to that time.

Canada, however, discarded the "due to service" principle in 1916, so far as members of the Naval and Expeditionary Forces on Active Service were concerned. A new principle, generally known in official circles as "the insurance principle" was adopted. It was apparently felt at that time the State should accept complete responsibility for whatever happened to a member of the forces during his active service, whether or not any consequential disability (or death) had direct causation in the performance of duty, for example:

> Two soldiers, A and B, leave barracks together. A is going on leave, B on duty, carrying an official message. As they cross the street, both are knocked down and injured by the same automobile. A is not pensionable for any consequential disability under the *"directly due to service"* principle, but B is, as the latter was injured in the execution of his duty. Under the insurance principle, however, both would be entitled.

Indeed, the "insurance principle" extends much further, particularly as it relates to disability consequent upon disease. It provides that when disability from any cause or disease exists in a member of the forces (who has served in an actual theatre of war) at the time of discharge from service, the full extent of such disability shall be pensioned unless the condition resulting in disability was either obvious, congenital, or concealed on enlistment. It goes still further, and provides that where competent medical evidence shows reasonable presumption that disease started, or was aggravated during service, the resulting disability shall be pensioned (see Section 63 of the Act).

It is interesting to note that in determining entitlement to pension for disability and death in the original enactment of 1907, only four classes or degrees of pension, and as late as 1916 only six classes were provided for. In order to qualify for the first degree (or total pension) the incapacity must have been "a result of *wounds* received in action", whereas second degree pension was provided "to those who are rendered totally incapable of earning a livelihood as a result of injuries received or illness contracted on active service", and third degree pension provided for lesser disablement consequent upon "injuries or illness contracted on active service" and fourth degree for still lesser disability consequent upon injuries or illness. It will be noted that the first degree, or

total pension, is granted *only for total incapacity consequent upon wounds*, and this makes no provision for disability consequent upon injuries or illness which must therefore fall into the lower groups.

The governing or basic principle of pension law in determining entitlement was contained in Section 11 of the original Act of 1919, and although this particular section has been amended from time to time, it is still the keystone. The original Section 11 reads as follows:—

> "11. (1) The Commission shall award pensions to or in respect of members of the forces who have suffered disability in accordance with the rates set out in Schedule A of this Act, and in respect of members of the forces who have died, in accordance with the rates set out in Schedule B of this Act, when the disability or death in respect of which the application for pensions is made was attributable to or was incurred or aggravated during military service.
>
> Provided that when a member of the forces has, during leave of absence from military service, undertaken an occupation which is unconnected with military service no pension shall be paid for disability or death incurred by him during such leave unless his disability or death was attributable to his military service.
>
> Provided further that when a member of the forces has suffered disability or death after the declaration of peace, no pension shall be paid unless such disability was incurred or aggravated or such death occurred, as the direct result of military service.
>
> (2) When a member of the forces is, upon retirement or discharge from military service, passed directly to the Department of Soldiers' Civil Re-establishment for treatment, a pension shall be paid to or in respect of him for disability or death incurred by him during such treatment."

If it is remembered that Section 11 governs all matters of pension entitlement *in the first instance*, and that this section is the door through which all initial claims must pass before pension may be granted, a better appreciation of the whole Pension Act and its ramifications is obtained.

An excellent illustration of the insurance principle is contained in a statement made by the Honourable Mr. N. W. Rowell, K.C., who was in charge of the Bill during a discussion of the pension legislation in the House of Commons in 1919, as follows:—

> "Under our pension law, if a soldier contracts disease (during service) under purely normal conditions, having no relation at all to service, he becomes entitled to pension. It is really an insurance system."

The terms of Paragraph 3, Clause 1 of Section 11 of the original Act further illustrate the insurance principle:—

> "That when a member of the forces has suffered disability or death after the declaration of peace, no pension shall be paid unless such disability was incurred or aggravated or such death occurred as the *direct* result of military service."

Asked the reason for this proposal, Mr. Rowell answered, in part—"During peace the insurance element should be eliminated."

Section 11 of the original Act of 1919 was repealed by the enactment of Chapter 62, assented to July 1, 1920, abolishing the "insurance principle" in respect to entitlement for disability and death. The amended Section 11 reads as follows:—

> "11. The Commission shall award pensions to or in respect of members of the forces who have suffered disability in accordance with the rates set out in Schedule A of this Act, and in respect of members of

the forces who have died in accordance with the rates set out in Schedule B of this Act, when the disability or death in respect of which the application for pension is made, was attributable to military service."

It will be noted the provision to grant for conditions "incurred or aggravated during service" is eliminated.

The *direct service causation* or attributability principle was confirmed by the enactment of Chapter 45, June 4, 1921. It was then suggested in Parliamentary Committee and Commons' discussion that all former members of the Canadian Expeditionary Force who had incurred disease or disability during the Great War had, or should have, made application, and the new section was primarily intended to cover those serving with the Permanent and Non-Permanent Active Militia, as well as belated C.E.F. claims, where disability or death could be shown to have causation in service.

However, Section 11 was again amended by Chapter 38, assented to June 28, 1922, as a result of which the "insurance principle" was restored with respect to former members of the Canadian Expeditionary Force who have served in a "theatre of war." Before this principle applied, however, such applicants for pension were required to show that the *disability* forming the basis of claim existed at the time of discharge from the forces. This particular amendment is quoted here and its unusual features will be noted:—

"Any disability from which a member of the forces who served in an actual theatre of the Great War was suffering at the time of his discharge, shall for pension purposes be deemed to be attributable to or to have been incurred or aggravated during his military service, unless and until it be established by the Commission that the disability was not attributable to or incurred or aggravated during such service."

The section was further amended following the findings of the Ralston Commission by the enactment of Chapter 62, assented to June 30th, 1923. Not only were the provisions as enacted in 1919 restored, but the section was amended to practically the same form and reading as it exists to-day, the "insurance principle" being fully restored to cover all former members of the Canadian Expeditionary Force who served in a theatre of actual war, regardless of the date of appearance of disability, and Section 11 (2) was added, confirming the "direct service causation principle" in respect to disability or death occurring with members of the Permanent or Non-Permanent Active Militia after the war.

Since June 30, 1923, by Chapter 62, the Pension Act has also made special provision for the granting of pension in compassionate cases where the circumstances are unusually meritorious and where the applicant has been unable to establish claim within the provisions of Section 11. This clause, known as Section 21, reads as follows:—

21. (1) The Commission may, on special application in that behalf, grant a compassionate pension or allowance in any case which it considers to be specially meritorious, but in which the Commission has decided that the applicant is not entitled to an award under this Act.

(2) The amount of any compassionate pension or allowance under this section shall be such sum as the Commission shall fix, not exceeding the amount to which the applicant would have been entitled if his right to payment has been upheld. 1924, c.60, s.4; 1928, c.38, s.11; 1930, c.35, s.8; 1933, c.45, s.10; 1939, c.32, s.10.

Difference of opinion has arisen from time to time as to the intention behind the introduction of this Section into our legislation. Its application has generally been made in cases of death where the service was unusually long, arduous and meritorious, although it has been applied in a few cases during the lifetime of the soldier.

The amendment of June 27th, 1925, contained a further technical change in the phraseology of Section 11. This, however, did not in any manner alter the basic principles which remain as already outlined to this day, and the Section now reads:—

11. (1) In respect of military service rendered during the war,

(*a*) pensions shall be awarded to or in respect of members of the forces who have suffered disability in accordance with the rates set out in Schedule A of this Act, and in respect of members of the forces who have died in accordance with the rates set out in Schedule B of this Act, when the injury or disease, or aggravation thereof resulting in disability or death in respect of which the application for pension made was attributable to or was incurred during such military service;

(*b*) no deduction shall be made from the degree of actual disability of any member of the forces who has served in a theatre of actual war on account of any disability or disabling condition which existed in him at the time at which he became a member of the forces; but no pension shall be paid for a disability or disabling condition which at such time was wilfully concealed, was obvious, was not of a nature to cause rejection from service, or was a congenital defect;

(*c*) an applicant shall not be denied a pension in respect of disability resulting from injury or disease or the aggravation thereof incurred during military service or in respect of the death of a member of the forces resulting from such injury or disease or the aggravation thereof solely on the ground that no substantial disability or disabling condition is considered to have existed at the time of discharge of such member of the forces;

(*d*) when a member of the forces is, upon retirement or discharge from military service, passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death incurred by him during such treatment;

(*e*) when a member of the forces has during leave of absence from military service undertaken an occupation which is unconnected with military service no pension shall be paid for disability or death incurred by him during such leave unless his disability or death was attributable to his military service;

(*f*) subject to the exception in paragraph (*b*) of this sub-section, when a pension has been awarded to a member of the forces who has served in a theatre of actual war, it shall be continued, increased, decreased or discontinued, as if the entire disability had been incurred on service.

(2) In respect of military service rendered after the war, pensions shall be awarded to or in respect of members of the forces who have suffered disability, in accordance with the rates set out in Schedule A of this Act, and in respect of members of the forces who have died, in accordance with the rates set out in Schedule B of this Act, when the injury or disease or aggravation thereof resulting in disability or death in respect of which the application for pension is made was attributable to military service as such.

(3) The Commission may require a pensioner to submit periodically in such form as may in the opinion of the Commission be necessary or advisable, a statutory or other declaration that he is the person to whom the pension is payable, and that his dependents in respect of whom he is in receipt of additional pension are living and are being supported and maintained by him, and in the event of his refusing or neglecting to submit such certificate, the Commission may suspend future payments of pension until the same is received. 1923, c.62, s.3; 1925, c.49, s.1."

The benefits of the insurance principle in relation to disability from disease will be noted if clauses (*b*) and (*f*) of the above section are studied.

Much difficulty has arisen in the administration of the Pension Act, in determining entitlement for disability or death consequent upon disease. This is readily understood when one considers the wide range or field covered by the art of medicine and the difficulty which confronts even the most expert in determining the origin or cause of systemic disease. Indeed, in the absence of service medical record, in the majority of systemic diseases and practically all diseases falling into the neuro-psychiatric group, it has not been possible for medical men to give more than presumptive evidence of the existence or origin of disease during service in cases where the actual *disability* from such disease has arisen or become manifest many years post discharge. A generous provision in this regard is Section 63 of the Act, which reads:—

> 63. Notwithstanding anything in this Act, on any application for pension the applicant shall be entitled to the benefit of the doubt, which shall mean that it shall not be necessary for him to adduce conclusive proof of his right to the pension applied for, but the body adjudicating on the claim shall be entitled to draw and shall draw from all the circumstances of the case, the evidence adduced and medical opinions, all reasonable inferences in favour of the applicant. 1930, c. 35, s. 14.

In spite of the continuation of the insurance principle (and the terms of Section 63), it has become increasingly difficult with the passing of years, to establish service origin and pension entitlement for disablement consequent upon disease.

In 1930 therefore, the War Veterans' Allowance Act was passed, providing (contingent upon other income) $20 a month for single men and $40 per month for married men, in cases where the soldier, who served in a theatre of actual war, (*a*) has attained the age of 60 years, (*b*) the veteran of any age, because of disability, is permanently unemployable. This "allowance" must not be confused with "pension", the right to which must be established within the provisions of the Pension Act. The difference between "allowance" and "pension" is that the former is exactly what it says, namely, an allowance to provide sustenance in cases of need where the disablement cannot be traced to war service within the meaning of the Pension Act; whereas "pension" is paid regardless of the economic situation for proven war disability within the terms of the Pension Act. Furthermore, the "allowance" may be paid for only one year after the death of the soldier, whereas "pension" may be indefinitely paid to dependents in all cases where—(1) the pensioner is in receipt of 50 per cent or more "pension" at the time of death; (2) death is consequent upon a pensionable condition. The War Veterans' Allowance Act has undoubtedly relieved much distress and is indeed one of the most generous measures of its kind ever undertaken. Those who have been closely associated with the problem of war pensions and aftercase will, however, agree that in many cases now receiving the Allowance, where pre-aging or disability is consequent upon disease, the difference by way of compensation as between entitlement to "pension" or an "allowance", is often determined only by the "accident" of entries on the soldier's service medical record or his ability to produce evidence of medical treatment either during service or over the early post discharge period. The creation of the War Veterans' Allowance provisions pre-supposed pre-aging or disablement consequent upon non-proven "war" disabilities, although beneficiaries qualify regardless of cause of disablement.

On September 2nd, 1939, Order in Council P.C. 2491 was passed, conferring all the benefits of the Canadian Pension Act upon all members of the Canadian Active Service Forces enlisted for service in the "War with the German Reich". The terms of this Order in Council conferred the benefits of the insurance

principle upon all members of the forces, regardless of their field of service. On May 21, 1940, further Order in Council P.C. 1971 was passed, rescinding the regulations made by Order in Council P.C. 2491 aforementioned, and conferring the benefits of the insurance principle only upon those who served in a theatre of war, or outside Canada. (England was not considered a theatre of war for pension purposes during the Great War, except in special circumstances, where wounds or injuries were incurred as a direct act of the enemy, such as by bombs, etc.) The effect of the terms of P.C. 1971 is that those members of the forces serving in the "War with the German Reich" who have service in Canada only must prove any disease or disability incurred or aggravated during that service to have "direct causation" in such service, whereas those serving outside Canada will be entitled to the benefits of the insurance principle.

The foregoing covers the basic principles governing the interpretation and administration of our pension laws. The evolution from the "direct causation" to the "insurance" principle is interesting. It has been seen that in 1907 only four classes or degrees of pension were provided for, the first and most important of which was restricted to cases where full disability resulted from "wounds incurred during service," and to qualify for the other three degrees of pension for disability from illness or disease, it must have been proven that the disability was "contracted during service"; and proof of *direct* causation in service was required.

Great changes have been wrought by extension of the "insurance principle." As early as June 23, 1917, an elaborate "table of disabilities, for the guidance of physicians and surgeons making medical examinations for pension purposes" was compiled and issued by the Board of Pension Commissioners of Canada. This table was compiled by a Board of outstanding medical doctors. The measurement or scale of assessing disabilities is based on the average person's ability to earn in the common labour market. A further extension or phase of the insurance principle is reflected in certain special provisions. Section 24(3) is here quoted to illustrate the special provisions governing disability from tuberculosis:—

> 24. (3) Pensions for disability resulting from pulmonary tuberculosis, when during the treatment of a member of the forces the presence of tubercle bacilli has been discovered in the sputum or it has been proved that the disease is moderately advanced and clinically active, shall be awarded and continued as follows:—
>
> (*a*) In the case of a member of the forces who served in a theatre of actual war and whose disease was attributable to or was incurred or was aggravated during military service, and in the case of a member of the forces who did not serve in a theatre of actual war whose disease was incurred during military service during the war, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;
>
> (*b*) In the case of a member of the forces who did not serve in a theatre of actual war whose disease was aggravated during military service during the war, a pension of ninety per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;
>
> Provided that after the expiry of two years no pension awarded in respect of pulmonary tuberculosis shall be reduced by more than twenty per cent at any one time, nor shall such reduction be made at intervals of less than six months; and that the pro-

visions of paragraph (*b*) of this subsection shall not apply if the disease manifested itself within a period of three months after enlistment.

(4) No deduction shall be made from the pension of any member of the forces owing to his having undertaken work or perfected himself in some form of industry. 1919, c. 43, s. 25; 1925, c. 49, s. 5.

Furthermore, a pension regulation prohibits the reduction of pension below 50 per cent in cases which have been shown "moderately advanced, clinically active with a positive sputum."

In January, 1938, a regulation was passed providing annual increase in war injury cases, so "that when pensioners who are in receipt of pension at the rates of 50 per cent, 60 per cent or 70 per cent in respect of an amputation or gunshot wounds, reach the age of fifty-five years, an additional ten per cent shall be added to their asessment. Additional increases of ten per cent, where indicated, will be added when the ages of fifty-seven and fifty-nine are reached, until the assessment for amputation or gunshot wounds in each class of case becomes 80 per cent."

Whereas we find that only four degrees of disability pension were paid prior to the Great War, and six degrees in June, 1916 (P.C. 1334), the present Act makes provision for twenty-one classes or degrees, extending from Class 1 (total) 100 per cent, to Class 20, 5 per cent. Class 21 makes provision for pension gratuity of not more than $100 in cases where the pensionable assessment is less than 5 per cent.

Rates of Pension

From 1907 until the outbreak of the Great War the rate payable for total disability for single man was $150 per annum. In April 1915 the rate was increased to $264 per annum. The Parliamentary Committee appointed to consider pensions in 1916, recommended a higher scale for members of the Canadian Naval and Expeditionary Forces but left the scale for the Permanent Force and other units in Canada at the old figure, namely, $264 for total disability. The new rate for total disability was fixed at $480. In this way those who had enlisted for overseas service in the C.E.F. were pensionable at one rate and those who belonged to the permanent force at a lower rate. In October, 1917, the rates for members of the C.E.F. were again increased, the amount payable for total disability being made $600. The rates payable for those serving in Canada were not changed. The Governor in Council decided that after June 22, 1918, the Pension Regulations applicable to the C.E.F. should also be made applicable to all other military forces on pay in Canada after that date. In fact all members of Canadian Forces on pay in Canada were then made members of the C.E.F.

During the Great War and until June, 1916, pension appears to have been paid to widows at the same rate as that paid to soldiers for 100 per cent disability pension. However, in June, 1916, the annual pension for a widow was fixed at $384. In October, 1917, this amount was raised to $480, and in June, 1919, the amount was raised as follows: $720 per annum to an unmarried soldier for total disablement, and $576 annually for a widow. In 1920 the amount was raised to the present rate, namely, $900 and $720 respectively, for unmarried soldiers and widows.

(See page 13 (*a*) for present scale, immediately following.)

It will be noted that whereas the present rate is the same for all ranks below and including Sub-Lieutenant (Naval) and Lieutenant (Military) the rates in 1907 varied considerably as between a Lieutenant and a Private. Schedule "A" on pages 34 and 35 of the Pension Act shows a complete scale of disability pension rates for all ranks, and Schedule "B" on page 35 gives a complete scale or rate of pension for widows of all ranks.

The scale of disability pensions for the rank of Sub-Lieutenant (Naval); Lieutenant (Military), and all ranks and ratings below is now as follows:—

Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7	Class 8	Class 9	Class 10	Class 11	Class 12	Class 13	Class 14
100 p.c.	95 p.c.	90 p.c.	85 p.c.	80 p.c.	75 p.c.	70 p.c.	65 p.c.	60 p.c.	55 p.c.	50 p.c.	45 p.c.	40 p.c.	35 p.c.
$900	$855	$810	$765	$720	$675	$630	$585	$540	$495	$450	$405	$360	$315

Class 15	Class 16	Class 17	Class 18	Class 19	Class 20
30 p.c.	25 p.c.	20 p.c.	15 p.c.	10 p.c.	5 p.c.
$270	$225	$180	$135	$90	$45

	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7	Class 8	Class 9	Class 10
Additional pension for married members of the forces..	$300	$285	$270	$255	$240	$225	$210	$195	$180	$165
Additional pension for										
One child	180	171	162	153	144	135	126	117	108	99
Two children	324	309	294	279	264	249	234	219	204	189
Each subsequent child	120	114	108	102	96	90	84	78	72	66

	Class 11	Class 12	Class 13	Class 14	Class 15	Class 16	Class 17	Class 18	Class 19	Class 20
Additional pension for married members of the forces..	$150	$135	$120	$105	$90	$75	$60	$45	$30	$15
Additional pension for										
One child	90	81	72	63	54	45	36	27	18	9
Two children	174	159	144	126	108	90	72	54	36	18
Each subsequent child	60	54	48	42	36	30	24	18	12	6

Widows

From the beginning pension entitlement for widows has been contingent upon the nature of decision respecting service attributability of the condition resulting in the death of the husband and soldier. Prior to the Great War it must first have been proven that the death of the husband was *directly* caused by his military service before the widow became eligible.

Pensions were authorized respecting " widows and children of officers and men who had been killed in action or who had died from injuries received, or illness contracted on active service, during drill or training or other duty " from the beginning of the Great War until October 22nd, 1917, when the passage of P.C. 2999 required that pension be paid to the widow on the basis aforementioned " provided she was married to the member of the forces at the time disability was received, contracted or aggravated while on active service." These conditions remained in force until the passage of the original Pension Act in July, 1919, Section 33, Clause 1, of which reads as follows:—

> No pension shall be paid to the widow of a member of the forces *unless she was married to him before the appearance of the disability* which resulted in his death, and in the case of the widow of a pensioner, unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto.

Clause (3) of the same Section made provision for common law wives on the same basis, where dependence could be established, and Clause (5) states:—

> The Commission may, in its discretion, refuse to award a pension to a widow of a member of the forces who, at the time he became a member of the forces and for a reasonable time previously thereto, was separated from him and was not being maintained by him during such time.

The conditions of the two latter clauses remain the same to this day. However, the additional qualifying basis respecting entitlement for widows (after the requirements of Section 11 had been satisfied) changed from time to time and were the subject of much controversy between 1919 and 1930, particularly before the Ralston Commission of 1922-3, and Parliamentary Committees of 1928 and 1930. That part of Section 33 (1) reading " No pension shall be paid to the widow of a member of the forces *unless she was married to* him before the appearance of the disability which resulted in his death " gave rise to much vexation, as is had the effect of precluding an award in practically all cases where the marriage took place subsequent to the soldiers' military discharge. (Under the Revision of the Statutes in 1927 the number of Section 33 was changed to 32, although there was no change in the wording).

It was urged that the terms of Section 33 (1) penalized widows, many of whom married their pre-war fiances in good faith subsequent to discharge. It was alleged that neither they nor their husbands were aware, at the time of marriage, of potential disabilities which may have originated in the soldier during or as a result of his war service. So that in an attempt to ameliorate the situation, Section 32 (1) was repealed by the enactment of June 11th, 1928, Chapter 38, and the following substituted therefor:—

> No pension shall be paid to the widow of a pensioner unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto.
>
> (1) No pension shall be paid to the widow of a member of the forces unless she was married to him before the appearance of the injury or disease which resulted in his death,—

(a) unless the injury in respect of which he was pensioned or entitled to pension would not shorten his expectancy of life;

or

(b) unless he was not chronically ill of a pensionable disease and not in receipt of pension in respect thereof.

It was felt that paragraphs (a) and (b) of Section 32 (1) immediately aforementioned, would relieve the situation, but experience showed the impossibility of deciding with any degree of accuracy whether the condition in respect of which the member of the forces was pensioned or entitled to pension would or would not shorten his expectancy of life or whether a member of the forces could or could not be considered "chronicallly ill of a pensionable disease" at the time of marriage.

Finally, by the enactment of Chapter 35 of May 30, 1930, Section 32 (1) was amended abolishing paragraphs (a) and (b) aforementioned, and substituting an entirely new section known as 32A, reading as follows:—

(1) The widow of a member of the forces whose death results from an injury or disease or aggravation thereof which was attributable to or was incurred during his military service shall be entitled to pension if she was married to such member of the forces either before he was granted a pension in respect of such injury or disease, or before the first day of January, 1930.

(2) Nothing in this section shall be deemed to authorize the payment of any pension in respect of any period prior to the first day of January, 1930.

The conditions of this section continue to this day, excepting that 32 A(*a*) was amended in 1936 restricting the amount of retroactive payments of pension to a maximum of eighteen months.

This amendment resulted in the immediate pensioning of over eight hundred widows. An amendment was also introduced in 1933, providing that no pension shall be paid to the wife of a disability pensioner in cases where the marriage took place after the first day of May, 1933 (except in those cases where a common law union can be established prior to May 1, 1933, and a subsequent marriage was entered into to legalize this union). Generally speaking, therefore, to prove entitlement to pension, the widow must presently show that she was married prior to January 1, 1930; that her late husband was either in receipt of fifty per cent or more pension at the time of death, or that the condition resulting in his death was attributable to his military service.

In those cases where the marriage took place subsequent to January 1, 1930, and the soldier was not in receipt of pension at the time of marriage, pension may be paid where the condition resulting in death is proven to be of service origin.

It must be realized that in no case does the man's pension continue after his death. The widow, if she is entitled by reason of her husband having been a pensioner at the rate of 50 per cent or over, or having died of a pensionable disability, is awarded a pension in her own right.

Children

Prior to 1915 no pension was paid respecting children other than orphans.

Whilst P.C. 1712 of July 21, 1915, made provision for pensioning widows and children of naval ratings, no allowance appears to have been made prior to 1916 for the children of army officers or men (other than orphans). In 1916, during the Great War, however, a special allowance of $6 per month was made for each child, boys up to sixteen and girls seventeen years of age of pensioners in receipt of 60 per cent or more.

The 1919 Pension Act however, provided pension for children of all disability pensioners during lifetime and following death (in cases where entitlement has been established within the meaning of Section 11) for boys up to sixteen years, and girls seventeen years of age. The Act has always provided, however, that the Commission may extend the age limit to 21 years in extraordinary circumstances to facilitate education. Only in extraordinary circumstances is pension provided for children beyond twenty-one years. Section 22 (1) (*a*), however, make this provision when,

> such child is unable owing to physical or mental infirmity to provide for its own maintenance, in which case the pension may be paid while such child is incapacitated by physical or mental infirmity from earning a livelihood: Provided that no pension shall be awarded unless such infirmity occurred before the child attained the age of twenty-one years.

No pension is paid respecting a child after its marriage.

Section 23 (5) of the original Pension Act made special provision for the children of a pensioner who at the time of his death was in receipt of pension at the rate of eighty per cent or more:—

> As if he had died on service whether his death was attributable to his service or not, provided that the death occurs within five years after the date of retirement or discharge or the date of commencement of pension.

The Enactment of June 27, 1925, amended this section, conferring the benefit of the provision "for a period of ten years after the date of retirement or discharge of the soldier or the date of commencement of pension".

The Enactment of June 11, 1928, changed the number of this section from 23 (5) to 22 (7) as at present, and abolished the ten year limit, thus conferring the benefits upon children of deceased pensioners who were in receipt of eighty per cent or more pension at the time of death "as if he had died on service, whether his death was attributable to his service or not".

The amendments of May 23, 1933, introduced Section 77, prohibiting any award of pension in respect to any child (of a member of the forces or a pensioner) born on or after the first day of May, 1933.

Other Dependents

As in all other classes, pension for dependents other than widows and children is, of course, contingent first upon the establishment of entitlement respecting disability or death within the meaning of Section 11.

Prior to the Great War no provision appears to have been made for dependents other than widows and orphans. Provision was, however, made during the Great War for the payment of pension following death of a soldier to parent, or person in the place of a parent, who was either dependent upon the soldier at the time of death or who, upon falling into a dependent condition, can establish that such member of the forces "would have wholly or to a substantial extent maintained such parent or person had he not died".

The same provision was made for dependent brother or sister of a member of the forces who had died, when such member of the forces left no child, widow, or divorced wife. Pension to brother or sister, however, may be paid only when it has been established that such brother or sister is in a dependent condition and was at the time of the death of the soldier wholly or to a substantial extent maintained by him. Pension provision for dependents as outlined were contained in the original Enactment of 1919 and have continued from that time to the present. Provision has also been made for the payment of additional pension on behalf of parents where dependency upon disability pensioner can be established. (Section 30 (3) and (4)).

The Act defines "dependent condition" as "the condition of being without earnings or income sufficient to provide maintenance." Special consideration has, however, been given to widowed mothers. Whereas Section 33 (5) directs that:—

> "The pension to any parent or person in the place of a parent shall be subject to review from time to time and shall be continued, increased, decreased or discontinued in accordance with the amount deemed necessary by the Commission to provide a maintenance, etc."

Clause (7) of the same Section directs that:—

> "The pension to a widowed mother shall not be reduced on account of her earnings from personal employment or on account of her having free lodgings or so long as she resides in Canada on account of her having an income from other sources which does not exceed two hundred and forty dollars per annum."

General

Whilst the foregoing deals briefly with the actual history of legislation governing the qualifications or requirements upon which pension or compensation may be granted, the procedure governing both the method of adjudicating or award, as well as the manner of preparation and presentation of claims, may be of interest.

In 1916 the Board of Pension Commissioners, comprising three members, was authorized. This Board functioned part time only until 1917, when, as previously intimated, the members were required to devote the whole of their time to their duties. This Board was vested with sole authority in determining pension entitlement and the administration of the terms of the Pension Act generally, until 1923, when, consequent upon the findings of the Ralston Commission, a body known as the Federal Appeal Board, which functioned from 1923 until 1930, was empowered to hear, and did hear, appeals from decisions of the Board of Pension Commissioners. The Federal Appeal Board (three members) held sittings for this purpose at large centres throughout the Dominion. Their jurisdiction was confined strictly to matters of pension entitlement respecting disability and death. The Board had no power to alter the degree of disability pension. Appeals were dealt with on "the evidence and record upon which the Board of Pension Commissioners made its decision". The Federal Appeal Board was not allowed to hear new evidence, although the applicant, with his lawyer or advisor, was allowed personally to present his case to the Board locally.

In 1930 the Federal Appeal Board was abolished (see Chapter 35, May 30, 1930) and in its place was created a body known as the Pension Tribunal. This Tribunal (three members) also held hearings throughout Canada in a manner similar to the Federal Appeal Board. The Tribunal, however, was authorized to deal with cases "de novo". They were empowered to accept new evidence and hear witnesses. The 1930 amendments, which created the Pension Tribunal, also provided for the establishment of a branch of the department known as the Veterans' Bureau, headed in each district by an official known as the District Pensions Advocate, with Head Office at Ottawa, the whole administered by an official known as the Chief Pensions Advocate. The sole function of the Veterans' Bureau, which is still in operation, has been the preparation and presentation of claims on behalf of applicants. The 1930 amendments also provided for Commission Counsel, and at each Tribunal hearing the case was presented on behalf of the applicant by the Pensions Advocate, whilst Commission Counsel conducted the case on behalf of the Crown. The 1930 amendments also provided for an appeal body in Ottawa, known as the Pension Appeal Court. This body heard appeals from decisions of the Pension

Tribunal, entered either by the applicant or the Crown. Appeals were dealt with on the record before the Tribunal and decision of the Pension Appeal Court was final.

In 1933 the Pension Tribunal and Crown Counsel were abolished by statutory amendment (see Chapter 45, May 23, 1933). In place of the Pension Tribunal was created a system of local hearings by a Quorum comprising two members of the Canadian Pension Commission (the 1933 amendments also changed the name of Board of Pension Commissioners to Canadian Pension Commission). Although the Quorum had practically the same jurisdiction as the Tribunal, hearings were less formal. Whilst the case on behalf of the applicant was still presented by a Pensions Advocate, and the Quorum was empowered to accept new evidence, hear medical or other witnesses, Crown Counsel was no longer present at hearings.

Chapter 32 of the Statutes of 1939 abolished both the Pension Appeal Court in Ottawa and the Quorum. These amendments provided for the creation of an Appeal Board comprising three members of the Canadian Pension Commission, empowered to conduct hearings throughout the country in a manner similar to those conducted by the Quorum, accepting new evidence both documentary and verbal. Appeal Board decisions are final.

Whereas prior to the 1936 amendments to the Pension Act an applicant could make claim to pension *ad infinitum* as often and for as many conditions as he wished, these amendments have brought about a degree of finality in the following manner:—

Since 1936 the applicant's initial claim is made the subject of ruling by the Canadian Pension Commission in Ottawa upon documentary evidence. This is know as First Hearing decision. The applicant is then immediately advised both as to the nature of decision and the provisions of the statute governing further procedure. If the applicant notifies the Commission within ninety days that he desires to proceed further, it becomes mandatory that the Veterans' Bureau supply him with a complete summary of all the evidence (including his service history and medical record). The applicant is then allowed six months from the date of the mailing of the summary in which to complete his evidence (and this time may be extended upon request), before submitting his case for Second Hearing decision by the Canadian Pension Commission in Ottawa. With the summary is also forwarded, for completion and signature by the applicant, a special form upon which he is required to state any additional conditions for which he may base claim to pension, and it is expressly pointed out that upon Second Hearing decision by the Commission, no additional claim may be made for any condition whatsoever, except by special ruling of the Commission granting "leave." Second Hearing decision is also given by the Commission upon documentation in Ottawa, which, of course, includes not only the summary of evidence prepared by the District Pensions Advocate, but also any additional evidence which may have been forthcoming. If the Commission has again been unable to grant, the applicant may then, upon request within ninety days from the date of receiving Second Hearing decision, proceed with formal hearing of his claim before an Appeal Board of the Commission locally, at which he may produce not only new evidence, but witnesses, medical or otherwise. Appeal Board decisions are final, subject to the provisions of Section 58 (4) providing "leave to reopen." The procedure consequent upon the 1936 amendments outlined above, has brought about a reasonably satisfactory state of finality.

The war with the German Reich has revealed such changes in the method of prosecution of war as to make it necessary to provide, in certain circumstances, for civilians. An illustration of this is shown in Order in Council P.C. 3359, November 10th, 1939, making "provision for payment of pensions to such persons employed in ships of Canadian registry or licence, and such Canadian salt-water fishermen as in the pursuit of their callings suffer disability or death as a result of any warlike actions or counter actions taken against the same."

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

THURSDAY, MARCH 13, 1941

WITNESS:

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

March 13, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 a.m. The Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Blanchette, Casselman (*Grenville-Dundas*), Casselman (*Edmonton East*), Cleaver, Cruickshank, Emmerson, Eudes, Ferron, Gillis, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), Macmillan, Marshall, McCuaig, McLean (*Simcoe East*), Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Thorson, Turgeon, Winkler, Wright—28.

The Committee resumed consideration of Bill No. 17, an Act to amend the Pension Act.

Brigadier-General H. F. McDonald, Chairman of the Canadian Pension Commission, was recalled to explain the sections of the Bill.

The following sections were considered but no decision arrived at: Sections 4, 5 (*a*), (*b*), (*c*), (*d*), (*e*) and (*f*).

General McDonald read a report of a committee appointed by Order-in-Council to consider the application of the Pension Act prior to September 2, 1935.

On motion of Mr. Isnor, the Committee adjourned at 1.00 o'clock, p.m., to meet again on Tuesday, March 18, at 11.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

ROOM 277, March 13, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: If you will come to order please we will proceed.

At the close of our last sitting we were discussing section 4 of Bill 17. Before proceeding, I should like to ask the committee if it is your wish to proceed with the bill now, or to take up the brief history of Canadian military pension legislation, a copy of which was given to each member at our last sitting?

Mr. REID: My idea would be to get on with the bill and to get through with it and then to consider the other.

Brigadier-General H. F. McDONALD, *Chairman, Canadian Pension Commission*, recalled:

The CHAIRMAN: Now, gentlemen, we were on section 4 of Bill 17. Will you proceed?

Mr. REID: It is understood, Mr. Chairman, that we are just having the bill explained at the moment?

Hon. Mr. MACKENZIE: There is no decision being taken with respect to any section at all. We will come back to all the sections later on.

The CHAIRMAN: Are there any other questions with respect to section 4?

Hon. Mr. MACKENZIE: I think Mr. Green asked a question of General McDonald in regard to the history and an explanation of the pension tribunals, I think it was?

Mr. GREEN: Yes.

Hon. Mr. MACKENZIE: You wished to have a brief history of that section, did you not?

Mr. GREEN: That is right.

The WITNESS: By the amendments to the Pension Act passed in 1930 (20-21 George V, chapter 35. Assented to 30th May, 1930) the Federal Appeal Board which had existed since 1923 was abolished and the Board of Pension Commissioners continued. Up to this time no provision had been made for any retiring allowance or superannuation of any members of either of these bodies. The amendments of this year, besides continuing the Board of Pension Commissioners, created the Pension Tribunal and the Pension Appeal Court. This enactment contained the following provisions:

> 10D. (1) The Governor in Council, upon the retirement of any member of the commission, or of the Pension Tribunal or the Pension Appeal Court, who has served upon one or other of such bodies during at least twenty years, or who has so served during at least ten years and has reached the age of seventy years, or is physically or mentally incapacitated, may grant to him a pension for his life not exceeding one-third of the salary to which he was entitled as such member.

(2) For the purpose of this section, service as a judge appointed by the Governor in Council prior to appointment as a member of the Pension Tribunal or of the Pension Appeal Court shall count as service as a member of such tribunal or court as the case may be, provided that if any such member would have become entitled to a greater pension or retiring allowance under any other statute if he had continued as such judge during his service on the tribunal or court, he may be granted such greater pension or retiring allowance in lieu of the pension by this section provided.

No change was made in this by the amendments of 1931.

The amending Act of 1933 (23-24 George V.) replaced the Board of Pension Commissioners by the Canadian Pension Commission and continued the Pension Appeal Court, but abolished the Pension Tribunal. This Act contained the following provisions:

10B. (1) The Governor in Council upon the retirement of any member of the commission, or the court, who has served upon one or other of such bodies or as a member of the Board of Pension Commissioners of Canada or of the Pension Tribunal, during at least twenty years, or who has so served during at least ten years and has reached the age of seventy years, or is physically or mentally incapacitated, and is not entitled to superannuation under the Civil Service Superannuation Act, may grant to him a pension for his life not exceeding one-third of the salary to which he was entitled as such member.

(2) For the purpose of this section, service as a judge appointed by the Governor in Council prior to appointment as a member of the court shall count as service as a member of such court, provided that if any such member would have become entitled to a greater pension or retiring allowance under any other statute if he had continued as such judge during his service on the court, he may be granted such greater pension or retiring allowance in lieu of the pension by this section provided.

10C. A civil servant who prior to or at the time of his appointment as a member of the commission or the court was or is a contributor under the provisions of the Civil Service Superannuation Act may elect, within three months of his appointment or three months from the date of the coming into force of this section, whichever shall be the later date, and shall be eligible, notwithstanding the provisions of the Civil Service Superannuation Act, to continue to be a contributor under the said Act; in which event his tenure of office as a member of the Board of Pension Commissioners for Canada or of the Pension Tribunal or of the commission or of the court shall be counted as service in the civil service for the purpose of the said Act and he, his widow and children, or other dependents, if any, shall be eligible to receive the respective allowances or gratuities provided by the said Act, instead of the grant referred to in the preceding section; and, in the event of his being retired from the said office as a member of the commission or member of the court for any reason other than that of misconduct, he shall be eligible to receive the same benefits under the said Act as if his office as a member of the commission or a member of the court had been abolished.

By Mr. Green:

Q. Was that appeal board mentioned in the 1930 committee?—A. No, sir.

Q. When was it abolished?—A. It was abolished by the legislation I referred to, in 1930.

Q. It has never been included in...?—A. No, it has never been included.

The CHAIRMAN: Are there any other questions?

By Mr. Green:

Q. Have you any idea why it was not included in 1930? Is there anything on the files to show that?—A. Nothing at all; apparently there was no discussion in the committee or in the House of Commons.

Q. Was it discussed in 1933 when we were in committee; was there any further amendment proposed?—A. That phase of it was not mentioned, no.

The CHAIRMAN: Are there any further questions? We will proceed with section 5.

The WITNESS: Section 5:

> Subsections one and two of section eleven of the said Act are repealed and the following substituted therefor:—11. (1) In respect of *war* service and *subject to the exception contained in subsection two of this section*:
>
> (a) pensions shall be awarded in accordance with the rates set out in schedule "A" of this Act to or in respect of members of the forces when the injury or disease or aggravation thereof resulting in the disability in respect of which the application for pension is made was attributable to or was incurred during such *war* service;

By Mr. Isnor:

Q. There is no change there, except as applied to the present war?—A. Of course, and that is dealt with in section 2. There you will see the term "war service", and its application.

Hon Mr. MACKENZIE: That is the most controversial phrase in the whole bill.

The WITNESS: Perhaps I had better read section 2; possibly that should be considered in conjunction with this section 5.

By Mr. Green:

Q. Why do we use those words, "war service"?—A. To make it in accordance with the distinction, and to bring the men serving in this war under the benefits.

Mr. CLEAVER: "War service" is defined in sub-section (p).

By Mr. Green:

Q. Before that there was just the word "service"?—A. Yes; "war service" as distinct from "military service"; military service other than war service.

Hon. Mr. MACKENZIE: May I point out, Mr. Green, that the word "war" was defined in the old Act, and the "war service" is defined in the present bill in the definitions section.

By Mr. Green:

Q. Is it not going to make it very complicated; "military service", "war service"; two separate things?—A. No, not any more than it has been, Mr. Green; it is merely separating service during the war and service in the armed forces during peace time. What is designated as military service other than war service in the old Act was designated as service after the war. We have two wars to deal with now, and we make the distinction for the purpose of defining service in the armed forces, in the permanent force.

Mr. GREEN: I see, you have the words "military service" and "war service". The word alone means one thing and "war service" means another. I think there is a definition of those words in sub-paragraph (j).

Hon. Mr. MACKENZIE: It is dealt with in the definition section in paragraph 1.

Mr. GREEN: "Military service" or "service"; in other words, there are two definitions there; and that sub-paragraph (*p*) defines "war service". It would take a Philadelphia lawyer to keep these separate.

The WITNESS: They have to be kept separate. The qualifying clause is "war service" in sub-paragraph (*p*).

Hon. Mr. MACKENZIE: If you look at the definition of military service in the Act it is very short. Military service includes naval or air service; that is in paragraph (*j*) of the Act.

Mr. GREEN: But the amendment in (*j*)—

Hon. Mr. MACKENZIE: The amendment is much more.

Mr. GREEN: I think perhaps it would clarify it if you were to use some other words than "war service"; if you could avoid the use of the word "service"; could you think of some other word?

The WITNESS: What word would you suggest?

Mr. TURGEON: You would have to have the word "actual".

Mr. GREEN: Some word such as "war experience"; that is not the proper word, but I merely offer it as a suggestion.

The WITNESS: Perhaps I ought to make a clear distinction. This Act provides, or it is designed to provide at least, pension benefits for all members of the armed forces. It provides special benefits, or perhaps I might use the words more liberal benefits, for those who suffer from disability during a war; that is why the term "war service" is used to define those people who have been on war service; service in war, as against military service in peace time.

By Mr. Green:

Q. It is merely a matter then of making it more clear. I think it would be wiser to use some other word than "service", which you have used in the definition and which you have applied to paragraph 2.—A. I do not think anybody is wedded to any particular word as long as it expresses what we want to get at.

Hon. Mr. MACKENZIE: That is one of the points which we can go into in detail with the law officers of the Crown.

The WITNESS: It is there for use in administration.

Mr. GREEN: Oh yes, but remember there are thousands of ex-service men across the country trying to understand what this is all about. I think it makes it very complicated when you have the word service used having two different meanings.

The CHAIRMAN: We will leave that for further discussion.

Mr. TURGEON: Why not let it go until we see if we can get a different word?

Hon. Mr. MACKENZIE: We will have it further considered. Go ahead.

The WITNESS: Sub-section (*b*) reads:—

> pension shall be awarded in accordance with the rates set out in schedule (*B*) to this Act in respect of members of the forces who have died when the injury or disease or aggravation thereof resulting in death in respect of which the application for pension is made was attributable to or was incurred during such war service:

That is extending the beneficial provisions of the Act to the people serving in this war.

By Mr. Green:

Q. How does the man who has not any war service qualify for pension under that section of the Act?—A. He qualifies for it.

Mr. CLEAVER: Every man who enlists qualifies.

The WITNESS: Yes. Every man in the forces during the war has war service.

By Mr. Green:

Q. No. You said the Act covered men who served. You said that military service covered a man who did not serve in the war but who served in the forces between the last war and this one?—A. Or after this war.

Q. What I should like to know is under what section of the Act that man gets his pension? He cannot qualify under section 11 because it is confined to war service.

Mr. TURGEON: He comes under sub-section 2.

The WITNESS: Yes, sub-section 2; under what we used to call the old section.

By Mr. Green:

Q. He is under new sub-section 2 of section 11?—A. Yes. The same provision is made in the present Act for him, except that the service is described as military service other than war service. In the old section it was described as military service after the war.

The CHAIRMAN: The next is sub-section (*c*).

The WITNESS: In subsection (*c*) there is no change.

By Mr. Casselman (Grenville-Dundas):

Q. I should like to ask a question with respect to subsection (*c*). It says, "was not of a nature to cause rejection from service". Could that not be clarified? You have the previous words, "wilfully concealed, was obvious". I think if we have instead of the words "to cause rejection from service" something along this line, "capable of being noted on examination at the time of enlistment" that would do away with a lot of the difficulty.—A. Yes. It is a very difficult phraseology to administer, and it has not been used very much. It has been used very rarely.

Q. I have run up against it in two or three cases.—A. I mean, for instance, the case of a man who might have had the little finger off his left hand.

Q. I should like to see that wording, "that is capable of being noted at the time of enlistment", because as it is now, it leaves it wide open for anything to happen when a man comes up to make application for pension.—A. Yes.

By Hon. Mr. Mackenzie:

Q. How long has this been in the Act?—A. That has been in since time immemorial.

By Mr. Casselman:

Q. I think it has been in the Act for a long time?—A. Yes, a long time. It is honoured more in the breach than in the observance, I think.

Q. I have never been able to get it followed in the breach. That is my predicament.

Hon. Mr. MACKENZIE: Suppose we look at that point later before the next session of the committee.

The CHAIRMAN: The next section is subsection (*d*).

By Mr. Green:

Q. Before you go on to section (*d*), I notice in the last words of section (*c*) the following, "or was a congenital defect". That is the clause under which mental cases are thrown out, is it not?—A. No; not necessarily at all.

Q. No. But the specialists have decided that if an ex-service man goes insane now or since the last war, the probable reason was that he was born to go that way, and that the war service had nothing to do with it whatever. We have had that fought out in the house each year for the last four or five years and it has been advocated that there be added after those words, "or was a congenital defect" an exception to cover these nerve cases. I forget just how it was worded.

Hon. Mr. MACKENZIE: Oh, yes. It was the entitlement case that was introduced once before.

Mr. GREEN: Yes.

By Mr. Green:

Q. What is the present situation with regard to these cases?—A. Which cases?

Q. These nerve cases or shell shock cases?

Mr. CASSELMAN: Or dementia praecox. That comes under the same thing.

The WITNESS: Any mental cases are ruled upon in exactly the same way as any other case.

Hon. Mr. MACKENZIE: As I recall the situation, I think a committee was set up by Mr. Power some years ago to go into this whole question. There was not, I think, complete agreement on the findings in regard to the provisions of this Act.

By Mr. Quelch:

Q. Is such condition as shell shock now recognized? I think Dr. Cartwright—

Mr. GREEN: Dr. Cathcart, I think you mean.

Mr. QUELCH: Yes, Dr. Cathcart. I think he said that he did not recognize that there was any such thing as shell shock. That evidence was given even by a doctor in the department.

The WITNESS: I do not remember Dr. Cathcart's saying that, but the commission recognizes that condition; whether under the name of shell shock, anxiety, neurosis, fear neurosis or neurasthenia, it is the same thing, and the commission recognizes it. There are a large number of pensions being paid for it now. If I may say so, I think what you are getting at, Mr. Green, is the fact that there is a general attitude on the part of the specialists—neuro-psychiatrists—that if a man develops a mental psychiatric condition a good many years after the war, they do not feel that the experiences of war services had much or anything to do with its inception or its aggravation.

By Mr. Green:

Q. They really go so far as to say that it had nothing to do with it?—A. What is that?

Q. They really go pretty far. They say that his war service had nothing to do with his mental condition; in other words, that he was born to go that way.—A. If they say that, I confess my commission disagrees with them.

Mr. GREEN: I think that is a section which should be investigated by a sub-committee.

Hon. Mr. MACKENZIE: There was quite a lot of discussion the last time the bill was up in the house, was there not?

Mr. GREEN: It was discussed when we last had a pension committee.

Hon. Mr. MACKENZIE: Yes.

By Mr. Green:

Q. Then there was a gathering of the nerve specialists from eastern Canada. I do not think there were any from anywhere else. Whether that made any difference or not, I do not know.—A. Which gathering was that? Was that the committee assembled by the previous minister?

Q. Yes, under Dr. Cathcart.—A. No. I think that committee was presided over by Dr. Farrar, the chief psychiatrist of the province of Ontario.

Q. Dr. Cathcart was the principal departmental doctor?—A. He is the chief neuro-psychiatrist of the department.

Q. As I understand it, that committee decided that war service was not the cause of these mental troubles, that it had nothing to do with them. The returned men across the country cannot see the sense in that finding, and I must admit I cannot either. I think it is a point that should be investigated by a sub-committee of this special committee.

Mr. MACKENZIE (Neepawa): I think a brief has been sent in on that particular subject. That is my recollection. It would come before the committee later on. I think that suggestion is a very good one.

Mr. GREEN: There is considerable dissatisfaction about that whole situation. It is felt that that medical finding is harsh and unfair. I think that this committee should see that the situation is thoroughly examined before we conclude our work.

The CHAIRMAN: May we leave that section for future consideration, along with your suggestion, Mr. Green?

The WITNESS: Have you read a copy of that committee's report—the report of the neuro-psychiatric conference?

Mr. GREEN: I have one in my files, I think.

The WITNESS: As I recollect it, it does not go anywhere nearly as far as you say today.

Mr. GREEN: It goes very far. You said so earlier this morning.

The WITNESS: Yes, it does.

Mr. GREEN: It decided that war service had little or nothing to do with these mental troubles.

The WITNESS: That is, in cases which become noticeable or obvious some years after the war.

Hon. Mr. MACKENZIE: I understand that the Canadian Legion are making a presentation on that very point that has been raised, and we could then decide if we thought it wise to appoint a sub-committee.

The WITNESS: It is very difficult for lay-men like ourselves to get into discussions of these vague psychiatric disabilities.

The CHAIRMAN: The next is sub-section (*d*).

The WITNESS: Sub-section (*d*) reads:—

> An applicant shall not be denied a pension in respect of disability resulting from injury or disease or aggravation thereof incurred during war service or in respect of the death of a member of the forces resulting from such injury or disease or the aggravation thereof solely on the grounds that no substantial disability or disabling condition is considered to have existed at the time of discharge of such member of the forces:

That is the same.

By Mr. Turgeon:

Q. There is no change in that?—A. No.

By Mr. Macdonald (Brantford):

Q. The word "war" is there?—A. Yes; applying it to this war— the same principle as was applied before.

Q. Is adding the word "war" related to this service?—A. It brings it up to this war, yes.

Q. War on the German Reich then applies to this war. What is the effect of putting the word "war" before "service"?

Hon. Mr. MACKENZIE: Look at your definition section, the definition of "war service" in (*p*).

By Mr. Green:

Q. There is a good example of where this word "service" gets you into trouble. In sub-section (*c*), the second last line, you have "of a nature to cause rejection from service". You do not put the words "war service" there.—A. That is of a nature to cause rejection from any service.

By Hon. Mr. Mackenzie:

Q. It is wider than "war service". It is related to "military service" up above in the definition section.—A. It is necessary to make section (*c*) wider than (*d*).

By Mr. Green:

Q. It works the other way, does it not? It restricts it, does it not?—A. "Service" includes all military service, any service from the beginning of a war. "War service" is confined to service during the war.

Q. But that restricts the soldier because (*c*) reads, "but no pension shall be paid for a disability which was not of a nature to cause rejection from service". If that read "war service", it would be of more benefit to the soldier, would it not?—A. If you wish to put in "war service" and restrict it in that way, it is quite in the hands of the committee.

By Hon. Mr. Mackenzie:

Q. I would rather think it would be restricting it by putting it in.—A. I assure you it would be restricting the benefits provided by section (*c*) considerably if you put "war service" in there.

By Mr. Macdonald (Brantford):

Q. There is no doubt, about that, is there? "Service" under subsection (*j*) of the definition section is wider than "war service"?—A. Yes.

By Mr. Green:

Q. But the requirements for enlistment in the war service are more strict than they were in the peace time service, so that the man who can qualify and can pass, or is eligible for war service, must have been through a more rigid examination by far than the man who qualifies for peace time service?—A. If you put the "war service" in there, you would have to put something else in to deal with those serving in the forces not during the war.

Mr. TURGEON: This way, if he succeeded in getting in for peace time service, the deduction could not be made. You would be really restricting him if you put in "war service" there.

[Brigadier-General H. F. McDonald.]

Subsection (c) reads:

> No deduction shall be made from the degree of actual disability of any member of the forces who has served in a theatre of actual war, etc.

If he can succeed in getting into ordinary military service which would require a less severe examination than for war service, he is getting by with less difficulty than he would—

Mr. GREEN: This says that no pension shall be paid.

Mr. TURGEON: If he can get into some easier service than war service, they cannot interfere with his pension. But if he can get into the easier service but cannot get into the war service, they could interfere with his pension if we cut out "war" there and left it "military".

Mr. GREEN: I interpret it the other way.

Mr. TURGEON: I do not think one is easier than the other, but if one gets into the easy service one is protected, and he cannot be cut out of his pension under the section. In war he has to get into the heart of it.

Hon. Mr. MACKENZIE: That is the intention of it.

Mr. TURGEON: I think it works that way.

Mr. GREEN: I think it is the other way around.

The WITNESS: It is entirely in the hands of the committee what goes into the Act, but I can assure you that from the administrative point of view, the insertion of "war" in subsection (c) would have a restrictive effect, and it is not the intention to do that.

By the Chairman:

Q. The use of the word "service" applies to a much wider category, does it not?—A. Yes.

Mr. MACDONALD *(Brantford):* I think that section should be considered in the light of what Mr. Green says. It seems to me it might restrict it by just having the word "service" and not "war service". As he says, you can get into service in peace time if you have a very considerable disability, but in war service you could not get in. Therefore, the starting point for war service is a much greater disability than it would be in peace time. I rather think Mr. Green is right.

Hon. Mr. MACKENZIE: There is no question of the intention and the interpretation, but we will be very glad to see if the phraseology can be improved. We will look into that.

The CHAIRMAN: We shall now deal with subsection (e) of section 5.

The WITNESS:

> (e) When a member of the forces, who has seen service during the great war, or who has seen service in a theatre of actual war as herein defined, is, upon retirement or discharge from war service, passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death during such treatment;

If I may be permitted, sir, to make a suggestion, it is this. That was rather inadvertently put in in that way. It is suggested for the consideration of the committee that that section should read:—

> When a member of the forces, who has seen service during the great war, or who has seen service outside of Canada during the war with the German Reich, is, upon retirement or discharge from war service,

passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death during such treatment.

It was felt that we did not really mean to restrict it so much.

By Mr. Cleaver:

Q. Take, for instance, a man who has seen service in Canada and is injured in a plane accident while on military service; why should he be debarred from the benefit of this section?—A. He is not, he gets his pension because he is injured in an accident.

Q. But if he is hospitalized as a result of the injury and dies during hospitalization?—A. This would only apply to men who are discharged from the army but who are in hospital and during that period develop something which is not in any way connected with their war service. They are out of the army.

Mr. CLEAVER: If any benefits at all are conferred under this section to any one, I would suggest that those benefits should be conferred equally on the men who have seen service in Canada and been injured and hospitalized as a result of their injuries.

By Mr. Green:

Q. That certainly would not cover a man in Iceland, as it reads now.—A. Why not, sir?

Q. Because Iceland is not an actual theatre of war.—A. I have asked the committee if they would consider substituting for that "theatre of war" service outside of Canada.

By Mr. Macdonald (Brantford):

Q. You are making the suggestion to amend that section?—A. Yes, sir.

Mr. CRUICKSHANK: Supposing the war comes to Canada, what would happen then? Supposing a man on the Atlantic coast were attacked by submarine or a plane, where would he get off?

Hon. Mr. MACKENZIE: I suppose we would have to declare Canada a theatre of war.

Mr. CRUICKSHANK: Would he be protected?

Hon. Mr. MACKENZIE: That is the point that arises out of this section.

The CHAIRMAN: The definition of a "theatre of actual war" was referred to the legal advisers.

Mr. MACDONALD *(Brantford):* Would General McDonald repeat his suggestion for the wording of sub-section (*e*)?

The WITNESS: In place of "who has seen service in a theatre of actual war as herein designed," my suggestion was to insert: "who have seen service outside of Canada during the war with the German Reich."

Mr. TURGEON: If you put in "outside of Canada," and had a new definition of "theatre of war," it would not apply to Canada.

The WITNESS: If you adopt Mr. Cleaver's suggestion you could do away with any necessity for this.

Mr. ISNOR: I suggest, Mr. Chairman, that this particular wording should remain as it is because we have under consideration at the present time—and I understand that it is in the hands of the legal branch of the department—the definition of "of actual war," which is divided into three classes.

The CHAIRMAN: That is right.

Mr. ISNOR: One, two and three to be drafted. So I would say that if you read this as it is now worded into your suggested re-drafting of "theatre of war," it will be quite clear.

Hon. Mr. MACKENZIE: We want to have all the objections as we go along so that we can take notes of them.

The WITNESS: The committee should consider whether it wants any restriction placed upon it.

Mr. CLEAVER: I apparently have not made my point clear. This section applies to a very limited number of service men who immediately on discharge are hospitalized and death follows during hospitalization.

As the section now stands benefits of this section are restricted to men who saw service in the last war or who saw service in a theatre of actual war. My suggestion is that in connection with these few exceptional cases the family of every man who is hospitalized immediately on discharge and death ensues should have the benefit of pension.

Mr. GREEN: Why is that restricted in that way? Why should not the widow of a man who served in the active service forces in Canada be entitled to a pension?

Mr. WRIGHT: The cases of men who serve in Canada and are hospitalized and die are limited in number, and I think they should have some consideration. I do not think it should be restricted to the men who are outside of Canada.

Mr. CASSELMAN *(Edmonton East):* That simply means cutting out the words "who has seen service during the great war," and so on.

By Mr. Green:

Q. Take the example of a gunner with the coastal artillery. Suppose he is injured and is sent to hospital and dies; why should not his widow benefit under this section?—A. Dies from what?

Q. Anything at all.—A. If he dies from the result of his injury, that is all right.

Q. Even if he is injured in firing off a gun— —A. I am not arguing against you, you know.

Q. No, but even if he is injured in firing off one of the guns, the way that section is worded he cannot get the benefit of it because he has not seen service outside of Canada.—A. His widow would get a pension if he died as a result of that injury, whether he was is hospital or not.

Mr. CRUICKSHANK: Supposing he dies of pneumonia?

By Mr. Green:

Q. Supposing he is injured and gets pneumonia in the hospital and dies, would his widow get a pension?—A. She would if it were a pneumonia consequent upon his wound, as is often the case, but if it were the ordinary pneumonia caught during convalesence, under this section, no.

Q. Surely that is pretty tight.—A. It is up to the committee to change it.

By Mr. Turgeon:

Q. Is that the same principle as is found in sub-section 2?—A. It is a parallel principle.

Mr. MACDONALD *(Brantford):* I think the purpose of this section is to give more consideration to the men who are in an actual theatre of war. We had the same thing in the last war. The men who went to war and suffered injuries had a more difficult time to prove their right to pension than the men who stayed home in Canada and served in the forces. Why? For the simple reason that a man who was over in France had a difficult time proving by documentary

evidence that he had been injured. Time after time a man with a splendid record overseas could not produce his medical records, whereas men in Canada practically anyplace could produce their records.

If I remember the purpose of previous legislation, discussed at previous committees, it was that more consideration should be given to the man who was actually in the firing line. It was as a result of that that this section was put into the Act. As the section stands at the present time, according to my interpretation, a man who has seen service in a theatre of actual war and is then turned over to the Department of Pensions and National Health and gets sick from any cause whatsoever is pensioned.

Mr. CLEAVER: While in hospital.

Mr. MACDONALD *(Brantford)*: If before his discharge from the hospital he takes ill from any reason whatsoever,—it does not matter whether it is connected with his war disability or not—he gets every consideration and is given a pension. I think that is perfectly right. The whole thing comes down now to the question of whether the man who does not go outside of Canada should get that same consideration. That is what this committee must decide.

It has been suggested here that if a man were a gunner and were injured in the course of his duties in Canada as a gunner and then goes into the hospital and while there dies from some disease which could not by the wildest stretch of imagination be associated with his war service—make it anything you like—he should get the same consideration as the other man.

Mr. CLEAVER: My point, Mr. Chairman, is that the reason why that man should get pension is because his widow and his family would say, "My husband would not have got smallpox if he had not been in the hospital as a result of his injury."

Mr. GREEN: The explanation on the preceding page is under paragraph (*d*). I think that should be paragraph (*e*), should it not?

The CHAIRMAN: What line is that?

Mr. GREEN: I think it should be paragraph (*e*). It says:—

> Paragraph (*d*) as at present in the Act provides for the application of "the incurred on" principle in respect to disability or death during treatment in the Department of Pensions and National Health hospitals where that treatment followed without interruption, the man's military service during the last war.

Does that not refer to paragraph (*e*) rather than to paragraph (*d*)?

The WITNESS: (*e*) under the old Act.

Mr. CASSELMAN (Grenville-Dundas): It is (*e*) in the old Act.

The CHAIRMAN: We have the explanations with regard to the meaning of this section. We are not here to draft a new section. Having had these explanations we may pass on to section (*f*).

Mr. GREEN: What somebody said some time ago is correct. This is the same principle we find in subsection (2) of section 11 of this bill.

Hon. Mr. MACKENZIE: Similar.

The WITNESS: They are all bound up together.

Mr. TURGEON: There is a slight difference, but they are similar?

Mr. GILLIS: Mr. Chairman, I agree with what Mr. Macdonald has just said that the whole principle of pensions is the principle of insurance, as I understand it, insuring all men who do military service of any kind for the duration of the war. The principle is protection by the state for the families of these men. It is not the individual himself who is protected so much as his family.

Under this clause to which we are referring and in one or two other clauses that principle of insurance is disappearing. Personally I believe that the man who serves in Canada is just as much entitled to pension as the man who goes overseas. Hundreds of men here are being called up, and it is not voluntary. They are subject to call for service in Canada. Many of these men leave good positions. These positions carry with them a fairly good insurance scheme. For example, men employed in industry across the country carry protective insurance in the form of group insurance, the premiums of which are paid by the employer and the employee. This insurance is in force while they are employed in that industry. The government requisitions their services for the duration of the war. When they leave the employ of the industry in which they are working they lose that insurance protection, and they take a position designated by the military authorities in Canada. Some of them perform a great service; and when they are called up they sacrifice a lot in wages and lose this protective insurance which they had in industry.

I believe that the man in Canada is just as much entitled to that protection as the man who serves overseas. As I see it here it is not a matter of going overseas; it is a matter of performing certain services for the country where you can best perform them. In many many cases men who serve in Canada are not there because they want to stay in Canada, but because they have to stay. The same thing applied in the last war. They were told, you can perform your best services here, and they stayed here. These men coming from industry are losing all the insurance that they have carried for years and years and employees' benefits. After being called up suppose they take sick and they die as a result of that sickness. Under the regulations as proposed at the present time their dependents have no protection. I could cite many cases that have happened during this present war of men who went into the service and met with accidents. I am reasonably sure these things would not have happened if they were not in the service. I believe we should broaden this clause here and maintain the principle of insurance; so that if the government requisitions the services of a man and he is given a job to do in Canada for the duration of the war and something happens to him which results in his death his family would be protected just the same as a man who is serving overseas. I believe that a lot of the trouble in the past has not been due to the Pensions Act itself but to the way it has been interpreted.

I believe if we are going to revise the Act and make it of benefit to the men who are serving at the present time then we should write it in as clear language as possible. To that end I think one thing we should keep in mind is the maintaining of the insurance principle in the Pension Act and extend it to all men who are being called for service at the present time.

May I repeat, I believe that the men in Canada are just as much entitled to the protection of the Act as the men who are serving overseas.

There is another aspect of the situation that we should cover for the future. We may not have General McDonald there at all times. The next fellow who comes in there may not be as sympathetic to the ex-service men as General McDonald has proven himself in the past to be.

Section (*e*) states: "When a member of the forces, who has seen service during the great war, or who has seen service in a theatre of actual war as herein defined, is, upon retirement or discharge from war service, passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death during such treatment." The interpretation I would place upon that section is this: If I were suffering from a disability in the army, and from the army I went to the hospital for treatment and during that treatment something happened to me, my dependents would be protected. But suppose I came out of the army with a disability that may have necessitated my discharge but I was not sufficiently sick or disabled to become hospitalized, then a year later my disability became

worse, and I applied for admission and went to the hospital and died as a result of my disability; I did not pass directly from the military forces into hospital; nevertheless as a result of that disability a year later I became hospitalized, am I still protected under that clause?

Mr. CASSELMAN (*Edmonton East*): No.

Mr. GILLIS: I believe I should be. Let us take the case of many of the men who served during the last war and were partially disabled. With age their disability naturally became worse and hundreds of men to-day are 100 per cent disabled who came out of the forces during the last war apparently in half decent health. Nevertheless their present condition is directly attributable to their military service—

Mr. MACDONALD (*Brantford*): That is a pensionable disability.

Mr. GILLIS: That is a matter of interpretation. That is the trouble. It is a matter of giving medical evidence to support our assumption that that is true. I believe that more discretionary powers should be given the commission. We know that the difficulties that have arisen in the past are not their fault; they are administering the Act as it is written and they are dependent on high-priced lawyers in most cases to give them an interpretation of the Act. I believe we should be absolutely clear, with all due respect to our lawyer friends.

Mr. ABBOTT: Do not make the term "high-priced lawyers" too restrictive.

Mr. GILLIS: I was referring to my friend who spoke last. This clause should be written in absolutely unmistakable terms, so that if it is our intention to revise this Act then all the misunderstandings of the past will be avoided. I am interested in seeing that the insurance principle in the Pensions Act is maintained. As I see it the regulatons as proposed here do away with the insurance principle.

Mr. MACDONALD (*Brantford*): Let us understand what we are discussing at the present time. Is it the intention of the committee to discuss the advisability or inadvisability of inserting in this Act the insurance principle or are we merely going through the Act to ascertain more clearly what the Act means as it is now drawn?

The CHAIRMAN: As I understand it, Mr. Macdonald, we are asking General McDonald for explanations with regard to the interpretation of these clauses and we are attempting to give to General McDonald the general feeling of the committee with regard to whether or not the clauses are satisfactory or what would make them satisfactory. We are not here to draft new clauses, or to amend these. We are simply asking for explanations and giving him our opinion. Is that correct?

Mr. MACDONALD (*Brantford*): I just want to follow that. Then, should we now state our views as to whether or not we think the Act should be changed so as to bring in the insurance principle?

The CHAIRMAN: Yes.

Mr. GREEN: I do not think the discussion should be limited at all. We are getting along very nicely. The points of view that have been brought up help us to understand. There is just this point about it. The paragraph which this new paragraph (*e*) replaces was paragraph (*d*) in the old Act, and as I read paragraph (*d*) in the old Act, it applied to men serving in Canada in the last war. Now they are proposing to take the benefits away from the men who serve in Canada in this war.

The WITNESS: That is why I say each of these provisions depends essentially on the decision of parliament on the question of the insurance principle for people in Canada. If that was established then these other things would all disappear.

Mr. GREEN: Old paragraph (*d*) says: "When a member of the forces is, upon retirement or discharge from military service, passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death incurred by him during such treatment."

Now, that will include not only men who served in Canada in the last war but men who served in the armed forces in Canada between the two wars. Now, you are cutting that right out and saying unless he serves outside Canada he cannot get benefit in that paragraph. Is that correct?

The WITNESS: That is correct.

Mr. CRUICKSHANK: I do not agree with that.

Mr. Ross *(Souris):* The principle of insurance should be broadened a bit. I know of one example of a chap who was serving in Canada with the military forces and recently he was admitted to the hospital. I am satisfied as his friends are satisfied that it was due to the failure of the plant where he was that put him in the hospital. This was a case of a fumigating plant leaking. The young chap was admitted to the hospital and he died. The post mortem that was performed showed that his death was as a result of a heart condition. His friends are all satisfied that that condition was aggravated by his duties at the depot. He leaves a wife and two very small children and it is very doubtful if under the Act they can be given anything in the line of a pension at this time.

The WITNESS: Has the commission reduced the pension?

Mr. Ross *(Souris):* It has not been decided. That is something it is going to be very difficult to prove. Many people think it a deserving case. However, it is a concrete example. I think in the case of anyone admitted to hospital while on actual duty for his country he should receive consideration. I think we should be responsible in the event of his dying. This particular case may be a very difficult one to prove. I would say, as a layman, from the evidence now available, that we could not prove this case. I think these people should be protected as a matter of insurance.

Mr. CRUICKSHANK: Why should he pass directly to hospital? I cannot understand this, directly to hospital. I know of a number of cases which have been mentioned in the house and which probably should be mentioned here. There is a case that was referred to the other day, of a man who was discharged in British Columbia and put in a civilian hospital for treatment as a civilian. That young man was in Vancouver. Now, I should like to have that situation explained. The condition is known, and according to this he would not be eligible. As several honourable members here are aware the disability in the case in question was pneumonia, and it was contracted in training in camp at Vernon. As Mr. Ross pointed out, everybody in British Columbia who knows anything about it knows the conditions of the climate and knows that that case was entirely due to the facilities, or to the lack of them, at that camp. Yet, if that young fellow dies, according to this his people will not be eligible for consideration. I do not know whether he has a wife or not, but I presume he has; and she would not be eligible for the simple reason that he did not go directly to Shaughnessy hospital.

The WITNESS: It is not only Shaughnessy hospital that is concerned, it reads, any hospital under the direction of the department.

Mr. CRUICKSHANK: If I am not mistaken, in the province of British Columbia—that was mentioned in the house the other day—you must go to a designated military hospital. The only designated military hospital that I know of in that area is Shaughnessy.

The WITNESS: I think the department has contracts with a great number of hospitals in British Columbia.

By Mr. Isnor:

Q. Would General McDonald give us the reason for that word "directly" being there?—A. That is just the point that Mr. Cleaver mentioned. That was intended to exclude the man who returns to hospital a long time after in connection with a disability that was not pensionable; it applies to the case of a man, we will say, who goes back to hospital for something else that he could not possibly have had in the army.

By Mr. Cruickshank:

Q. I am not just clear on that. What do you mean by, disability that was not pensionable?—A. Well, if you are pensionable; if you are a good case. Take a man who goes into hospital directly from the army for treatment, or for completion of treatment for amputation of his arm, and he is in hospital, if he dies as a result of that treatment anywhere, anytime, whether in the hospital or not, his widow would get a pension. I should think that this section is provided to apply to the period of treatment immediately following army service, which is really in effect a continuation of his army service. Although not actually enlisted it really is a continuation of his army service, because his treatment is being completed for some condition he got in the army. Now, this section applies to something else altogether.

Mr. ABBOTT: Say, measles.

Mr. CASSELMAN *(Grenville-Dundas):* Or pneumonia.

The WITNESS: Yes, or pneumonia.

Mr. CRUICKSHANK: All right, take pneumonia, which is involved in the case to which I have drawn attention. As I understand the section it does not apply; the section says it must be in an actual theatre of war.

The WITNESS: That is the point stated by Mr. Cruickshank.

Mr. CRUICKSHANK: Here is a man who dies of pneumonia. He is not in the army. It is not his fault that he is not in the army. In this case he was conscripted, and therefore, he should be entitled to treatment. He contracts a disease and he dies. His dependents should be protected.

The WITNESS: That is the question that is to be decided by this committee.

By Mr. Turgeon:

Q. Is there a question here: If a man while actually in the army, before being handed over or in any other way being sent to a hospital, contracts a disease while actually in the army and then goes to the hospital and dies, he is not affected under this section at all, is he—if he dies from that disease? I am asking for information, and I would gather from this that he is not if he contracted the disease while in the army and then goes to the hospital and dies there from that disease. Isn't he pensionable in accordance with the relationship of the disease to pension?—A. Oh, yes.

Q. Regardless of the fact that he was in hospital?—A. Oh yes. The question of his being in hospital has no bearing on the ruling.

Hon. Mr. MACKENZIE: I think, with the consent of the committee, I should like to have the D.M.S. called on this very section at the next session. If that is agreeable to members of the committee we can postpone further discussion at this time.

Mr. BLANCHETTE: I think in the past we have been taking the cause on the basis of what a man has done by way of service, and I think we have been making it entirely too restricted. Most of us here are ex-service men and we know that we served where we were sent during the last war. Surely, it is not our fault if we were kept on this side; and I know that quite a number of the members of this committee have had the same experience in their counties

as I have had in mine; that there are quite a number of men whom we feel should receive consideration but did not get it because of the fact that they did not have overseas service. It might be advisable to give additional compensation to men in that position, but I think we should make this as broad as we can. I think these benefits should extend to any man who serves during the war, whether he is sent overseas or not.

Mr. MACDONALD *(Brantford)*: Mr. Chairman, there are apparently two principles in the granting of pensions; one is known as the direct causation principle and the other the insurance principle. The first means that you have to show direct causation in the carrying out of a military duty, as against the insurance principle which would mean the granting of a pension for any disease or disability or death arising, whatever its origin, anywhere between the brackets of enlistment and discharge. Now, since this section has come up, I have taken the trouble to dig into the history of pension legislation, and I have been helped greatly in this respect by the article which was prepared by Mr. Harry Bray, entitled "Canadian Military Pension Legislation, A Brief History." If you will recall, Mr. Chairman, this was given at a previous sitting to all members of this committee for our benefit. I think it is a very splendid statement; concise, direct and very clear. It would appear that before the year 1916, the only principle upon which a pension was granted was that known as direct causation. In 1916 an order in council was passed granting pensions for death or disability incurred during military service. The distinction between direct causation and the insurance principle as set forth in the illustration in Mr. Bray's brief history, reads as follows:—

> Two soldiers, A and B, leave barracks together. A is going on leave, B on duty, carrying an official message. As they cross the street, both are knocked down and injured by the same automobile. A is not pensionable for any consequential disability under the *directly due to service* principle, but B is, as the latter was injured in the execution of his duty. Under the insurance principle, however, both would be entitled.

Now, I say, the insurance principle prevailed until 1919; and it is interesting, Mr. Chairman, to note that apparently all pensions were given by order in council up until 1919. As I take it, the first statute was passed in 1919.

The WITNESS: Yes.

Hon. Mr. MACKENZIE: That is correct.

Mr. MACDONALD *(Brantford)*: And that statute of 1919 continued the insurance principle. The governing clause is clause number 11 of section (1) which reads, partly, as follows:—

> 11. (1) The commission shall award pensions to or in respect of members of the forces who have suffered disability in accordance with the rates set out in schedule A of this Act, and in respect of members of the forces who have died, in accordance with the rates set out in schedule B of this Act, when the disability or death in respect of which the application for pensions is made was attributable to or was incurred or aggravated during military service.

In fact, Mr. Rowell, who was in charge of the legislation when it went through the house stated as follows:—

> Under our pension law, if a soldier contracts disease (during service) under purely normal conditions, having no relation at all to service, he becomes entitled to pension. It is really an insurance system.

Mr. Rowell says, "it is really an insurance system."

Then it is interesting to note that in 1920 for some reason or other the insurance principle was repealed and a man to obtain a pension had to prove that his disability was attributable to service. Apparently discussion continued in regard to which system would prevail, and again in 1921 the repeal of the insurance principle was confirmed. Then, in 1922, the Act again came up for amendment, and the insurance principle was restored in so far as it affected members of the expeditionary force who served in a theatre of war. Apparently in 1922 it was decided that the insurance principle would prevail in so far only as it affected men who had been in an actual theatre of war. This must have given rise to considerable discussion for at that time the Ralston commission was appointed and by the Act passed in 1923 not only were the provisions of the insurance principle as enacted in 1919 restored, but the section was amended to practically the same form in which it exists to-day.

As I read the history of the legislation it seems to me that it is continued down to the present time, that the insurance principle has prevailed. True, more consideration has been given to the man who served overseas than the man who has only served at home. Now, when this war broke out immediately an order in council was passed giving the same benefits to all the men who enlisted in this war. The government, apparently, did not wait until the war was actually declared, because I notice the order in council was passed on the 2nd of September, 1939; but on the 21st of May, 1940, that order in council was rescinded and a new order in council was passed conferring the benefits of the insurance principle only upon those who served in a theatre of war, or outside of Canada.

It seems to me, Mr. Chairman, that this is to a certain extent a retrogressive step. With respect to this war we do not know yet whether it is going to come much closer to home than was the case in the last war. We do know that the men who are enlisting to-day are all being examined very carefully. They are all being taken into the army on the understanding that if necessary they will fight overseas or they will fight at home. Now, as the Act stands at the present time, if a man happens to be not directly attending to his military duties and some injury befalls him, no consideration is given to him in regard to pension; if he is killed, no consideration is given to his wife. I have a case in the city of Brantford; I will not refer to names, but it is that of a young man who enlisted in the last war and served his country in France in the last war. Now, there is no doubt about it, Mr. Chairman, that that man served in an actual theatre of war, and he served gallantly. When he returned to Canada he joined the militia. He has been a sergeant in the rifle regiment in the city of Brantford ever since demobilization from the last war, and now when this war comes along that man enlists again. He was an instructor at Camp Borden. He received a few days leave and returned to his home in Brantford. Returning to the camp on a Sunday night, when a few miles from Camp Borden he was in an automobile accident with the result that he died a few weeks later from the effects of the injuries he received in that motor accident. His widow applies for pension. It is refused because it has been ruled that the man was not on military service and the result of his death was not directly attributable to military service. It seems to me, Mr. Chairman, even on the present legislation, that that is a narrow interpretation of the Act; because this Act, as it now stands, does give the insurance principle to a man who has seen service in an actual theatre of war. I go back to this war veteran who, as I said before, gave gallant service to his country in the last war, who did see service in an actual theatre of war, who is killed in Canada when he is returning to his duty and whose wife is told that she cannot get a pension. I think that is a severe hardship.

Some Hon. MEMBERS: Hear, hear.

[Brigadier-General H. F. McDonald.]

Mr. MACDONALD (*Brantford*): I might add that that man had steady employment before the war, and there is no doubt in the world that if that man had not offered his services to his country he would not have been returning to camp on that night and he would not have been killed. I think in that case his death was attributable in any event to the fact that he had enlisted. I am not suggesting at this time an amendment to the Act, but it does occur to me that the Act could be widened to some extent so that instead of saying "directly attributable to the war" words could be added such as "arising out of" or "in connection with military service". That would widen the scope of the Act considerably.

There is only one more thing I should like to say in closing and that is that I feel the citizens of Canada at this time are prepared to give every consideration to the men who are enlisting and offering their lives for the defence of this country. I feel that the people of Canada are not satisfied with the order in council as it is now drawn, and I think that this committee would do well in recommending a wider clause to the Act so that men who are serving their country and who suffer injury, or are killed in service connected with their duty, may come under the Act. I hope the Act can be amended or widened in that way.

Mr. MCLEAN (*Simcoe East*): Mr. Chairman, it seems to me that there may be very good arguments advanced to the effect that all people who are serving the country in war time, either as civil servants in all these various departments, and even those who are serving the country indirectly in growing the food to feed the people of the country and building the machines and all that sort of thing, should be insured by the state. It seems to me that the argument that a soldier outside of a theatre of war should be insured applies in very much the same way to every other civil servant. As an illustration, take something that happens at one of these camps. Here is a man who is driving a truck hauling lumber into Camp Borden. Here is another man who is, say, doing administrative work. They both take sick. If the man in uniform is ill due to his service he is pensionable. But if something happens that has nothing whatever to do with his service, what is the difference between the man who is driving the truck without a uniform and the man who is driving the truck with a war service corp badge on his uniform? I do differ most emphatically with those who say that there should be no distinction between the man who fights in battle and the man who stays here in Canada. I do not think the people of Canada will ever agree to giving no special consideration to the man who risks his life and fights in battle. There is no comparison between the man who for a month, six months, a year, two years, four years, is risking his life every day and the man who is not. I am not disparaging the work the latter is doing, but there are thousands of men who know perfectly well that they will never risk their lives.

Just take what happens here in Ottawa. I am not criticizing it, though it was criticized in the house the other day; I suppose it is the natural thing. Here are civil servants. We do not insure our civil servants. But it is found expedient in connection with the administration of the service to take civil servants and put uniforms on them, give them rank and give them high rank. Just because it is expedient to take them out of the civil service and put uniforms on them and give them ranks, does that give them some special right to insurance by the state? I cannot see that at all, Mr. Chairman. I certainly think that there ought to be a distinction between the men who go to fight in battle and the men who stay in Canada.

Let us keep this fact in mind, about which there seems to be some misapprehension on the part of some members. If a man who is a member of the forces here in Canada—even though he never expects to go out of Canada—is, in the performance of his duties injured or killed, he is pensioned. Let there be

no question about that: he is pensioned. I think Mr. Macdonald, in his argument, mentioned some circumstances that gave colour to it, but they did not affect it, such as the fact that a man who happened to have been a veteran of the last war was now serving and died. The fact that he was a veteran of the last war has nothing whatever to do with it. Let us keep in mind that they are under this Act if they are injured as a result of their service in Canada. If they die as a result of their service, they are pensioned or their widows are pensioned.

But that is a different thing altogether from the special consideration which was given in this section we are discussing, namely, special consideration to the man who had come home from fighting in battle for a month, a year, two years or three years; who was discharged, but for some reason or other was put in hospital immediately and was being given treatment, and then for some cause not due to the war at all he died. I do not think it was at all unreasonable that the special consideration given by this section should have been given to that man. But if you consider for a moment that every man who goes into uniform is insured by the state whether there is any idea that he will ever be subject to any hazard that any other civil servant is not exposed to, then you are getting into the question of whether a public servant should be insured. Take the case of an officer—although it does not matter whether it is a private or officer—in the administrative department of the air force, perhaps a very important department, with a high rank and high pay. What more right have we to provide an annuity for his wife if he dies than we have to provide a pension for anyone else? What more right have we, if he takes sick and dies, to give him a pension than we have to give a pension to anyone else? What we are discussing now, it seems to me, is the whole question of whether we should have insurance for everybody. As I say, there may be splendid arguments for that, but I certainly do think that we should keep the distinction between the men who are serving in a theatre of war and those who are not.

Mr. TURGEON: Mr. Chairman, since the discussion is apparently going into the whole question of insurance and we are dealing in fact with sub-section 2 as well as with paragraph (*e*) of section 11, may I just give a few thoughts to this committee. There is, without question, a great deal to what Mr. McLean has just said. For my purpose, I wish immediately to distinguish in my own mind between those who have joined or volunteered for service overseas and those who were called out under the Mobilization Act for annual training.. Any words that I mention have no reference whatever to those who were called out for training. I am dealing only with those who enlisted, knowing that at some time, whenever their senior officers so decide, they will be sent overseas. I am dealing with them not only because they volunteered and not only because at one time or another they will be actually in a theatre of war, but also because at the very moment they volunteered for service overseas, unlike the men who are called up for training, they immediately have cut themselves off from their ordinary way of life. Their lives no longer belong to them. They cannot arrange them. The arrangements of their life belongs to their senior officers. If for the time being they happen to be in camp in Canada, awaiting orders to proceed overseas, I am decidedly of opinion that the man who is injured of an evening when he is off duty should receive the same consideration as the man who is injured when he happens to be actually on duty.

Some Hon. MEMBERS: Hear, hear.

Mr. TURGEON: I do not think there is any question about that at all. I am not at the moment going to make an argument in favour of it, because I understand from the chairman that we are simply giving the minister and the members of the commission our views so that they may be taken into consideration. As it strikes me, the moment a man enlists for service

overseas there should be no distinction between what happens to him on leave and what happens to him on duty, and the main reason for that is that we are conducting this war on a voluntary basis. We are not conscripting anybody to go overseas, and I am very glad that we are not. I do not need to go into that. We are taking everybody purely on a voluntary basis. The whole success of our war effort depends upon the confidence felt by the public of Canada, as a result of which from time to time governments may get a spontaneous response to action, no matter of how drastic a nature, that they may find necessary as circumstances arise. Therefore, we must make certain that at no time in the mind of any member of a family, where a member of that family enlisted for active service overseas, will any discontent arise or any feeling that will be other than one of confidence. Therefore I am saying nothing further at the moment. I am simply advising you, Mr. Chairman, and through you, the minister and the commission, that I am strongly in favour of the pure insurance principle so far as dealing with the man who has actually enlisted for services overseas is concerned.

By Mr. Macdonald (Brantford):

Q. May I just ask a question in order to clear up this section. Under subsection (f) it is provided:—

> no pension shall be paid for disability or death incurred by a member of the forces during leave of absence from military service unless his disability or death was attributable to his military service;

Does that mean that if a man is in England, is on leave and is killed, there is no pension?—A. If I may, I am going to ask the committee if they would be good enough to suggest that that section be deleted and the old one returned.

By Mr. Turgeon:

Q. Which section is that?—A. The next section we are coming to.

Mr. MACDONALD (*Brantford*): That is something, anyway.

The WITNESS: Because, if I may explain, there was no intention to doing anything like that. There was a certain class of matter that was difficult to deal with, and that was an attempt to cover it. But that situation has been remedied in other ways since this was drafted, and, if the committee would look favourably upon it, I would ask that the old section be returned.

By Mr. Macdonald (Brantford):

Q. Subsection (*e*) states:—

> When a member of the forces, who has seen service during the great war, or who has seen service in a theatre of actual war as herein defined, is, upon retirement or discharge from war service, passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death during such treatment.

My question is this: Supposing a man—and I have given a concrete instance of the sergeant—is injured in an automobile accident when he is returning from leave to his camp. Supposing after he is injured he is disabled for some time and is discharged or retired and he is passed to the Department of Pensions and National Health for treatment, and then dies. Would his widow receive a pension?—A. If he is passed to the Department of Pensions and National Health in accordance with the terms of this subsection.

Q. I quoted the terms.—A. Passed direct.

Q. I will go back to the case I mentioned.—A. Let me think. He would be entitled, in my opinion, if you leave the qualifying clause in "who has seen service in a theatre of actual war."

Q. That is an alternative, General McDonald. The first clause is, "when a member of the forces who has seen service during the great war." Then I quoted a case to you a moment ago.—A. Mr. Macdonald, you have brought up a case about which I do not think you should ask me to give a snap decision. It raises a point that is very interesting and very important, and I should like to discuss it with my colleagues as to just how that would bear upon it. I think your point is certainly going to cause some deep thinking, and I certainly would not be prepared to say "no" at the moment.

Mr. MACDONALD (*Brantford*): It seems to me, according to that Act, that it is a mere technicality or a mere chance that the widow is unfortunate enough not to receive a pension, because the sergeant was killed on Sunday night. He was sick for several weeks as the result of his injuries and then died. If he had been disabled for several months—

Hon. Mr. MACKENZIE: What was the cause of death—pneumonia?

Mr. MACDONALD (*Brantford*): It was a motor accident which was found to be purely accidental. I should point out to the minister that this man was not home running around and having a good time. He had finished his leave, to all intents and purposes, and was on his way back to camp and was just half an hour from camp when the accident occurred. As I said a moment ago, he was in the hospital suffering from his injuries for several weeks. He might have suffered for several months, and if he had suffered for several months, I presume the Department of National Defence would have discharged him and turned him over to the Department of Pensions and National Health. He was a veteran of the last war. He had, according to the wording of this section, seen service in the great war. If he had been fortunate enough to have been discharged and turned over to the Department of Pensions and National Health, his widow doubtless would have received a pension under the terms of this section.

The WITNESS: I am inclined to agree with you.

Mr. MACDONALD (*Brantford*): What I am saying is that I trust this Act will be interpreted widely enough to give the widow a pension even if through some delay her husband had not been turned over to the Department of Pensions and National Health.

The WITNESS: This committee will have the opportunity to make it so.

Mr. MACDONALD (*Brantford*): I am sure the pension board will consider it very carefully.

Mr. CLEAVER: I should like to associate myself with the views as expressed first by Mr. Macdonald of Brantford and then by Mr. Turgeon.

I really think that Mr. Turgeon's general approach to the problem is the one by which we should approach it; that is, to put it on a general basis.

The man who enlists for service overseas ceases to be a free-will agent. He is then under the control and direction of the army. Try to put yourselves in the position of the widow of this sergeant from Brantford. She would quite naturally say to herself: My husband did his bit in the last war and he enlisted for overseas service in this war. He would not have been in that motor accident if it had not been that he enlisted for overseas service in this war. I think we would be on quite safe ground if in considering these pension matters we were to keep in mind at all times the thoughts of the dependents who are left. I cannot give expression as forcibly as I should like to do concerning my very strong conviction that the widow of that sergeant in Brantford is undoubtedly entitled to pension. If the present Act is not wide enough to include a case of that kind, we should amend the Act to include it.

[Brigadier-General H. F. McDonald.]

Mr. CASSELMAN (*Edmonton East*): Mr. Chairman, I think a lot of our conclusions arise from the underlying words of section (*e*). By using those words you are not giving the same width or breadth to the matter. In the first part it is stated "who has seen service during the great war." That service is not restricted to any place. But by adding these words you are putting a limitation upon the men who are in the present service. It will only apply to them if they are in a theatre of actual war as herein defined. I think we should make it the same for both. You can do that by saying "or who has seen service in the present war," instead of " in a theatre of actual war as herein defined."

The WITNESS: If you just left it out altogether, it would do that. On retirement from war service—just leave that out altogether.

Mr. CASSELMAN (*Edmonton East*): Of course, if you do not put that in at all you are just limiting it to those of the great war. It would not apply to the present war at all. But I think you get the thought I had in mind. It is just a question of wording it.

I should like at this moment to agree with what Mr. Cleaver has said about the distinction which should be made between those who voluntarily enlist and those who do not, as regards pensions for their injuries. But I think we should carry that a step further and make another distinction between those who are actually injured in a theatre of war; that is, those who are under the stress and strain of what is really active service, and those who are not under that stress and strain because they are not in an actual combat area. Our difficulty there seems to be in defining what is an actual theatre of war. The thought I tried to leave with the committee yesterday and which I want to emphasize again to-day is that in trying to define it we should keep in mind the idea of the injury having been received as a reasonably direct result of contact with the enemy. I am thinking of the terrible bomb explosion which occurred in London the other day where some of our men lost their lives. Surely that is direct contact with the enemy. And it does not matter whether it happens in London or Norwich or Southampton or on the continent or in Canada. If the same thing happens here in Canada, due to enemy action, that would be an actual theatre of war. We do not know how soon part of Canada may be in that category.

And in speaking about Iceland, how do we know that at this moment there is not a surface raider shelling the base in Iceland and injuries being inflicted on the men in that place? Would that not be an actual theatre of war? I think that in trying to define it geographically we should keep in mind a definition that will in some way link it up with actual combat with the enemy. We made the distinction before that a man who went to France was in an actual theatre of war. You and I know that there were thousands and thousands who went to France who were not in any more danger or were undergoing very little more stress or strain than those who were back in Canada training. There were certain areas in France that were combat areas, but there was a great deal of backfield area where the men were not under any more stress and strain than they were in England or perhaps in Canada. I want to leave that thought with the committee.

By Mr. Mackenzie (Neepawa):

Q. Are there any persons still in Canada who served in the last war yet to be discharged, or any persons anywhere?—A. No, none at all. The Canadian Expeditionary Force, as such, is completely demobilized.

Q. Then is there any use continuing that clause—"has seen service during the great war"?—A. Yes; we have to maintain the authority for the pensions we are now paying. If that were taken away there would be no basis at all for the awards, and the Auditor-General would say, "What power have you to pay those pensions?"

By Mr. Green:

Q. Would it make any difference if the present subsection (*d*) were maintained?—A. It is a question entirely for the committee, not for the commission to decide. We are merely asking you.

Q. Subsection (*d*) of the Act at present reads:—

> when a member of the forces is, upon retirement or discharge from military service—

In other words, that would cover all the service.

> —passed directly to the Department of Pensions and National Health for treatment, a pension shall be paid to or in respect of him for disability or death incurred by him during such treatment.

Hon. Mr. MACKENZIE: I am inclined to agree with you, but I think we will call Dr. Miller on Tuesday and have him explain this section as it is now.

The WITNESS: That is going a good deal further. The whole thing is dependent upon your decision on the insurance principle or otherwise, is it not?

Hon. Mr. MACKENZIE: I think it goes further than that.

The WITNESS: If you decide the insurance principle is to be maintained, then I think it should absolutely follow that any restriction on this should be wiped out.

Hon. Mr. MACKENZIE: Even if you do away with all that you could still abolish that section.

By Mr. Green:

Q. I do not see that that section depends on the insurance principle.—A. You are giving it to one class of men and denying it to another. You are denying it to the man who does not go into hospital.

Q. But it is a very minor branch of the insurance principle.—A. I am merely explaining it, Mr. Green; I am not arguing against. I am merely explaining what I see from an administrative point of view you would be doing.

Q. Where there are rights now laid down by the Pension Act which have been endured for a period of years I think it is very unsound to start chiselling in on them.—A. We are not taking away any rights from the men of the last war.

Hon. Mr. MACKENZIE: Not giving the same rights to those of the present war.

The WITNESS: It does not give the same rights to the men in this war.

The CHAIRMAN: Subsection (*f*).

Mr. GREEN: What type of case was it intended to cover as it was drawn?

The WITNESS: A little difficulty arose with certain personnel employed in civil flying schools which were training men in elementary training. They were training bona fide actually enlisted members of the R.C.A.F. in elementary flying. The procedure was that those schools operate under a contract. These personnel are engaged and paid by the flying company which has been incorporated for the purpose of conducting that school. But to ensure uniformity in instruction the Royal Canadian Air Force arranged for these men to have a refresher course at their central flying school. For that purpose they were enlisted in the R.C.A.F. and paid as flight sergeants and paid as such during the period of their training. At the conclusion of the period of training they were given leave of absence without pay and were engaged at a very consider-

ably higher salary than they were paid as flight sergeants as instructors by these flying schools. There was some confusion as to protection by the Royal Canadian Air Force, and arrangements are being made in all provinces that these men now come under the Workmen's Compensation Act, and in respect to any accident that may occur there they are protected.

Hon. Mr. MACKENZIE: There was one case at Moose Jaw where a man was killed and was not protected by a policy of insurance.

The WITNESS: That situation has been rectified by the action that has been taken now.

Mr. QUELCH: Mr. Chairman, I see in a number of the sections of the new Act the insurance principle applies, and in other places it seems that the insurance principle is to be abandoned. So apparently before we try to deal with these various sections we should settle once for all the question of insurance. That has to be settled before we can deal with this Act. I believe we should decide that question before we go on. Personally I should like to associate myself with the remarks of Mr. Turgeon. I believe definitely that we have to differentiate as between the man who enlists for active service abroad and the man who is called up under the thirty-day or the four-month plan. In so far as the man who enlists for active service is concerned and he is detained in Canada, it is a recognized fact that is not his fault. He would probably like to get overseas but as some members have already stated, that man has cut himself off from civilian life and I certainly think the insurance principle should apply to him whether he is in Canada or abroad just so long as he is enlisted for active service.

On the other hand some members state that we have to differentiate between service in Canada and in an actual theatre of war even with regard to the men who have enlisted in the active service forces. Of course, we will, because while we may maintain the insurance principle in both of these cases nevertheless there will be other features of the Act which will operate differently. I am thinking especially of the War Veterans' Allowance Act. That applies only to men who are actually serving in a theatre of war. That would not apply to a man who served only in Canada. If we continued as we did in the last war a man would only be eligible for war veterans' allowance if he served in an actual theatre of war.

The WITNESS: Or if in receipt of a small pension irrespective of what theatre he served in.

Mr. QUELCH: Yes; but so long as it is recognized that a man who is called up is eligible for pension if he gets disabled while engaged in some form of war service, I think he has been pretty well covered. I do not see why a man who is called up for four months' service and then is placed on the reserve, and arrives home on the farm, should be entitled to any protection if he should suffer sickness or disablement when he returns. I cannot see any possible excuse for that. I do not see just where you are going to draw the line because he is in the army reserve after he comes home. I should like to associate myself with the remarks made by Mr. Turgeon and Mr. Cleaver. I think that should be the line, active service or home service.

The WITNESS: With the chairman and committee's permission, now that the discussion has apparently very definitely centred on the insurance principle or not, perhaps it would be well, with the minister's permission, if I were to give the committee the report which was made on the situation by the committee appointed by order in council before the amending order in council was passed.

"P.C. 1542

At the Government House at Ottawa, Wednesday the 17th day of April, 1940.

Present:

His Excellency

The Administrator in Council.

Whereas by order in council P.C. 2491 dated September 2, 1939, the provisions of the Pension Act, Chapter 157 of the Revised Statutes of Canada 1927, as amended, were made applicable to members of the naval, military and air forces of Canada serving on active service in the present war;

And whereas the Minister of Finance reports that certain anomalies may arise in connection with the carrying out of the provisions of said order in council P.C. 2491, dated September 2, 1939, and that it would appear desirable to appoint a committee to consider and report upon the questions which arise in making the provisions of the Pension Act apply to members of the naval, military and air forces serving in the present war;

Now, therefore, His Excellency the Administrator in Council, on the recommendation of the Minister of Finance, with the concurrence of the Acting Minister of National Defence and the Acting Minister of Pensions and National Health, and under and by virtue of the provisions of the War Measures Act, is pleased to appoint and doth hereby appoint a committee consisting of the following persons:—

Brig.-Gen. H. F. McDonald, Chairman, Canadian Pension Commission,

Col. Maurice A. Pope, Department of National Defence,

J. F. MacNeill, Department of Justice,

H. Sloman, Department of Finance,

to consider, and report to the Minister of Pensions and National Health, with respect to the following questions:—

(*a*) the application of the Pension Act to

(i) persons performing civil duties in the Department of National Defence, who enlist or are appointed to commissioned rank in the active service forces;

(ii) persons of all ranks particularly in the Royal Canadian Air Force, who enlist for the purpose of serving in Canada only;

(iii) persons in the active service forces, who were members of the permanent force and who are over age or suffering from chronic systemic disabilities.

(*b*) questions relating to the pensionable status of Canadian pilots training under the British Commonwealth Air Training Scheme;

(*c*) any other questions which arise or might arise in applying the provisions of the Pension Act to members of the naval, military and air forces on active service which in the opinion of the committee should be drawn to the attention of the government of Canada as affecting the members of the naval, military and air forces on active service or the public interest generally.

His Excellency in Council is hereby further pleased to direct all departments or agencies of the government, and all officers and employees thereof, to afford to the committee all available information in regard to any of the

matters falling within the scope and powers of the committee, to co-operate with the committee in the performance of such duties and the exercise of such powers whenever required by the committee to do so and to make available to the committee all relevant departmental records, documents and papers.

(Sgd.) A. D. P. HEENEY,
Clerk of the Privy Council.

The Honourable the Minister of
Pensions and National Health.

The report which I have here is the one pertaining to that question you have under consideration now. This is a report dated the 7th of May, 1940.

"Memorandum:

The Honourable the Minister of Pensions and National Health.

By order in council P.C. 1542 dated 17th April, 1940, the following committee was apopinted:—

Brig.-Gen. H. F. McDonald, Chairman, Canadian Pension Commission,

Colonel R. J. Orde, Department of National Defence,

J. F. MacNeill, Department of Justice,

H. Sloman, Department of Finance.

The committee was instructed to consider and report to you with respect to the following questions:—

(*a*) the application of the Pension Act to

(i) persons performing civil duties in the Department of National Defence, who enlist or are appointed to commissioned rank in the active service forces;

(ii) persons of all ranks particularly in the Royal Canadian Air Force, who enlist for the purpose of serving in Canada only;

(iii) persons in the active service forces, who were members of the permanent forces and who are over age or suffering from chronic systemic disabilities.

(*b*) questions relating to the pensionable status of Canadian pilots training under the British Commonwealth Air Training Scheme;

(*c*) any other questions which arise or might arise in applying the provisions of the Pension Act to members of the naval, military and air forces on active service which in the opinion of the committee should be drawn to the attention of the government of Canada as affecting the members of the naval, military and air forces on active service or the public interest generally.

(1) Under the terms of order in council P.C. 2491 dated 2nd September, 1939, the terms of the Pension Act as it existed prior to the outbreak of the war were applied to the members of the military, naval and air forces of Canada now serving on active service. Briefly, the effect of this legislation is, that the state assumed responsibility for compensation, at the prescribed rates, for injury, disease or aggravation thereof or death which might happen to any member of His Majesty's Canadian active service forces irrespective of actual

cause and irrespective of the place or country of service. The only exception made is where the condition is due to the individual's improper conduct. "Improper conduct" is defined as wilful disobedience of orders, wilful self-inflicted wounding and vicious or criminal conduct. The state, therefore, assumes liability unde this legislation for all injuries and diseases normally incident to civil life as well as those caused by or related to the particular conditions of naval, military or air service.

The question arises whether this assumption of liability on the part of the state is a justifiable and proper one under the present circumstances and whether the application of such a general principle of insurance against practically all risks should be applied without discrimination to all members of the forces.

The committee feel that where a citizen voluntarily enlists for war service and in the course of such service leaves Canada, he and his dependents are in a different category from those who serve in Canada only. This basic differentiation underlies the consideration of the terms of reference outlined in paragraphs (*a*) (i) (ii) and (iii) above, in so far as future pension liability is concerned.

This so-called insurance principle was the basis of the pension policy laid down in the war of 1914-1918 and was subsequently embodied in the Pension Act. It applied to all members of the forces irrespective of their sphere of service and awards of pension were predicated only upon the incurrence of the disability or death during service. In 1923 distinction was made in regard to service in a theatre of war benefiting those men who so served and suffered in aggravation of a pre-enlistment condition. They suffered no deduction from their total degree of pensionable disability on account of such pre-enlistment condition. From time to time during the intervening years the benefits of the Pension Act have been extended and enlarged, largely to combat post-war economic conditions.

In that war Canada's main effort was directed to the provision of expeditionary forces and naval service on the high seas. There was no necessity for the retention of large numbers of men in Canada for defence or training.

In the present war it is anticipated that there will probably be required in Canada about 60,000 all ranks for the permanent maintenance and operation of administrative, training and defence establishments for the duration of hostilities. This includes over 30,000 all ranks, specifically required for home duties in connection with the Joint Air Training Scheme and is exclusive of units and reinforcements recruited and under training to proceed overseas.

It is true that in the war of 1914 the official figures show a very much larger number than the above as having served in Canada only—approximately 190,000. Out of this number there remain some 3,600 pensioners involving an annual liability of over $1,560,000. These numbers do not represent only the troops that were required in the last war for the permanent maintenance of administrative, training and defence establishments but include all those who were enlisted and discharged after a brief service for medical and other reasons and a very large number of recruits under the Military Service Act who were enlisted in the later months of the war and never got out of Canada. The figures, therefore, are hardly comparable as a basis for an estimate of future liability.

The committee feel that there can be little argument against the state providing compensation to a man and his dependents for any disease, injury or death which arises out of or is caused by the performance of his duties. This latter principle is the one which is applied in the Pension Act to service in the armed forces during peace.

The committee begs respectfully to submit that it is desirable that the government should consider and determine the future policy in regard to the basis of pension award to members of the forces who serve in Canada only: i.e. as to whether compensation shall be paid on the insurance principle, i.e. for disability or death due to any cause whatever (saving improper conduct) or whether such awards shall be made only where there is a definite relationship between the disability or death and the circumstances and conditions of the man's actual service.

The committee further respectfully observes that a decision in regard to the policy to be adopted is of rather urgent importance not only from the point of view of future liability but also in view of the administrative and adjudicating procedure which will depend upon the decision which is made.

The committee beg to be permitted to report further on the more specific points contained in the terms of reference in the order in council.

(Sgd.) H. F. McDONALD,
Chairman."

The CHAIRMAN: May we adjourn until Tuesday, the 18th, at 11 a.m.?

Mr. GREEN: Mr. Chairman, we have a great deal of work to do in this committee and some of us are also on other committees. Would it not be possible for us to sit to-morrow? If we are going to sit only two days a week it is impossible to finish the work we have to do. I suggest it would help a great deal if we sat to-morrow.

The CHAIRMAN: There are several members who cannot meet to-morrow. They are under the impression we should meet on Tuesdays and Thursdays at present, if that is satisfactory.

The committee adjourned at 1 o'clock to meet on Tuesday, March 18, at 11 a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

WEDNESDAY, MARCH 19, 1941

WITNESS:

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

WEDNESDAY, March 19, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 o'clock, a.m.

Owing to the absence of Hon. Cyrus Macmillan, the Chairman, on account of his brother's death, Mr. Turgeon was, on motion of Mr. Cleaver, seconded by Mr. Reid, unanimously elected vice-chairman. Mr. Turgeon then presided.

The following members were present: Messrs. Black (*Yukon*), Blanchette, Bruce, Casselman (*Edmonton East*), Cleaver, Cruickshank, Emmerson, Eudes, Gillis, Gray, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Marshall, McCuaig, Mutch, Quelch, Reid, Ross (*Souris*), Tucker, Turgeon, Winkler, Wright—26.

Mr. Isnor moved, "That the Clerk of the Committee be instructed to write to the Hon. Cyrus Macmillan conveying to him the sympathy of the committee in the loss of his brother.

Motion adopted unanimously.

A memorandum *re* Section 20 of Bill No. 17 was submitted by General McDonald and distributed to the members of the committee.

The committee resumed consideration of Bill No. 17, An Act to amend the Pensions Act.

The following sections were considered: Nos. 5, 6 and 7; also the effect of Orders in Council dated September 2, 1939, and May 21, 1940, pertaining to Section 5, subsection 2 of the Bill; Section 11, subsections 1 and 2 of the Act.

Information respecting the number of pensions applied for, granted, and refused under said Orders in Council to be supplied by General McDonald at the next meeting.

On motion of Mr. Mutch, the committee adjourned till Friday, March 21, at 11.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

March 19, 1941.

The Special Committee on Pensions met this day at 11 o'clock, a.m. In the absence of the Chairman, Mr. J. G. Turgeon was elected Deputy Chairman and presided.

Mr. ISNOR: Mr. Chairman, as I understand our chairman, Dr. Macmillan is absent owing to the death of his brother, I think it would be appropriate and fitting that we should express as a committee our sympathy to Dr. Macmillan in the sad loss he has been called upon to bear at this time. I would therefore move that the secretary be requested to send a letter of sympathy to Dr. Macmillan.

Mr. REID: I second the motion.

The DEPUTY CHAIRMAN: I am sure we have all heard with regret of the passing away of our chairman's brother. I am also sure that every member is gratified at the motion which has been moved and seconded, and the secretary will be instructed to send a letter of sympathy to Dr. Macmillan.

At the last sitting the committee was discussing section 5 of the proposed amendments. I am of opinion the committee would like to continue as we were doing at our last meeting.

Hon. Mr. MACKENZIE: There were one or two cases mentioned the other day, and if any hon. members of the committee could, without mentioning any names, specify the type of cases they might put them on the record so that we might know exactly what the situation is. That is under subsection 2, page 5.

The DEPUTY CHAIRMAN: We were just reaching subsection 2 on page 5. That is the insurance clause.

Is there any further expression of opinion in connection with subsection 2?

Mr. GREEN: What about paragraph (*g*) at the bottom of page 4? We have not touched that.

The DEPUTY CHAIRMAN: Does anybody wish to give an expression of opinion on paragraph (*g*)?

Mr. GREEN: I want General McDonald to discuss it.

Brigadier-General H. F. McDONALD, Chairman of the Canadian Pension Commission, recalled.

The WITNESS: That is exactly the same paragraph that was in the old Act, Mr. Green.

By the Deputy Chairman:

Q. No change in that at all?—A. No.

By Mr. Green:

Q. If there is any change made in paragraph (*c*) that would also apply to paragraph (*g*) would it not?—A. Yes.

Hon. Mr. MACKENZIE: Paragraph (*c*) is being considered. There were some points raised the other day in connection with paragraph (*c*).

By Mr. Green:

Q. Paragraph (*g*) should be considered with paragraph (*c*) should it not?—A. Yes.

Q. If a subcommittee is appointed to consider paragraph (*c*) it should also consider (*g*). Is that right?—A. Yes, sir.

The DEPUTY CHAIRMAN: Are there any further comments on paragraph (*g*), subsection 2?

By Mr. Green:

Q. How does subsection 2 apply in the case of a man serving in the air force on either coast?—A. He is serving in Canada.

Q. And then he would come under subsection 2?—A. Arises out of and is directly connected with such military or war service.

By Mr. Reid:

Q. I should like to ask General McDonald a question arising out of a statement made in the house last night. I understand that those who have left this country, gone to Great Britain and joined the R.A.F. there, will, after the war if they are injured and dismissed from the British forces, receive either a pension or a lump sum, as the case may be. I am just wondering what attitude we are going to take with reference to those Canadians who have gone there, especially in the early stages of the war and who are still Canadians, on their return to this country. We all know the British authorities have not been in the past, at least, as lenient—

Hon. Mr. MACKENZIE: There is a special memo prepared on that very point when we reach the section.

The DEPUTY CHAIRMAN: Supposing we wait until we reach that section?

The WITNESS: That is section 20 of the amending Act.

Mr. REID: Very good.

The DEPUTY CHAIRMAN: Then shall we deal with subsection 6?

Mr. GREEN: No, not yet; this subsection 2 is the most important one in the whole bill.

By Mr. Green:

Q. As I understand it, subsection 2 applies in the case of a man serving in the militia in Canada in peace time; that it applies also to a man serving in the reserve army and to a man serving in the active army who has volunteered for service anywhere?—A. Yes, sir.

Q. Providing he is still in Canada?—A. Yes, sir.

Q. They are all treated on the same basis?—A. Yes, sir.

Q. No distinction is made between those different classes?—A. No, not under the section.

Q. This also applies to an airman who is on patrol duty, say, out of Halifax day in and day out, rendering his war service in that way? He is subject to those restrictive provisions contained in subsection 2?—A. Yes, he is.

By Mr. Mutch:

Q. Unless he is injured as the result of any action?—A. That is provided for in the section. This section deals only with matters which do not arise out of or are directly connected with such military service.

By Mr. Reid:

Q. I wonder if General McDonald has any further explanation as to why "incurred on" has been taken from this section?—A. I am afraid I cannot give you the reason for that, Mr. Reid. That is a matter of policy, which is the problem before you now.

By Mr. Quelch:

Q. Have you any objection to this clause being changed so that it would not apply to those men who had enlisted in the active service forces but who were still in Canada?—A. Could I have that again?

Q. Would you have any objection to the clause being changed so that it would not apply to those men that have enlisted in the active service force but who are still in Canada?—A. It is not a matter of our having any objection.

Q. Do you know of any objection? Do you know any reason why this clause should not be changed?

The DEPUTY CHAIRMAN: May I suggest that it is hardly fair to press the chairman of the commission to answer questions of policy. He can explain the working out of the various sections, but it is not fair to ask him to make a recommendation on policy. You can ask the minister.

Mr. QUELCH: My point is this: I think a majority of the members of the committee have pointed out that they would be opposed to this clause, making it impossible for a man who has enlisted in the active service forces to get a pension whilst he is resident in Canada.

The WITNESS: It does not do that.

Mr. QUELCH: It seems to me it does, whilst he is resident in Canada, unless he is engaged in military duty. A man might enlist in the active service forces and obtain leave whilst in Canada; then he is not eligible for pension under this clause.

The WITNESS: Not eligible for pension for anything which occurred to him during that leave.

Mr. QUELCH: That is it. Personally I am of opinion that once a man enlists in the active service forces, no matter whether he is on leave or not, he should be protected by the insurance clause from the time he enlists until he is discharged, whether he be in Canada or any other place, and whether he is engaged on military service or on leave. Under the Pension Act as it stands to-day he does receive that protection, and I was wondering what the reason was for making that exception.

Mr. TUCKER: You are dealing with paragraph (*f*).

Mr. QUELCH: Subsection 2.

Mr. TUCKER: Paragraph (*f*) deals with it definitely. I was wondering myself about paragraph (*f*). I was unavoidably absent from the last meeting and do not know what transpired. Paragraph (*f*) says that if a person is on leave, unless his disability is attributable to military service, he does not get a pension.

The DEPUTY CHAIRMAN: The suggestion was made the other day that paragraph (*f*) be taken out.

The WITNESS: In fact, I indicated that there were one or two questions which were coming up in connection with the air force that would require further consideration of that section. Subsection 2 at the top of page 5, which we are considering, is the enabling or restricting clause of the legislation as regards those men who are serving and will continue to serve in Canada.

Mr. TUCKER: Has any reason been given to the committee why the principle in regard to that particular type should have been changed?

The WITNESS: Yes, it was put on the record the day before.

Mr. WRIGHT: I have a case which illustrates this matter. A chap came down from the west last June looking for work. He could not get any work so he enlisted in the Saskatoon Light Infantry and went to camp Borden. He had a week-end leave in November in Toronto and took the measles. He was sent to the hospital there and spent five days in hospital. He was sent back to the camp and while in camp they had to hospitalize him again. After he was there for six weeks or so, having tests and X-Rays, they finally told him he had to have an operation on his lower bowel. He was moved to Christie street hospital. While he was in Christie street hospital, on January 16, five officers came in and stayed with him until they talked him into signing his discharge. He signed his discharge, and immediately the militia or the army was done with him. They gave him $60, and $27 for clothing allowance, and the man was still in bed and in a very serious condition. One of the doctors in the hospital told him they would operate on him free of charge in the general hospital but they would not pay his hospital bill. But he did not have enough money to pay his bill. Some of the other doctors took his case up and finally took him to the hospital and operated on him and he was then discharged without any pension or any relief. That procedure, it seems to me, is very unfair.

Mr. GILLIS: It is criminal.

The WITNESS: Has he received a ruling from the commission yet?

Mr. WRIGHT: I could not tell you that. I had this letter and I sent a copy of it to the minister. I have not had a reply as yet.

Hon. Mr. MACKENZIE: When was that?

Mr. WRIGHT: On March 7th.

Hon. Mr. MACKENZIE: May I see it now?

Mr. MUTCH: Mr. Chairman, unfortunately it has not been possible for me to be here for some of the meetings. I have read over the reports of the meetings which have been held. It occurs to me that the committee is in danger, perhaps unavoidably, of getting away altogether from the purpose of disability pensions. Someone has said, perhaps wisely, that it is impossible for any committee to deal sensibly with pension legislation while there is a war on. That is perhaps true, but it is no excuse for not trying to remember what is at least the basic principle of all pension legislation and that is compensation for disability on active service.

It was rather easy, in dealing with the situation following the last war, to define what was a theatre of actual war and to draw classifications which have been both a source of extreme aggravation and at the same time the saving grace of whatever pension legislation we have had since that time.

I am not suggesting that something should not be done about all these other various situations which arise—I am running into them all the time. The most serious one and one which has been mentioned here is that of men discharged from hospital before treatment is completed. But that is fundamentally dealt with by the Department of National Defence itself and the Department of Pensions, treatment branch particularly, and is not something, in my mind particularly, which can be legislated for at this particular time. It seems to me if we can clarify, in the light of the experience we have had, visualizing what we are likely to find and concentrating our attention on preserving a reasonable standard, the desire for looking after disability incurred on service, we would not only be doing to returned soldiers who are still healthy but who will be coming back with disabilities a tremendous service, because that is the real purpose of this committee, but at the same time making it possible to improve the standard. It should be our desire at any rate to maintain the standard we have at the present time.

[Brigadier-General H. F. McDonald.]

Actually the minute you begin to burden the base of pensions in view of what is likely to happen in the course of the next two or three years you run right into the real danger of having to narrow the base of treatment for disabilities and lower the standard of what you have been able to do. We have been coasting along in the last six years on the basis that our pension problem had reached the peak and we were over the top of the hill and could afford to be more generous than Canada was at the beginning when the boys came back from the last war. That situation is gone; but I do not think some of us have that situation within our minds yet.

I should like to suggest that first of all we come back individually and as a committee on every occasion we can to the fundamental principle that the Pension Act is compensation for disability on active service—I do not mean active service in contact with the enemy—and not let ourselves get led away through perfectly natural sympathy particularly at a time when we are right in the middle of a war.

I remember 1936. I despise people who go back to the good old days or the bad old days. I think in 1938-1939 we had forty meetings dealing with much the same problem and at that time we had not under consideration the problem of a man and his family's rehabilitation. We will not get anywhere, even deprived of interruptions like this, if we continue as we have continued so far. We will not begin to get anything in the nature of a concrete solution or a definition of the problem itself and a provision to take care of the casualties which you can begin to expect if we continue as we have been going.

Mr. GREEN: Mr. Chairman, Mr. Mutch is completely out in the main basis of his argument, and that is that this bill broadens the pension principle, because this particular section does not broaden it; it restricts it. That is exactly what we are complaining about.

Mr. MUTCH: I did not say it did.

Mr. GREEN: Take the instance of an airman flying over the Atlantic and also over the Pacific. He is probably in great danger all the time. Take the naval men flying out of our coast ports. They come under this very restricted section. I do not see any reason at all why it should be so and certainly there should be some distinction made between the man who is injured in peace time in the militia and a man enlisted for service anywhere in the world in this war and who receives an injury. Under the terms of this section they are in exactly the same situation. Certainly that is not sound. There should be some change made. Where a man has enlisted for service anywhere he should not be brought under this restrictive provision contained in subsection 2. I should like to know from General McDonald how many men have been able to qualify for pensions under the order in council which has been in force since the 21st of May, 1940, and which is in turn identical with this subsection 2.

Mr. REID: I wonder if General McDonald would explain something emanating from Mr. Green's statement, particularly for my information, if not for the committee. I gathered from Mr. Green's statement in discussing this section we are now dealing with that the men in the militia are on the same basis as the men in the active service force. I believe that should be made clear because other members have not got it that way.

Mr. MUTCH: Mr. Chairman, just before that question is answered may I say I walked away from section 2 in the remarks I made to the committee this morning. With all respect to Mr. Green I do not want him to put words into my mouth or facts into my mind. I am saying nothing in justification or condemnation at the moment on this particular clause. I realize the necessity for it and all I am urging this morning is that we should keep in mind the fundamental principle. This morning we have got away from that principle already by dealing with particular cases, and we will not get anywhere arguing from the particular to the general, as far as I can see.

I am not quarrelling with your criticism of No. 2, but I am suggesting that that is the sort of thing we are up against if we try to make this legislation too all-embracing—and I think there is a desire in the committee to do so. If we do that we are going to lose ground all around, and I am principally concerned in preserving what we have.

Mr. GREEN: I am, too, and that is why I object to many provisions in this bill. The provisions take away from what we have.

Mr. MUTCH: I am not ready to deal with the principle of the bill until we have discussed it further.

Mr. GREEN: May we have an answer?

The WITNESS: Disability pensions, 308; deaths, 130—deaths, of course, do not represent the rulings on attributability of death because these are pensions granted to the dependants.

By Mr. Green:

Q. How many out of this total are for men who have been overseas? That is 438, is it?—A. Yes, sir; that is to the 31st December.

Q. That is not the figure we were given in the house.—A. These are the figures I have given you now.

By Mr. Macdonald:

Q. Is that since the last order in council was passed?—A. No; I have not them segregated. I will have to get that.

Mr. GREEN: We were told 484.

Hon. Mr. MACKENZIE: This is the question you asked me in the house, Mr. Green: "Of those who have received pensions what number served"? It was not answered because the bill was referred to this committee before I received the details. I shall give the questions and answers:

Of those who have received pensions, what number served in England and what number in Canada?—A.

Disability awards—Service in England		77
	Service in Canada	66
	Service elsewhere	5
	Total	148
Dependant awards—Service in England		82
	Service in Canada	80
	Service elsewhere	111*
	Total	273

* Including the high seas.

Final payments (gratuities)—Service in England		14
	Service in Canada	49
	Total	63

Mr. GREEN: What was the total in Canada; what is 66, 80 and 49?

Hon. Mr. MACKENZIE: That is right.

Mr. GREEN: How many of these were for service prior to 21st May, 1940?

Hon. Mr. MACKENZIE: I have not got that.

[Brigadier-General H. F. McDonald.]

Mr. GREEN: How many have qualified under the provisions of the order in council?

Hon. Mr. MACKENZIE: Before the order in council was passed?

Mr. GREEN: Before and after, how many in each group; and then we should like to know how many have applied for pension who have served only in Canada, and that would give us an idea of the figure of how many were turned down.

Hon. Mr. MACKENZIE: As you will realize, and General McDonald will tell you, many of those considered for pension never applied; is not that right?

The WITNESS: Immediately on discharge, and as soon as we are in receipt of the documents from the Department of National Defence their pension status is reviewed and it is decided without application, by those documents, by the commission those who should receive pension and those who should not. That is done without any individual application on the part of the men.

By Mr. Green:

Q. Can you not tell us how many have applied for pension who would come under this subsection 2?—A. You mean made personal application?

Q. No; how many have been considered and have either applied themselves or——A. How many rulings have been made?

Q. Yes.

Hon. Mr. MACKENZIE: Do you mean how many have been turned down because of the provisions of subsection 2?

Mr. GREEN: Yes.

Hon. Mr. MACKENZIE: I should be glad to get that information myself, but I have not got it.

Mr. MACDONALD: On September 2, 1939, an order in council was passed giving the benefits of the present Pension Act to all men who enlisted for service in this war. On May 21, 1940, that order in council, I understand, was rescinded and a new order in council passed which is practically the same as the subsection which we are now considering. Am I correct there?

The WITNESS: Yes.

Mr. MACDONALD: If a man were killed or injured from any cause whatsoever between September, 1939, and May, 1940,—I am referring to a man who had enlisted—did he receive a pension, and if for any cause whatsoever a man was killed or injured after May, 1940, did he not receive a pension if he served in Canada and was not actually engaged in military service?

The WITNESS: Yes.

Mr. GREEN: These answers are not going on the record

Mr. MACDONALD: I am asking for the answers now.

Mr. GREEN: The general is nodding his head.

The WITNESS: I did not know whether Mr. Macdonald had finished.

Mr. MACDONALD: I have finished. I want to know whether there were more benefits, whether there was a wider interpretation between September 2 and May 21 than there has been since May 21.

The WITNESS: Decidedly so, sir.

Mr. CASSELMAN (*Edmonton East*): Then this section is definitely restrictive.

The WITNESS: Yes, sir.

By Mr. Macdonald:

Q. So, between September and May, if a man was fortunate, or unfortunate, enough to be injured for some cause, or incur disease, which was not connected with military service he received a pension?—A. Yes, saving misconduct.

Q. But since May 21st he has to prove military service?—A. Yes, that is correct.

Mr. GREEN: Throughout the last war the broadest provision prevailed; in other words, they would have been entitled to pension if they had been injured or suffered disability.

The WITNESS: Mr. Green is right there.

Mr. GREEN: And we had that principle prevailing for service in Canada since the last war.

Mr. TUCKER: Did not the insurance principle prevail in the C.E.F., even if a man did not leave Canada?

The WITNESS: Oh, yes.

The DEPUTY CHAIRMAN: There is no argument on that.

Mr. MUTCH: That is the purpose of it.

Mr. TUCKER: What is the purpose of the restriction here? I would like to know, Mr. Chairman, if we are restricting this especially now. We have introduced again the idea of conscription, of forcing a man to go into the field of military service. I would like to know why we are restricting the right that they have to claim if they are injured, or incur disease during that service. I would like to know why it is being done. I think this committee should know all there is. In the memorandum as I understand it that is being done. I would like to know why the restriction is applied. There must be some reason.

Mr. MACDONALD: The chairman read that to us.

Hon. Mr. MACKENZIE: Yes, that will be found at page 72 of the proceedings of our previous meetings.

The DEPUTY CHAIRMAN: May I respectfully suggest that the chairman of the commission is not in a position to give this committee the reasons, that is a matter of government policy.

Mr. TUCKER: I am not asking the chairman of the commission. We have the minister on this committee and I am asking him. It is a matter of policy and this committee naturally expects some leadership from the government and some indication as to why these restrictions are being introduced.

Hon. Mr. MACKENZIE: I will be very glad indeed to give the complete reason. I thought we had decided at the commencement that we would go through the bill before us first of all with a view to getting any objections, and then we would discuss those objections on their merits. If, however, you want to discuss every section before we go on to the next that procedure will be agreeable to me. I certainly intend to inform you as to why this order in council was passed. It was passed after full consideration by a committee appointed by the government on the recommendation of the Minister of Finance and the Minister of Pensions. At that time this committee made a certain report and after a study of that report which dealt with the different conditions of those serving in Canada and those serving elsewhere this order in council was passed on the 21st of May.

Mr. TUCKER: What I had in mind was this, if we are really going to get any benefits out of this discussion so as to know why these things are being done, and think about them and come to any decision we should know at as early a date as possible why this change was decided upon. That is all I was trying to get at. I want to know why the change was decided on. We are not really getting any benefit out of this discussion.

Hon. Mr. MACKENZIE: It was felt that the principle of a pension for any injury incurred on service was different for those serving in Canada, and that it was equitable that the old principle would apply to those overseas. That is the general principle which was decided upon.

Mr. Ross (*Souris*): I think, as we go through this bill now, we should get all the information possible and thereby be in a stronger position to consider it. I think that clause does restrict the benefits now. While I am naturally in favour of giving it a wider application there is a thought which came to my mind in respect to the statement made by the Minister of National Defence for Air in the house the other day. His department is now signing up many thousands of airmen, and they are certainly for purposes of discipline and everything else under the Act, and yet they are given leave of absence for many months. If one of those chaps became a casualty I do not think we should become responsible for him; certainly not while we cannot broaden this Act to take care of deserving cases.

Hon. Mr. MACKENZIE: Mr. Wright, was that case which you brought to attention this morning one of those which comes within the provisions of subsection 2 of this amending Act?

Mr. WRIGHT: I could not say.

Hon. Mr. MACKENZIE: We will have to find that out.

Mr. MUTCH: Just on that point; I do not think there is any one who has had anything to do with the returned soldier problem who does not bridle at the suggestion of any restriction. One of my first reactions to all this, and while I was not here the other day when the agreement was made I think it is a mistake to discuss anything and simply to hear the critical side of it and not at the same time have whatever explanation can be made for such a restriction so that we can think about it between now and the time when we have to make our report. With all due deference to the committee, if that was the decision taken before, I do not think we can get anywhere just discussing this bill in general terms. I think we should have an adequate explanation of the reason for the changes proposed.

Mr. GREEN: I agree with Mr. Tucker and Mr. Mutch. I objected strenuously to this order in council ever since it was passed. In my opinion, after discussion with the departmental officials, the order in council went much further than they ever intended; at least, the consideration that I think should have been given to it was not given to the borderline cases which they must have anticipated would come up. This definitely restricts, and I think every member here can site cases of undue hardship coming under subsection 2. I agree with Mr. Tucker that if this committee is to be effective perhaps we will have to pass on with it to-day. If that was the decision—unfortunately I was not here at the last meeting—I think we should clear up these sections as far as possible. It may be that we will have to go back over them again and discuss them on their merits. I feel that if we are to be of any use to the minister and to the commission we should know the whys and wherefors of these things so that we can give some consideration to them when we do come back to them.

Hon. Mr. MACKENZIE: The same steps exactly were taken in some other dominions as we have taken here; for instance, the same thing applies in New Zealand.

Mr. CRUICKSHANK: But that does not help us.

Hon. Mr. MACKENZIE: No, perhaps not; but the same principle is established there as has been established here. I think, from the point of view of the present discussion, that the intention was to get a general understanding of the provisions of the new Act. I was not going to argue the merits or demerits or it right at the present time. It is a matter for this committee to make recommendations in the light of the whole situation. I am not satisfied yet as to the unfairness in application of this subsection 2. I have yet to find any case of it brought to my attention showing that as a result of the application of subsection 2 there was a definite hardship. The case brought to attention by

Mr. Wright this morning may be such a case; however, I am going to have it looked into right away. I asked the members of this committee the other day to give me cases where hardship was caused as a result of the application of subsection 2. One of the things that this subsection was intended to take care of was the number of accidents happening outside, not connected with a man's duty in any way, and usually the direct result of carelessness on the part of an individual. Now, if you are going to have the over-riding principle extended here you may be going too far; on the other hand, if there are definite hardships resulting from the application of subsection 2 then this committee should be prepared to deal with the matter. It might be dealt with by a discretionary power vested in the commission. There might be some other solution for it; but whatever the solution may be, to be equitable and fair I doubt very much if it should extend the same consideration for people who serve overseas as to people who serve only in the dominion. In the case of New Zealand their Act was assented to on the 1st of August, 1940, and their Act provides for the payment of pensions at rates fixed by the War Pensions Act, 1915, in respect of the last war, in respect of death or disablement occurring in the course of overseas service in the present war, whether attributable to such service or not. Provision is also made for similar pensions in respect of death or disablement of members of the forces, otherwise than from service overseas in the present war, but only where such death or disablement is attributable to service in the forces, or has resulted from a condition aggravated by such service.

Mr. GREEN: I do not think we should let that statement go unchallenged, that these are borderline cases that are causing the trouble. I believe there are hundreds, perhaps thousands of cases. It is not a matter of borderline cases either, and it is not only a matter of injury; it is also a matter of sickness. I know from my own experience, from cases which have been brought to my attention, where men have gone into the forces in first class shape—I have one case of a man who had meningitis and came out a broken man. Under the provisions of the restricted provisions which are now being put into legislation under subsection 2 I do not think that man has a chance to qualify for a pension. I have had other cases of illness where the result has been the same. I think these men are entitled to protection under our pension law. Where a man goes into the forces in first class shape and becomes ill through no fault of his own and is then disabled for life I can see no reason at all why the state should not provide him with a pension, even although he did not get out of Canada; and I would like to know whether there is any chance of this policy being changed by the government, regardless of what the committee recommend. Is it any use for us to go into the question?

Hon. Mr. MACKENZIE: That is what I had in mind about it, that honourable members if they have any objection to this bill would bring them forward, and I shall certainly refer any such objections to the government before we conclude our deliberations here.

Mr. GREEN: This is the policy of the department, of the government; the 21st of May, 1940, it has been in force nearly a year. Is the government standing on that policy, or is it possible to get it changed?

Hon. Mr. MACKENZIE: It is for the committee to consider the entire provisions of this proposed amendment and the government will consider the representations made.

Mr. GREEN: But, in regard to the matter of principles, am I to understand clearly that the government is open to a change of policy?

Hon. Mr. MACKENZIE: Any government is, and I shall be very glad to bring the recommendations of this committee to the attention of the government at the earliest possible time.

[Brigadier-General H. F. McDonald.]

Mr. MUTCH: As I understand it, the purpose of that order in council was to serve as provisional legislation until such time as this committee could consider the whole matter and make its report. If that is not the case then this committee is a farce.

Hon. Mr. MACKENZIE: It is the duty of this committee to express its views fully on every single section of the bill.

Mr. MACDONALD: I do not think that question should be raised; is it the definite policy of the government? I take it that the government has acted in good faith in having this committee appointed to consider all the provisions of this Act as drafted, and to bring in recommendations. I do not think it should be suggested in this committee that what we are doing is going to be ignored.

Mr. GREEN: I do not see why I am not at liberty to ask whether it is government policy that this insurance principle is to remain in respect to war service in Canada. It seems to me that that is perfectly proper and that nobody should be touchy about it. I merely wanted to know whether that is the government policy and if they intend to stand on it, or whether we can go into the whole situation and make recommendations; and, should we make them, whether the policy of the government will be changed. I would like to have an answer by the minister.

Hon. Mr. MACKENZIE: I shall be very glad to give you one.

Mr. MACDONALD: Suggestions such as that merely tend to undermine confidence in the government, and in committees, and in members of parliament. I feel very strongly that when a committee is appointed it is appointed in good faith to bring in recommendations, which recommendations will be considered by the government, and if the government think it advisable to bring them into effect the government will do that. I would not like to think any committee appointed by the House of Commons for any purpose is appointed just for show, and that all the time the government has made up its mind. I think we can all be reasonably confident that what we decide on will receive careful consideration by the government and will be put into effect if the government feels that it is in the best interest of the country.

Mr. GREEN: I think we should get along a lot better in this committee if it were thoroughly understood that we have a perfect right to criticize the government where we think they are wrong; and if that means shaking the confidence in them why let us shake confidence; because the government, no matter who is in power, whichever party were in power, is not infallible; and I believe the government have made a mistake in this policy, and I think we have a perfect right to shake all the confidence we can on that subject; and I do not think my good friend, Mr. Macdonald, has any right to come in here and question my motive, or to try to pat me on the back and tell me to be a good boy; I do not intend to be anyway. I do not think he has any right to take that attitude.

The DEPUTY CHAIRMAN: May I point out as chairman that Mr. Macdonald would not like you if you were a good boy. I do not want tempers to be aroused, and I think it is my duty as chairman to try to avoid that. I did not understand Mr. Green's complaint to be an expression of lack of confidence in the government. He was asking a question as to whether, after we have dealt with this section on principle and if we made certain recommendations, that principle would be adopted by the government, or whether the government were in a position to consider it. I do not think his treatment of the matter was a critical one.

Mr. MACDONALD: May I say in reply that my opinion is that I do not think a committee is a place in which to try to break down confidence in the government. With all due respect to Mr. Green, if he feels that way about

it the place to do it is in the House of Commons, or on the hustings. I feel that we are all here, most of us are returned soldiers from the last war, and our one objective should be to try to bring about a Pension Act which is going to be fair to everyone, irrespective of politics, and irrespective of what we did in the last war; to bring about a Pension Act which would be fair to everyone who serves during the present war. That should be our one and only objective.

Mr. GREEN: And so it is.

Hon. Mr. MACKENZIE: May I just say a word in reply to this discussion. If it was not the intention of the government to endeavour to improve the Pension Act, it was not necessary to introduce this bill at all this session. As was done in the last war, any government can function under order in council under the War Measures Act, with regard to any pension matters. The mere fact that this bill is before this committee is an indication of the absolute sincerity of the endeavour on the part of the government to get the best advice possible from his committee.

Mr. REID: The will of the committee will prevail.

Hon. Mr. MACKENZIE: I think I should make it clear that I wanted the widest possible discussion on every section of the bill; then the procedure would be that, whatever this committee advises, I would be very happy to bring to the attention of my colleagues for further consideration. I cannot go further than that at the present moment.

Mr. MUTCH: This discussion is not helping things any. Let us get on.

Mr. TUCKER: I think the reason for Mr. Green's idea was this. Any change in this pension bill will be a further charge on the treasury of the country; and no matter what this committee may do, they cannot increase the charge on the country unless you, as the responsible minister, are willing to sponsor it in the house. I think what he was getting at was whether that principle was going to be applied to this committee. As I understand your attitude, you want represenations and then you will take them up with the government. I think that is quite all right.

Hon. Mr. MACKENZIE: That is the position.

Mr. TUCKER: That being the case, I should like to make a representation. I think the wording in the Workmen's Compensation Acts which entitles a person to compensation when he is injured provides that injury must arise out of and in the course of the employment. My first reaction to this wording is that it is wording even harder than the Workmen's Compensation Acts' wording, because instead of "arising out of and in the course of the employment" it says it must arise out of and be directly connected with the employment. That is, it is not good enough that it arises out of and in the course of the employment, but it must be directly connected with the employment as well. It seems to me you are going to tremendous lengths when you go further than the provincial Workmen's Compensation Acts. It seems to me that it should be enough, if you are going to restrict it at all, to say that if it arises out of military service; that should be enough. If a man goes into military service and, arising out of that service, he suffers a disability, that should be enough. He should not have to directly connect it with some act that he did as a soldier. In other words, a sickness case, if it arises out of the fact that he is in camp and the sanitation conditions are not as good in camp as they would be in civil life, if it arises out of the fact that he is in military service, surely he should not have to come in and show that it is the result of something he did as a soldier to get a pension. If it arises out of the fact that he is on military service, that should be enough. I submit if we are going to restrict it, we should not go any further than requiring him to prove that it arose out of military service.

[Brigadier-General H. F. McDonald.]

By Hon. Mr. Mackenzie:

Q. Was that point considered in the drafting of this section?—A. Yes, to a certain extent.

Mr. MUTCH: The fine Italian hand of the treasury board is the moving force in that drafting.

Mr. TUCKER: I am making that suggestion. I think the minister's suggestion is a good one. On a fundamental thing he cannot, after all, undertake to commit the government offhand. I think what he suggested is fair enough. Then if it is felt that the suggestion opened the door wider than it should be opened, there might be an exception to the effect that if the disability arose out of the definite negligence of the soldier it should disqualify him. In other words, it would mean that if a person, through no negligence of his own, suffered disability which arose out of the fact that he was on military service, then he would get a pension. It seems to me that a principle like that is as far as we ever should go in taking away rights from people who enter the service of the country.

Mr. QUELCH: When I spoke a little while ago I was not referring to paragraph (*f*), because paragraph (*f*) refers to disability or death during leave of absence during which the man engages in another occupation. I was referring to leave of absence in the form of the usual embarkation leave. When a man enlists in the active service, before he goes overseas he gets a short leave. Suppose, whilst he is on that leave he has an accident, while travelling to and fro from camp. Under this Act he will not be eligible for pension because it states "directly connected with such military service." That is not connected with military service. Surely what we must remember is that if he had not been engaged in the active service force, he would not in all probability have suffered an accident. We all know that very many men in the active service force have not the necessary money to pay their fares home. They hitch-hike. They ride freight trains. Perhaps they have an accident, such as falling off the freight train, and suffer serious injury. They will not be eligible for any compensation under this Act. I can see a difference between a man who enlists in the active service force and a man who is called up under the four months training scheme. I can see where there might be some justification for this section in that, because so long as he is engaged in military service he will get protection. But if on the other hand he has left that reserve army and then goes home and engages in farming and suffers an accident, I can quite see why he is not eligible for a pension, although he is still in the reserve army. That is undoubtedly a different thing from a man who is in the active service force and whilst in that force suffers an accident not directly connected with military service. I think there is a difference between those two cases and I think this should certainly apply to all men who are in the active service force, whether they are in Canada or in any other part of the world, whether or not their disability is directly connected with military service or whether it is suffered whilst perhaps at home on leave, driving a car or anything else. I think that section should certainly be changed to deal with that.

The WITNESS: Which section is that?

Mr. QUELCH: Section 2, the one that refers to the "incurred on" principle. I think the "incurred on" principle should be included so far as the active service force is concerned, whether a man is in Canada or any other part of the world.

Mr. MUTCH: I think I have had enough experience in connection with this war to realize two things with which few, if any, of the committee will quarrel. One is that the situation as it was at the beginning, prior to this order in council, was not entirely equitable. I am equally satisfied that this is not. But I will say that I am not sure that even that was not better as it was with

all its inequalities than this draft here. I think we will all come to agreement without much difficulty that this thing is too drastic. There are cases—I have experienced some of them, and I can visualize a great many others—which were too leniently considered. I am thinking now of disability in which there is contributing negligence. I certainly agree with Mr. Tucker that when we restrict it beyond the restriction of the ordinary workmen's compensation, we are going too far. I think the resolution of this committee will be that it is going too far, and that whatever else is re-drafted, this particular bit of legislation needs to be re-drafted. I am not anxious to put particular cases on the record, and I am not going to particularize at all. However, I know of the case of serious accident to five men on leave, while riding in one automobile between camp and a neighbouring city; and the most lenient interpretation you could put on the accident was that there was negligence on the part of the driver and some recklessness on the part of those who rode with him. When you have a bit of legislation which permits that type of thing to be a charge on the public at the expense of legitimate casualties, you are doing no service to the soldier population. I think there has to be some protection against disability which is either directly the result of, or contributed to by, the man's own negligence, in the same way as you have provision for self-inflicted wounds, if you like, or something similar to that. But to go from the one extreme to the other, as is done in this legislation, without hearing any excuse or any defence of it from anybody, or hearing any more criticism from anybody, is something I disagree with. I think the thing has to be re-drafted on a much more equitable basis. Whether we proceed and say how far we should go with that, or whether we allow the law officers of the department to re-draft it and present something to us that more nearly approximates equity, I do not care. But in its present state, I do not see how anybody could support it.

Mr. MACDONALD: If I may speak again, I might point out that as I recall it this section of the bill was debated in the House of Commons. This is at least the second and probably the third day it has been debated in committee. I do not recall one member of the committee or one member of the house defending the section as it is now drafted. As Mr. Mutch has said, it apparently does not meet with the approval of the committee as at present drafted. We think it should be widened. If it should not be widened, I think this is the place for some member of the committee to stand up and tell us it should not be widened, or somebody from the department to tell us that it should not be widened.

Mr. CRUICKSHANK: Why the department? We are a committee of the House of Commons.

Mr. MACDONALD: Then we can give our own judgment on it after we hear what they say. My point is that I have not heard anyone, either a member of the house, a member of the committee or a member of the department defend the section as it is at present drafted. At the present time we all seem to be in accord with the suggestion that it should be widened.

Mr. QUELCH: Was this section not put in largely as a result of a committee that was formed by the Minister of Finance? Perhaps the Minister of Finance would defend it.

Hon. Mr. MACKENZIE: It was put in after the committee made its report. It was referred to at the last sitting.

Mr. MUTCH: Why defend it? Why not change it?

Mr. QUELCH: We want to hear the defence.

Mr. CRUICKSHANK: Who defended it?

Hon. Mr. MACKENZIE: Page 71 of the proceedings of the committee.

Mr. CRUICKSHANK: Was Mr. Graham Towers on the committee?

[Brigadier-General H. F. McDonald.]

Mr. MACDONALD: We seem to be against this section. Can we not go to the next section?

Mr. QUELCH: I would point out that this section embodies the next one. Unless we agree on this, we cannot intelligently discuss the next one.

The DEPUTY CHAIRMAN: May I point out that the committee have already reached agreement that we are not going to express a definite opinion on any particular section at this stage of our proceedings. We are giving to the minister an expression of opinion which I think has been very well done during the last couple of days, and we could proceed to the next section now in the same manner without injury to our case on this section.

Mr. GREEN: Before leaving this section, I wish to get one matter cleared up. The minister gave us some figures a few minutes ago and they add up to 537, according to my addition.

Hon. Mr. MACKENZIE: Which is that?

Mr. GREEN: The figures that were given a few minutes ago on pensions that have been granted. Up to what date is that figure?

Hon. Mr. MACKENZIE: The 31st of December, 1940.

Mr. GREEN: The chairman of the Pension Commission said 438 and the minister's figures come to 537.

The WITNESS: The minister's figures are more correct. I am afraid I brought down the wrong thing. Please do not get into an argument about the figures. I will tell you right now the minister's figures are more correct than mine. I got the wrong thing.

Mr. GREEN: And they are up to the 31st of December, 1940.

Hon. Mr. MACKENZIE: May I read from the report that was put on the record there as follows:—

> The committee feel that where a citizen voluntarily enlists for war service and in the course of such service leaves Canada, he and his dependents are in a different category from those who serve in Canada only.

That is very definite. You have a distinction there in the report of the committee. It continues:—

> This basic differentiation underlies the consideration of the terms of reference outlined in paragraphs (*a*), (i), (ii) and (iii) above, in so far as future pension liability is concerned.

By Mr. Reid:

Q. Before we leave the section, there is something I wish to mention. It is the only place I can see that it can be discussed. Has any consideration been given to the schedule itself? This section, section 11 and the subsections deal with the schedule. I was wondering if the committee was going to deal with the schedule of payments—A. Rates of pension?

Q. Rates of pension. While I am not going into it at the moment, I think we should give some thought to the schedule at this time. Personally, I do not see why a man in one class should receive more for a child than a man in another class. I think there is definite class distinction in that way in the schedule. If one looks over that schedule of rates he cannot but admit that there is definite class distinction, and I am one of those people who believe that pension should be given for service, and that a private gives just as good service as does the colonel. Especially when it comes to children, why should you have a situation in one class—take class 11 here—where a man with

one child gets $180 for a child outside of his pension, whereas if you go down to class 20, he only gets $9 a year for that child?—A. It is based on the question of the degree of disability.

Q. I for one would like to see the schedule.—A. If I get your idea clearly it is that the man with a 100 per cent pension—

Q. Yes.—A. —or a man with a 5 per cent pension should get as much—

Q. For his child.—A. —as the man with the 100 per cent pension?

Q. Yes. I do not see why we should discriminate. Take the man in class 10. He gets $99 per year for his child or $189 for two children; whereas the man in class 20 gets $9 for one child per year and $18 for two children. I say that is definitely class distinction. As a matter of fact, the man with the least pension should get more for his children because it costs more and he has less to do it with.

Mr. WINKLER: May I point out a very slight change in the wording of the last two lines "arisen out of and. . . .". If the word "or" were placed there instead of the word "and" it would be very much better.

The DEPUTY CHAIRMAN: I think we have a very clear expression of opinion on subsection 2 of section 11. What Mr. Reid has said about the moneys to be paid is a different matter, I think. Is the committee prepared to go on to section 6?

Mr. GREEN: Is it understood that we are to get particulars of the men who have qualified for pensions under these restrictive provisions and the number who have been rejected?

The DEPUTY CHAIRMAN: That is understood. What is the opinion of the members of the committee on section 6?

The WITNESS: This is the section which refers to pensions which are paid in respect of disabilities due to improper conduct, and refers to venereal disease. A member of the forces who contracts venereal disease is not entitled to pension therefor.

The man who was enlisted with a pre-enlistment disease which was aggravated on service received pension for the degree of disability which existed at the time of discharge, with no increase thereafter.

It has always been a matter of great contention in parliamentary committees and in the House of Commons itself, I believe, as to why a distinction was made between an old man who had syphilis before he went overseas and the young fellow who succumbed to temptation during his service and acquired a very serious disability.

When the legislation was put into the Act first, the date of 1st September, 1919, was put in in order to protect those deaths which had occurred overseas prior to that time. And it was felt that if the insurance principle is to be maintained for those people who go overseas and die from any cause, even if it were venereal disease, their dependents should be protected. That is the reason for the words in the first paragraph:—

> . . . or has occurred during service in a theatre of actual war as herein defined.

It is a question whether that should not be enlarged slightly and whether the words "or has occurred during service outside of Canada during the war with the German Reich" should not replace the words "actual theatre of war," in view of the fact that even in this restricted legislation they are maintaining the insurance principle for anyone who served outside of Canada.

By Mr. Cruickshank:

Q. Supposing the war comes to Canada?—A. Then Canada will be a theatre of war.

Q. Yes, but you said "outside of Canada"?—A. I was just dealing with the present situation, and these are some of the difficulties we have to face in trying to visualize the progress of the present struggle.

By Mr. Green:

Q. It would not apply in the case of troops in Newfoundland or Iceland, at the present time?—A. Unless those are declared theatres of war.

Q. They have not been declared theatres of war under the bill.

Hon. Mr. MACKENZIE: Not yet.

The WITNESS: You maintain that Iceland is not on the continent of Europe, Mr. Green?

Mr. GREEN: Unless it was declared so recently, I do not think it is.

Mr. CASSELMAN *(Edmonton East)*: I think, Mr. Chairman, that the sooner we get away from trying to define an actual theatre of war on a geographical basis, the better it will be. Taking that underlying part in subsection *(b)* of section 6 I think according to the feeling of this committee it could be covered by saying "or has occurred during active service," without any definite mention of where the active service must be.

Mr. MUTCH: You will have to re-define "active service," or you will have a swell time for the rest of your life.

Mr. GREEN: My suggestion is that it might be wise to put in "service outside of Canada" instead of "service in a theatre of actual war."

The WITNESS: As we have said so often the whole of this legislation depends fundamentally on the decision which is made in regard to subsection 2 with which we have been dealing for the last two or three days. As the legislation is drafted at the present time, I think it would be more consistent.

By Mr. Quelch:

Q. Is it not agreed that venereal disease can be contracted by a man through no fault of his own? If a young men enlists in the army and whilst in Canada contracts that disease through no fault of his own but due to the conditions under which he is living— —A. That would not be misconduct.

Q. Yes, but can it actually be proven?—A. The commission has granted pensions under those conditions under present legislation. I remember two or three. I am sure I could dig up one.

By the Deputy Chairman:

Q. There is no change in this amendment?—A. No.

By Mr. Mutch:

Q. The department will still admit a miracle?—A. On medical advice.

The DEPUTY CHAIRMAN: Are there any further questions on section 6?

By Mr. MacKenzie (Neepawa):

Q. Who laid down the principle in the first case that an old timer who contracted venereal disease could be pensioned, but that a young man could not?—A. Parliament did. I think you will find some very extensive debate on that subject. Mr. Dixon, the secretary of the department, could tell what session it was.

Mr. BRUCE: Mr. Chairman, there is only one thing to be said in favour of discrimination. At the present time the treatment of venereal diseases, gonorrhea and syphilis, has advanced to such great extent that it is now a very simple matter, whereas in the old days it was a very serious matter—it took

months to treat even gonorrhea, and there were many complications which developed as a consequence. Syphilis took years to treat, whereas at the present time with modern treatment it is possible to cure gonorrhea within a week, with no complications and just by taking a little medicine by the mouth. The old treatment has become obsolete. With syphilis, tremendous progress has been made. Under the new fever treatment, which has been put into effect in the province of Ontario through the activities of Dr. Avery within the last year, the time of treatment of syphilis has been reduced tremendously. As a matter of fact, this high temperature treatment will cure a very large number of cases in the course of two or three weeks, instead of several years as was necessary in the old days. Under these circumstances I think the young men are not suffering the great hardship that is suggested.

Mr. MACDONALD: Does Dr. Bruce know if the treatment he has mentioned is being given in the army at present?

Mr. BRUCE: I intended to bring it up later in the house by a question to the minister, but I presume it is being given because I know that the medical service is thoroughly acquainted with the fact that they can cure these diseases. I hope that in connection with the treatment for syphilis, which I have mentioned so briefly, it will be put into effect in all army institutions both here and overseas.

Mr. MUTCH: These men are being returned to duty in as short a time as two weeks.

The WITNESS: Dr. Bruce has very kindly explained the reason for the addition to subsection (*c*) in this amendment.

When a man is discharged with a pre-enlistment syphilis, usually in the tertiary stage, he is in that case very seriously disabled. In fact, most of the men who have received pensions under this section are receiving very high rates of pension because a complete breakdown has occurred. In view of the great improvement in the treatment of syphilis during recent years, it was felt that many of these men who are on high rates of pension could be cured and their disability reduced very considerably, but under the Act as it was before, the commission felt it did not have any discretion to reduce the pension—it was mandatory—and that they should receive a pension for the disability which was evident at the date of discharge. So that this last underlined sentence has been amended:—

> but, if it subsequently appears on examination that such disability has decreased in extent, pension shall be decreased accordingly.

I may say that we have had more than one case already of a man in a departmental hospital suffering from cerebrospinal syphilis. In some cases the man has been completely disabled, but by the treatment received in the departmental hospital the man has been brought back to comparative usefulness in the labour market. For that reason it was felt that in this special class we should not be compelled to continue them on a high rate of pension. It does not take anything away from them if the disability should recur and subsequently increase again.

By Mr. Mutch:

Q. Do I understand in this particular case that a man who is receiving a high rate of pension, shall we say, for syphilis can be brought in at the discretion of the board for treatment—A. There is provision for re-examination.

Q. I want to know how you bring him back. Generally speaking, a pension remains stationary unless the man applies for a change.—A. The commission still has the power to bring him back.

Q. There is no alteration of the powers there?—A. No.

By Mr. Green:

Q. Supposing you decrease his pension and then the man's disability increases, would you have any power under the section as it is proposed to amend it to again increase his pension?—A. Oh, yes, full power.

Q. Where do you get that?—A. It is only if the disability should decrease in extent. It is only the extent of the disability at any time.

By Mr. Mutch:

Q. A man can always re-apply on aggravation?—A. Yes.

By Mr. Green:

Q. Is not the remainder of the section so worded that he could not get an increase? Once his pension is decreased he cannot go up again.—A. No; that would not be my interpretation or the interpretation of the commission.

Mr. MACDONALD: That might be the restrictive interpretation.

The WITNESS: I think that is modified by other sections of the Act.

Mr. GREEN: These are special cases covered only by section 12. I am afraid if you leave it as drawn once action has been taken against him he cannot come back.

Hon. Mr. MACKENZIE: I think it is worth looking into.

The WITNESS: Yes, it might be worded differently to the effect that pensions shall be paid in respect of actual disability at any particular time.

Mr. GREEN: And power given to increase it also.

Mr. REID: Mr. Green's point is well taken, because I think section 6 says no increase in disability after discharge shall be pensionable.

The WITNESS: I think he is probably getting mixed in this. We could never give him this as disability at the time of discharge.

The DEPUTY CHAIRMAN: That point should be taken up.

The WITNESS: I will try to draft it to meet your objections.

By Mr. Green:

Q. If he is given a disability pension of 50 per cent at the time of his discharge and a year from then it goes to 75 per cent I do not think you have power under this section to increase it.—A. No; if his disability is 50 at the time of discharge he would never be able to get more than that. The point I thought you were raising was if subsequently it is reduced to a 10 per cent and then his disability increases and goes up to 35 per cent or even up to 50 per cent—that is the point you are raising?

Q. Yes.—A. I will see that this point is covered.

By Mr. Mutch:

Q. Providing it never goes beyond the stage it was at the time of discharge, you have power to raise it or lower it to the point it was at the discharge, but that is the limit?—A. That is the limit.

By Mr. Green:

Q. Why do you change the words in section 7 to read "in an actual theatre of war", rather than "a theatre of actual war"? I ask that because of the definition.—A. That frankly is a mistake. We intend to adhere throughout to the wording of the definition.

Q. In paragraph (*o*) of section 2 you say "theatre of actual war." Now you are using the words "actual theatre of war".—A. Purely a mistake which even the commission makes.

Q. What should it be?—A. It should conform to the definition, "a theatre of actual war."

By The Deputy Chairman:

Q. That will be amended?—A. Yes.

Mr. GREEN: This section is another one which I think is of great importance and one which the committee should consider very carefully. It is what is called the "deadline" section. We went into the question of deadline for applications for pensions very fully in the 1936 committee and after much argument and heartburning and lots of grief the section came out in such shape that a man who has served in England or Canada could not apply for pension after the 1st of July, 1936, and a man who served in France could not apply for a pension after the 1st of January, 1940, I think it was.

Hon. Mr. MACKENZIE: 1942.

Mr. GREEN: In other words, a man who served in England was cut off on the 1st of July, 1936, absolutely and the man who served in France was cut off on the 1st of January, 1940, with this proviso, that the commission could always entertain an application if in their discretion they thought it wise to do so, within a year or two. Before we came to the 1st of January, 1940, that was fought out in the house again and the deadline was put ahead to the 1st of January, 1942. That is correct?

The WITNESS: Yes.

Mr. GREEN: It now stands as the 1st of January, 1942. That means that Bill 17 does not make any change, and it means that after the end of this year a man who served in a theatre of actual war in the last war cannot apply for pension except with the permission of the pension commission. Last year I think there were 75,000 men who had been wounded in the last war and who were not in receipt of a pension. The general will correct me if those figures are wrong.

The WITNESS: I think they are somewhere about right, Mr. Green.

Mr. GREEN: In other words there were 75,000 odd who had been actually wounded and might break down at any time but had not yet broken down and had not applied for any pension. These men would all be affected by this deadline of the 1st of January, 1942. I think the committee must face the fact that that would put them under considerable handicap because first of all these men would have to apply to the commission for leave to apply for pension, and having got that leave they would have to convince the commission that they were entitled to a pension. It is a great handicap. Personally I am very much against it. I do not think there should be a deadline for anyone who serves in a theatre of war. That is a question the committee will have to thresh out now. To make the situation worse there has now been put a deadline for the men who are serving in this war and it is put in as seven years after their discharge. Under subsection 2 there is not even a proviso that the pension commission can allow. There is an arbitrary deadline put in there which is seven years after a man is discharged. At the end of that time he is out of luck. That would have meant in the case of the last war if a man were discharged on the 1st of June, 1919, he could not apply for a pension after the 1st of June, 1926. It is similar, I believe, to the British provisions.

Hon. Mr. MACKENZIE: Exactly the same.

Mr. GREEN: The British have always been hard-boiled about their pensions. Everyone knows what trouble we have had about trying to help the Imperial veterans.

Mr. MUTCH: There was an escape clause in their legislation.

Mr. GREEN: Veterans in Great Britain could apply for pension only with the special leave of the minister. But we have not even got that in this section. I think it is being very very hard-boiled with the men in the present

fighting forces. I should like to know the reason why it was put in the bill and whether it was considered by a subcommittee. I should like to know why the new men are to be cut off in that way.

The WITNESS: If I may answer that, with the minister's permission, I think it was put in to give the committee the opportunity of discussing it.

Mr. CRUICKSHANK: I think we should discuss further the case of the men in the last war. I had no idea such damned nonsense was in the Act. I would be ashamed to sit in the house when a bill of that kind was put through. You fellows were here ten years ago when that was done. I would even vote Conservative in opposing that. It is utter nonsense. As Mr. Green said, there are about 70,000 returned men who were wounded in the last war and are not receiving pensions. Let us take the case of some of the men here. Some of us are returned soldiers, and if we want to protect our families in the future we would have to make application now for pensions to get ahead of the deadline. All of these 70,000 returned soldiers who were wounded in the last war would have to apply for pensions before 1942 in order to protect their families.

The WITNESS: It is not quite as bad as that.

Mr. CRUICKSHANK: Otherwise we would have to apply to the commission for leave. We do not want to apply for pensions this year to protect ourselves and our families; nor do we want to ask leave from the commission to apply, but according to the Act we would have to apply this year—it does not make sense. But we would have to do that to protect our families after 1942. I cannot understand any commission or committee passing that.

The WITNESS: Please do not blame the commission.

Mr. CRUICKSHANK: I cannot understand a committee passing that.

Mr. QUELCH: If a man made application for a pension two years after the war was over and the application was disallowed would he then be eligible to make another application ten years after the war was over?

The WITNESS: Unless the application had been finally turned down by the pension appeal court or the appeal board of the commission he has an opportunity if so turned down of applying for leave to re-open the case.

Mr. QUELCH: He would have to submit new evidence?

The WITNESS: New evidence or evidence to show that the decision was wrong.

Mr. QUELCH: I am very much opposed to this clause. I think if at any time a man can prove that he has a disability as a result of war service he is entitled to pension, whether five years, ten years or twenty years after the war.

Mr. GREEN: It is very hard for these men to prove they are entitled to pension. It is easier for a man actually wounded. He has got to face that burden, whether a deadline or not, to connect up his disability with services over a period of twenty years. It is a very difficult thing to do. Why should he also be restricted by having to get permission of the commission before he can even apply for a pension?

Mr. ROSS *(Souris)*: I am very much opposed to the clause limiting it to seven years. We all know of cases now of returned soldiers breaking down at this time. I think this is a retrograde step on behalf of the returned men to leave it as it is now.

Hon. Mr. MACKENZIE: You mean seven years.

Mr. ROSS *(Souris)*: Yes, and the other class as well.

Hon. Mr. MACKENZIE: There is no change there.

Mr. Ross *(Souris)*: I think it should be broadened. It is very bad; because at a certain period in their lives these returned men break down very rapidly. They certainly should have the opportunity to be heard.

Mr. Macdonald: Men who serve in Canada—

Mr. Ross *(Souris)*: No; I am speaking more particularly of those who have seen active service.

Mr. Macdonald: Would you suggest that clause (*a*) of 13 remain as it is and leave the 1st of July, 1936, as a deadline for those who had not seen service in a theatre of actual war; and then would you suggest eliminating any date for those who did see actual service?

Mr. Ross *(Souris)*: No; those who have seen active service anywhere. I am not sure about the ones serving in Canada. Certainly I am very keen about eliminating the other date which has to do with those who have seen active service.

The Witness: It might be of interest to the committee to know that in respect to the 1936 deadline that refers to members of the forces who did not serve in a theatre of actual war; there have been very few applications or attempts to make application. That situation is pretty well cleared up.

Mr. Ross (*Souris*): I think it is quite reasonable.

The Witness: I am only giving you our experience.

Mr. Gray: I should like to say this: it took us eighteen years finally to set a deadline for pensions in the last war. And we all know that from time to time it has been extended by parliamentary committees. It does seem to me that this committee should seriously consider before they pass a deadline with respect to the present war at seven years just what may happen in the future. The situation will change from time to time. To a certain extent I can appreciate the reason for putting it in, which is said to be for the purpose of getting the sentiment of this committee in connection with it. Frankly I do not know the alternative. I suppose the only alternative would be to leave it open. Offhand that would be my feeling in connection with it. Unless you are going to fix a deadline then it should be an open date. With the experience that we have gained from parliamentary committees of the past, having considered it year after year and having had it explained to us, this matter of the deadline, it would seem to me that at this stage we should know a good deal about it, and that this committee at least should leave it open.

By Mr. Tucker:

Q. I was going to ask if this is not the case: If a person had applied, had followed the regular procedure as outlined in the Act now in force, he could not apply again, could he?—A. He could apply to have his case re-opened by the commission.

Mr. Tucker: I see, so that as I take it the idea is that you don't want to have people applying, you are sort of prejudging the thing; where anybody applies after a certain date he has not got a case. You are kind of prejudging it. I am inclined to agree with Mr. Green. Even if a man comes along thirty years later I do not think parliament should prejudge his case. I think where we have people actually doing the work, however overburdened they may be, for the sake of seeing that justice is done if necessary another commissioner should be appointed. I think every effort should be made to do that last measure of justice for anybody who was in the service. The longer they are after the period of the war the harder it is to prove their case, but I think in any event they should be given a chance, that everyone who served in an actual theatre of war should be given a chance. I think as a matter of fact this whole section (*b*) deadline at the end of this year either should be changed or at least should be extended for five years.

Hon. Mr. MACKENZIE: Do you not think the discretion of the commission would be sufficient protection there?

Mr. TUCKER: No. After all, why shouldn't he have the right to come in and make his case out the same as anyone else. I think you would either be placing too much discretion in the hands of the commission, or too little. The whole thing would depend on the attitude of the commission. If the commission say, we are going to give a man the same chance regardless of that clause, then the clause does no good; if the commission say, no, they are not going to give a man a chance to make his case, you are in effect taking away certain rights which a man otherwise would have. It seems to me that the clause itself leaves too much to the commission. I mean, if they are going to be very lenient the clause does no good; and on the other hand, the clause must have been put there for some purpose, and therefore, they are expected to rule out some cases. It seems to me that that clause is an improper piece of legislation. In regard to subsection 2 it seems to me that I agree with Mr. Gray. I do not think we should try at this point to set a deadline. I think it should be understood, everybody going into the armed forces, if they are entitled to help as a result of this legislation, they should be entitled to apply for it at any time.

Mr. MUTCH: One thing is abundantly clear out of legislation of this kind, we have had disquisitions of governments and ministers reaching out for something which no government ever reached, and that is finality. It is the one unholy farce in the whole thing, that idea of putting down any fixed line of demarcation. We have had, as Mr. Gray said, a series of attempts, and so long as you have the principle of responsible elected government you will have that recurring problem, and that is where your pension problem reaches its peak; and that is projected on into the future. As long as you keep on you will get these perpetual hoists, you will get somebody making capital out of prevailing on the government to put it a little further along. You will have the case too, whether it is this or any other government, of them making capital for themselves by listening to the requests; and the whole business of limitations that fix applications for men who served in a theatre of actual war is a farce. And as I said a little while ago I think it is practically impossible for anybody to be cold blooded about this question of pensions at a time when we are actually engaged in a war. That is the sort of thing which is creeping into our returned soldier legislation and which is only making an opportunity for political machinations in the days to come. It has been done in the past and we have not changed it. It will be done in the future. If you leave that in you will be doing just the same thing and you will have the same old conditions, and in doing that you will be making these crusaders for hoisting it; and as we have seen on at least one or two occasions in the past, you will have this government, or some other government, trying to take some credit for what they were blackjacked into doing.

By Mr. Macdonald:

Q. Did I understand the chairman of the commission to say that there were 70,000 or more men wounded in the last war who are not receiving pensions?—A. There are a very large number. Those are Mr. Green's figures.

Q. What I want to know is, are there 70,000 still living? How do you know whether they are alive or not, these 70,000?—A. It is just an estimate made, Mr. Macdonald, based on the ordinary mortality tables and so on.

Q. And that figure of 70,000 has been based on the mortality table?—A. Yes, based on our experience.

Mr. GREEN: That is the figure given by the minister.

Mr. BRUCE: I would just like to lend my voice in support of the attitude adopted by some of the previous speakers, as opposed to a deadline being set.

Secondly, I think it is placing too much responsibility upon the commissioner to have him decide whether a case should be re-opened or not.

Mr. WRIGHT: I would like to express my opinion on this, as far as the 1936 matter is concerned. I think a man who in the last war served only in Canada would be satisfied to leave it at that. But with regard to the 1942 date for men who actually served in France, I think we are very arbitrary in placing that deadline, and we could quite well leave that open. And with regard to the seven years, I am very much opposed to setting any date at this time.

Mr. GILLIS: Our main difficulty here is that we are making legislation for two wars. With respect to the matter under discussion I am opposed to any limitation as far as men who saw service in the last war are concerned. It has been the practice for the last twenty years to extend that limitation and the veterans' organizations particularly have been working on that basis. Speaking for myself, I think what will have to happen eventually is that the government will have to recognize a responsibility to the men and their dependents who served during the last war. I think that Act should be consolidated on reasonable grounds, and that the matter be made a fixed obligation; that is, with regard to veterans of the last war and their dependents. As I see the developments for the future, as far as Canada is concerned, the question is going to be quite a problem. Now, with respect to these limitations for men who serve during this war, I have listened to the discussion and I think the seven-year limitation will serve some purpose. In coming back from the last war there was a one-year limitation which was changed later by order in council, and there has been no general understanding on the matter, as a result we have claims dragging for twenty years; and we know after a man has been out of service and has made no claim for five or six or ten years it is almost impossible to prove that his disability was a result of his military service; and by virtue of the fact that it has been recognized that a claim can be filed at any time I think the result has been that ex-service men have been inclined more or less to neglect the matter, and then when he started to look for a pension he found it difficult to get the evidence to support it, to get the supporting affidavits and so forth where there was no documentation to support his claim on the military records. The result of that has been to place a very heavy responsibility on the veterans and those in their own organizations who are trying to help them prepare and present a claim. With a seven-year limitation in there with respect to the present war I think the result will be that when a man comes back from overseas, whether he is wounded, or sick, or has some disability by virtue of the fact that he knows there is a limitation there he is going to live up to it; at least he will file his claim, and when filing his claim there will be a better opportunity for him to secure supporting affidavits to establish his claim and it could be prepared more effectively. That does not necessarily mean that he would have to press for the payment of a pension, it merely means that he has filed an application and it is on record. There is no limitation as far as the pension is concerned after the record and claim are established, because he can go back to it at any time and press it when he has broken down to the point where he actually needs it. Therefore, I think that seven-year limitation is reasonable. If a man has a disability he should make up his mind in seven years as to whether he has one or not. With respect to the other case, it has been accepted procedure in the past—I think any limitation should be lifted and an effort made to consolidate the old Pension Act on some ground making it a strict responsibility for the government to care for veterans of the last war. I think this Act is designed to take care of the men who are coming back from this war, and it is going to be quite a problem for anyone administering both Acts.

The DEPUTY CHAIRMAN: Did you have a question you wanted to ask, Mr. Black?

Mr. BLACK: I have already had an answer to the question which I had it in mind to ask. I was going to ask whether this Act was based on the British Act?

Hon. Mr. MACKENZIE: Yes, it is based on the British Act entirely.

The DEPUTY CHAIRMAN: Are there any further representations? I believe the chairman of the commission has an observation he wants to make.

The WITNESS: Of course, members of the committee are no doubt familiar with the definition of "applicant" as it is contained in the Act.

Mr. GREEN: What is that?

The WITNESS: "Applicant" means any person who has made an application for a pension, or any person on whose behalf an application for a pension has been made, or any member of the forces in whom a disability is shown to exist at the time of his retirement or discharge or at the time of the completion of treatment or training by the Department of Pensions and National Health.

Mr. CRUICKSHANK: That is the least important part.

The WITNESS: I just wanted to point that out in connection with this. That is purely for the information of the committee; that the limitations have not operated against anybody whether they served in Canada or in England, in whom a disability was shown to exist at the time of discharge.

Mr. CRUICKSHANK: He must have applied.

The WITNESS: No, not if the disability was shown to exist at the time of discharge.

Mr. CRUICKSHANK: If he had recorded his disability.

The WITNESS: Or, if the commission decided that the disability was in existence at the time of his discharge. That is merely for the information of the committee.

Mr. CASSELMAN (*Edmonton East*): With the application; that definition was there at that time—the point I am trying to make is this, you say that that definition gives a man all kinds of opportunity for applying for a pension; that being the case, why put any limitation in there at all?

Mr. GREEN: I do not think the witness would contend for a moment that the definition of "applicant" supersedes the application of the deadline. That has never been argued before. We have had this matter up in committee a number of times, and it has been discussed in the house, and this is the first time I have ever heard the suggestion advanced that the definition of "applicant" over-rides the deadline section. After all, the deadline section is written in perfectly clear English, and this is the first interpretation I have ever heard suggesting that the definition clause could over-ride it.

Mr. MACDONALD: There are cases in which it would, I take it.

Hon. Mr. MACKENZIE: It might in some cases, but not in all.

The WITNESS: If we had a different interpretation we would have to go back over a whole lot of cases.

Mr. GREEN: Surely you do not contend that it over-rides the limitation section?

The WITNESS: I did not intend to imply anything of the kind.

Mr. GREEN: In other words, there was the question asked here about the re-opening of cases; that is, if a man has made his application for pension and been heard, has had a second hearing and an appeal; there was some suggestion made that it would be fairly easy to re-open the case; there are very very few cases opened up after that.

The WITNESS: Quite so, very few.

Mr. GREEN: In some cases men did not even go to appeal. If they do not go to appeal it is just as difficult to open them up again. They have only a certain time within which to make an appeal, and if they do not appeal within that time they are out.

The WITNESS: If they do not appeal within a certain time the commission have the power to re-open it. The time limit is fairly wide and I think it has been fairly generally exercised.

Mr. GREEN: It is not a matter of years.

The WITNESS: No, it is not a matter of years.

Mr. GREEN: It is merely a matter of weeks, or months.

Mr. QUELCH: Could you give us an idea of how many applications were allowed after 1926?

Hon. Mr. MACKENZIE: I can get those figures for you. I haven't got them here. You mean, applications?

Mr. QUELCH: Yes.

The DEPUTY CHAIRMAN: After 1936, did you say?

Mr. QUELCH: After 1936; that is the seven year limit for the last war.

Hon. Mr. MACKENZIE: We can get that.

Mr. MUTCH: There was a suggestion made a minute ago that there would be some compulsion on a man to tidy up his affairs quickly implied in the proposed limitation of seven years. That is one thing that may be argued for it. Against this can be argued the fact that the thing is unnecessary. I do not think anybody at this stage of the game could with any certainty fix a final date that would be satisfactory to all concerned.

Hon. Mr. MACKENZIE: In any case, legislation is never permanent.

Mr. MACDONALD: I understood that one of the meanings of the word "applicant" is, anyone on whose behalf an application was made. What is to prevent one of our ex-soldier organizations from making an application now on behalf of every man who saw service in the last war? He does not have to name them. If you want to go through the list and name them all, that definitely would keep it open.

Mr. GREEN: I do not think that is the interpretation of the Act at all. I think the general is quite wrong if he says that it does mean that.

The WITNESS: Which?

By Mr. Green:

Q. That the legion, for example, could make a blanket application for pension for everybody who was disabled in the last war?—A. I never made that statement.

Q. Before the 1st of January, 1942, and that would get around the deadline.—A. I never said any such thing.

Q. Your remarks would lead one to believe that.—A. I am sorry if they led to that interpretation.

Mr. QUELCH: Does the effect of the deadline not mean this? A number of soldiers might put in applications just before the deadline, who might never put in any application otherwise, just in order to be sure that they would have an application in. They do not feel that they are really entitled to compensatioin at that time but are afraid the deadline would make it impossible for them to put in an application later on, so they put in an application at that time to be sure that they will be eligible.

By Mr. Mutch:

Q. Am I correct in this statement that a man who was discharged from the last war, with his discharge showing that he had a disability as a result of

the war, that he was a category man—a man discharged with a category as was commonly done—is under the Act considered to have made an application?—A. I would not like to say "discharged with a category", but any man in whom disability is demonstrated at the time of discharge.

Q. If a man had a disability at the time he was discharged, pensionable or otherwise, it showed on his discharge and usually showed that he was in one of the categories designated. Am I correct in saying that that man is not affected by the deadline?—A. We have accepted those applicatons.

Q. You have accepted those.—A. Yes.

Q. At present every man who is discharged with any kind of disability from this war, before getting his discharge, has his case referred to the D.P. of M.H. for question of entitlement. He does not always get entitlement as we all know; but whether he gets entitlement or whether he does not, he would then be, on that interpretation, already an applicant for whatever consideration is ultimately given to him from this war. Am I correct in that?—A. Yes.

Q. Actually what it amounts to is practically that your seven year limitation means practically nothing.

Hon. Mr. MACKENZIE: Not nearly as much as it meant before.

By Mr. Mutch:

Q. Because for every man who is discharged from the present war, an application is made by the Department of National Defence on his behalf before he is discharged.—A. If he is discharged medically unfit.

Q. I mean if he is discharged for medical reasons.—A. Medical reasons.

Q. Or "unfit for service under present medical restrictions" as the expression is. All of these men would automatically become applicants under that, and it is a farce.

Mr. CASSELMAN (*Edmonton East*): I just wanted to say that I agree with the point of view put forward by Mr. Quelch. It seems to me that the suggestion that a man should file an application before a certain deadline is not a good one. There is nothing there that he knows at the time that he has got any pensionable disability but he may have some time in the future. Take the result from the last war and apply that. We have been told there are 70,000 men, possibly. If you put that into effect there, all that would happen would be the Pension Commission would be flooded with 70,000 applications as a guarantee against some possible breakdown in the future when men might want to apply for a pension. I think that is ridiculous. I am in favour of leaving the deadline out altogether. The basic principle should be that a man who has suffered disability, as a result of his war injury, should be entitled to that pension whether it appears 20 years after or one year after. By leaving the thing open, he has always got the chance to come back. It is against him, of course, because it is more difficult to prove, as has been said by previous speakers, 20 years after. I remember one case of my own that I fought through for a man whose disability did not appear until 1928. He had not thought of applying for a pension there because the disability had not become effective. He got his pension and then another tribunal five years later, in a hard boiled fashion, cut it off, after he had had it for five years. I am afraid I did not handle it very well, but it took me three years to get the commission convinced that that man had a right to that pension in the first place. It should never have been cut off, and they finally restored it, but it was quite a fight. That man's disability did not appear until 1928, 9 or 10 years after he had been discharged. These disabilities may not show up for a long time and we should leave the door open to them at any time.

Mr. GREEN: Mr. Chairman, I should like to come back to General McDonald's point. I wish that his interpretation of the statute were correct,

because it might help out the returned soldier body. But the difficulty he refers to is over the word "applicant" which cannot be construed to mean "application." It refers to an applicant as such. The dead-line section says "in respect of war service during the great war a pension for disability shall not be awarded unless application therefor has been made" by a certain date. Similar wording is used in regard to men who served in an actual theatre of war and in regard to men serving in the present war. The latter is, "unless application therefor has been made within seven years of the date of discharge from the forces." How the pension commission or anybody else can twist the word "applicant" or the definition of the word "applicant" to cover the word "application" in the dead-line section, I do not see. I do not think that the committee should take it for granted for a minute that it can be done because the Act certainly does not read that way at all.

Mr. MACDONALD (*Brantford*) : I do not think that is exactly the point that the Chairman of the Commission is making. The Chairman read the definition of the word "applicant" meaning any person who has made application for pension; that is any individual. Then it is wider than that. It includes any person on whose behalf an application for a pension has been made. What is to prevent me, for instance, from making an application on behalf of 70,000 men who were wounded in the last war and are not getting pensions? I can ask for a return in the house—and I presume it will be given to me—of the names of all those men. On getting those names I can write underneath them, "I hereby make application on behalf of all of the above named for pension." I say if that is done, those men have made their applications and are applicants under this Act.

The DEPUTY CHAIRMAN: Is there any further discussion before we pass on?

Mr. GREEN: Perhaps the word "application" should be defined in the Act. Then you would make it clear.

Hon. Mr. MACKENZIE: Yes.

The DEPUTY CHAIRMAN: We are through for the time being with that section. What about the next meeting of the committee?

Mr. MACDONALD: We decided to meet on Tuesdays and Thursdays.

The DEPUTY CHAIRMAN: To-morrow there is a caucus.

Mr. MUTCH: You are not going to cover this in two sessions of parliament meeting twice a week.

The DEPUTY CHAIRMAN: We cannot sit before Friday. Do you wish to sit on Friday?

Some Hon. MEMBERS: Agreed.

The DEPUTY CHAIRMAN: Then we shall adjourn until Friday.

The committee adjourned at 1 p.m. to meet Friday, March 21st, at 11 a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

FRIDAY, MARCH 21, 1941

WITNESS:

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

FRIDAY, March 21, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Black (*Yukon*), Blanchette, Bruce, Emmerson, Eudes, Ferron, Gillis, Green, Isnor, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McLean (*Simcoe East*), Quelch, Reid, Ross (*Souris*), Sanderson, Turgeon, Winkler.—20. (Mr. Ferron's name was in error omitted from the list of members present on March 19.)

The Chairman expressed his appreciation of the message of sympathy which the Committee had sent him on the death of his brother.

Mr. Turgeon voiced the profound regret of the Committee at the passing of one of its members, Mr. F. C. Casselman (Edmonton East), and moved that the Clerk of the Committee be instructed to send a letter of condolence to Mrs. Casselman and family. Motion unanimously adopted.

On motion of Mr. Turgeon the following sub-committees, suggested by the Chairman, were established:—

1. Subcommittee of 3 on procedure, correspondence and delegations:—Messrs. Tucker (Chairman), Green, Isnor.

2. Subcommittee of 5 to study and report on compensation for injuries to civilians caused by war:—Messrs. Macdonald (*Brantford*), (Chairman); Blanchette, Gray, Ross (*Souris*), Wright.

3. Subcommittee of 5 to study and report on question of Canadian seamen serving on ships of other than Canadian register:—Messrs. Reid (Chairman), Black, Gillis, McLean, Winkler.

Information was given by General McDonald respecting pensions applied for, granted or refused under Orders in Council dated September 2, 1939, and May 20, 1940. Also the number of pension awards on account of disability subsequent to 1926.

The following Sections of Bill 17 were considered: Nos. 8, 9, 10, 11, 12, 13, 14, 15 and 16.

On account of an omission in the printing of Section 10, an amended Section was submitted by General McDonald. The Committee ordered that it be referred back to the Justice Department to be re-drafted.

General McDonald submitted a draft amendment to Section 14 of the Bill. (See Appendix to this day's evidence.)

On motion of Mr. Reid the Committee adjourned at 1 p.m. to meet again Tuesday, March 25, at 11 a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

March 21, 1941

Room 277.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan president.

The CHAIRMAN: Order, gentlemen. Before we proceed, I should like to say how very deeply I appreciate the kind expression of sympathy forwarded to me on your behalf by the clerk of the committee. Since we last met one of our own members has been called away from us by death. I would ask Mr. Turgeon to express on our behalf our tribute of affection to his memory.

Mr. TURGEON: Mr. Minister, Mr. Chairman and gentlemen, this is one of the saddest things I have ever done. First, I knew Mr. Casselman very well personally. He was a perfect gentleman and a good citizen and was making an excellent member of the House of Commons. To anybody who is here to-day I do not need to make reference to the work that he has done on this particular committee, not only for the men who, like himself, returned from overseas after the last war, but in helping the chairman and the minister, this committee, and the pensions commission in reaching proper conclusions on the various questions that have come before the parliamentary committee. Mr. Casselman has left a wife and a child. I know that the sympathy of practically all of Canada will go out to them to-day, not only because they know them or knew our late member, but because to-day when war is raging all around us in the world all the people of Canada are looking forward to the good that can come from those of us who are honoured to be in public life, and a loss of any man in public life to-day will be taken seriously by the people of Canada. Apart from his family, to those of us who have worked with him and, perhaps, particularly to myself who has worked so closely with him during the last year and a half—to all of those whom I have mentioned, his loss will be very serious indeed; and I move with the greatest sympathy that this committeee instruct the clerk to send a letter of sympathy to Mr. Casselman's wife and family.

Mr. REID: Mr. Chairman, I rise to second the motion and join Mr. Turgeon in his remarks of sympathy. Little can be said or better expressed than has been done by Mr. Turgeon. I might say, however, that our colleague's passing was a great shock not only to the members of the House of Commons but, particularly, to the members of this committee. I join with Mr. Turgeon in moving that a letter of condolence be sent to the wife and family of our late colleague.

The CHAIRMAN: Before calling General McDonald, I should like to have the approval of the committee in regard to the appointment of the following subcommittees. 1. A subcommittee of three on procedure, correspondence and delegations. I should like Mr. Tucker to act as chairman with Mr. Green and Mr. Isnor; 2. A subcommittee of five to study and report on compensation for injuries caused by the war civilians. Mr. Macdonald of Brantford would be chairman and he would have with him Mr. Blanchette, Mr. Gray, Mr. Ross of Souris and Mr. Wright; 3. A subcommittee of five to study and report on the question of Canadian seamen serving on ships other than those of Canadian registery. Mr. Reid would be chairman and he would have with him Mr. Black, Mr. Gillis, Mr. McLean and Mr. Winkler. Are those subcommittees approved?

Mr. TURGEON: I move that the suggested subcommittees be approved.

Mr. ISNOR: I second that motion.

The CHAIRMAN: All in favour please signify.

(Carried)

Brigadier-General H. F. McDONALD, Chairman, Canadian Pension Commission, recalled.

The CHAIRMAN: We will proceed with section 8, but before coming to that section possibly General McDonald has something to say about the sections discussed at our last meeting?

The WITNESS: At our last meeting Mr. Green asked for a breakdown of certain figures given by the minister with regard to pensions awards during this war. I have here that information.

Table showing award of Pensions by C.P.C. during present war

Decisions on Disability Applications	Prior to 21.5.40			From 21.5.40 to 31.12.40			
	Served in Canada	Served elsewhere	Total	Served in Canada	Served elsewhere	Total	Totals
Pension awarded.....	37	..	37	78	96	174	*211
Pension not awarded..	4,135	..	4,135	4,669	18	4,687	8,822
Total.....	4,172	..	4,172	4,747	114	4,861	9,033
Decisions on Deaths							
Pension awarded.....	24	19	43	56	174	230	273
Pension not awarded..	..	..	..	59	3	62	62
Total.....	24	19	43	115	177	292	335

* 211 includes 63 gratuities paid.

Table does not show "Pension awarded", cases where entitlement to pension ha been granted, but where there is no assessable disability or cases where, by reason of treatment being given, pension has not yet been paid.

Some of the decisions made after 21.5.40 were made under order in council in effect prior to that date.

By Mr. Reid:

Q. With regard to the thirty-seven disabilities, in the disabilities of those who served in Canada was the pension granted to those for disabilities incurred during service?—A. Prior to the 21st of May.

Hon. Mr. MACKENZIE: Oh, yes. I think it would be interesting if we could find out an analysis of the causes of death and the pensions awarded before the 21st of May. I suppose it would be necessary to go through the files.

The WITNESS: Yes. I will get that in the course of a few days if the committee will have patience.

By Mr. Isnor:

Q. General McDonald, looking at the first set of figures, a total of 4,172 applications received and only 37 granted— —A. Not applications received.

Q. Papers considered?—A. Yes, papers considered.

Hon. Mr. MACKENZIE: Automatically referred.

The WITNESS: Yes.

By Mr. Isnor:

Q. It seems that the percentage is very very small. I was wondering what would be the general reasons for referring those to you?—A. They were discharged medically unfit, sir.

Q. And accepted in the first place as medically fit?—A. Presumably so.

Q. I think this will require further study a little later on. I am interested because of the large number of men that were called out on the Atlantic coast,

and that applies particularly, perhaps, in M.D. 6 more than in any other military district in Canada. The men had no choice on the 28th day of August; they were called out. Of course, war was not declared by Canada until September 10th, but our units were called out at that time; they were on duty. A large number of them this time as in the last great war were anxious to proceed overseas. They had been given very little opportunity; one small draft of thirty or thirty-five men had been accepted from the various units. Those men comprising 4,172 whose papers were referred to you must have felt that they were entitled to greater consideration than they appear to have received, considering the few who have been granted a pension?—A. Of course, these men all have the right to go on further in their second hearing.

Q. There have already been individual cases placed before the committee. I propose at some time to place some definite cases before the committee, but it would appear that these men should receive consideration on broader lines than they have received in the past. I want to emphasize that now because I think there are other members, particularly Mr. Gillis, who comes in contact with that type of man, and we hear a great deal about it, particularly about those who served in the last war and who did not receive what they felt was right consideration to which their cases were entitled. I do not need to put those cases on record now, Mr. Chairman, but later we can discuss them.

By Mr. Green:

Q. Some of the decisions made after the 21st of May, 1940, were made under an order in council prior to that date. Does that mean that some of the 78 who were awarded pensions actually were awarded them not under the strict order in council but under the wider?—A. Yes, a certain number. I will try to find out by an examination of the files. Actually, a decision was given after that date; a man's rights obtained up to the 21st of May.

Q. There would be fewer than seventy-eight awarded under the terms of the new order in council?—A. Yes, as at the 31st of December. The average length of service of those men at that time was less than three months in the army.

By Mr. Reid:

Q. I know of the case of a man who was only three weeks in the army and he said that the country had a right to keep him. He is one of the cases in the 4,000 who sent his application in. If a man were three months in an army in a military camp and got injured and he could get a doctor's certificate and send it in to General McDonald—but I doubt if he could get a doctor's certificate for three weeks—and there are many such cases in the 4,000—

By Mr. Green:

Q. What do you mean by three months?—A. The average length of service in the forces is less than three months.

Q. How does that apply to those figures given? You said that some group had been in the army three months?—A. Many of all this group referred to here.

Q. You are just making a general statement?—A. Yes. At one time we were interested to find out why those discharges were coming at such an enormous rate as medically unfit, and I was interested and the minister was interested also to find out what their length of service was, and about the end of the year we found that their average length of service was less than three months. Mr. Quelch, I think you asked a question, sir, about the disability awards that had been made subsequent to 1926?

By Mr. Isnor:

Q. Before Gen. McDonald goes on with that, might I inquire as to whether this number includes any naval men—papers from naval men?—A. It does

include a few, but very few. I would think, perhaps, that of the number which have been discharged as medically unfit from the three arms of the service over 95 per cent have been discharged from the army.

Hon. Mr. MACKENZIE: All the figures have been placed on Hansard, but I shall be glad to put them on again if you wish.

Mr. ISNOR: No, that is not necessary.

The WITNESS: There have been very few from the navy or the air force, which speaks well for their preliminary medical examination.

Hon. Mr. BRUCE: I presume we can take it that this large number who served such a short time before being declared medically unfit is due to the fact that the medical examination at the beginning was rather hurried and inadequate and since then it has been very much tightened up and improved; and we can, therefore, hope in the future that there will not be this large number of casualties having served such a short period of time.

Hon. Mr. MACKENZIE: I think that is correct, Dr. Bruce.

The WITNESS: Mr. Quelch asked a question about the number of awards of disability pensions made subsequent to March 31, 1926, to March 31, 1940. The number is 22,953.

Mr. QUELCH: Awards? Are those men discharged as being medically unfit in 1919?

The WITNESS: Not necessarily. They may have been discharged as officially medically fit.

Hon. Mr. MACKENZIE: There are lots of cases where a man was discharged A1 and they may relate a subsequent disability to something that happened during his service.

Mr. QUELCH: Prior to 1926 they had not made application?

The WITNESS: I would not say that. They may have made several applications before that but had been turned down; but those were the awards made.

Hon. Mr. MACKENZIE: It is largely a question of the discovery of evidence, and then the continuity in service so as to relate the actual disability on service in the present condition.

By Mr. Quelch:

Q. You have given a figure of 22,953. Now had there been a seven year period after the last war those 22,000 would not have been allowed. Is it fair to conclude that with a seven-year period in this war their pensions will be lost?—A. It would hardly cover all cases.

Mr. GREEN: Of course, the majority of them would have been covered if we had a seven year deadline after the last war; perhaps 20,000 men would not have been able to get a pension?

The WITNESS: That would depend upon the discretion of the commission if we had a definite deadline.

Mr. GREEN: There is no discretion here.

Hon. Mr. MACKENZIE: There is a possibility. It might be applied more definitely if there were a deadline.

Mr. ISNOR: I think that is the main feature.

Mr. GREEN: Under the present pension legislation, if you apply you have to go through with it. You cannot apply and sit down for 10 years. You have a certain time to take each step, and the claim would have to be disposed of within a comparatively short time. If a man had not broken down at the time he applied, he would not qualify for pension.

Mr. QUELCH: It would be useless for a man to make application if he did not feel that he was eligible for it. People would not put in an application unless they think they are eligible. Anyone who feels he is eligible, will make application. I cannot see the reason behind the argument that you are going to have a stampede of applications. What is the use of making application unless you feel you have a chance of getting an award?

Mr. REID: I do not know that there would be any great argument if you changed that to seven years after the cessation of hostilities and let it go at that, and let future committees deal with it.

Mr. QUELCH: Of course, it is recognized that we will do the same as we did at the end of the last war when the period runs out—amend that. At the end of seven years we will extend it for another three or four years. I do not think that we should put it in in the first place if we are going to do that.

The WITNESS: If you are going to put the deadline in at all, I think it is fair to give long notice that there is going to be such a deadline. If I may be permitted to express an opinion, I certainly agree with Mr. Green that there should be some discretion to permit a bona fide case to go ahead.

Mr. QUELCH: So long as that is understood, there is no objection.

The WITNESS: Yes. I think that should be expressed.

Hon. Mr. MACKENZIE: There should not be much difficulty about that.

By Mr. Quelch:

Q. How can that be understood? Would that be under the meritorious clause?—A. No. I think there should be discretion given to the commission, if you are going to put in the deadline. There should be something to protect a man who has a bona fide prima facie case, as there is at the present time.

By Mr. Blanchette:

Q. I should like to ask General McDonald a question in connection with the present trainees. Perhaps it is not concerned so much with trainees as with persons who volunteer. Does the length of time of service have any bearing? For example, let us take a hypothetical case and say we have two soldiers who volunteer their services. Both of them were found medically fit at the time of their coming into the service. Let us say that at the end of three months one of them is found medically unfit and is discharged. Let us say that the other at the end of seven months is found medically unfit also and is discharged. Would there be a differentiation as to the treatment given to those cases?—A. No, sir. They would both be judged purely on the evidence of what happened during their service.

The CHAIRMAN: May we proceed with the next section, section 8?

The WITNESS: This is the section which protects a person who may voluntarily relinquish rank to proceed overseas to the scene of hostilities. It is the same section as has been in the Act ever since the beginning. This is just making it applicable to this war.

The CHAIRMAN: Are there any questions on section 8?

By Mr. Gillis:

Q. Would you mind explaining that clause a little more in detail, particularly the underlined part of it?—A. Which is that?

Q. That section 8, replacing section 18—"if the capitalized value of such award is greater"—A. That is the next section.

Mr. TURGEON: That should be "10". It is marked "8" in error.

The WITNESS: I am sorry. Section 18 is replacing the old section of the same number in the old Act. As you will see, it is to prevent duplication

of payment in the case of an award of pension. The old section gave the commission or was supposed to give the commission power to require the pensioner to assign to His Majesty any right of action he may have. The Department of Justice called attention to the fact that that was ultra vires, except I think in one province. A person could not assign the right of action.

By Mr. Black:

Q. The new section is much preferable, because the matter would be covered in a much clearer and better way?—A. Yes.

Q. There is no question about that?—A. There is some printing left out in the printed copy and I circulated a mimeographed correction which I will read.

Q. You have changed section 18 as it appears in the Act?—A. As it appears in the Act.

Q. In the bill?—A. Yes. A sentence was left out by the printer.

Q. I see.—A. It should read:—

> If a disability or death for which pension is payable is caused under circumstances creating a legal liability upon some person to pay damages therefor, or is caused under circumstances by reason of which compensation is payable under any provincial Workmen's Compensation Act or legislation of a similar character, the commission for the purpose of determining the amount of pension to be awarded shall take into consideration any award which may be made by way of damages or compensation, and if the capitalized value of such award is greater than the capitalized value of the pension which might have been awarded under the provisions of this Act, no pension shall be paid, but, if the capitalized value of such award is less than the capitalized value of the pension which might have been awarded under the provisions of this Act, the commission may supplement such award by such payment as would make the total of the two sums paid in respect of disability or death equal to the pension which might otherwise have been awarded; provided that the commission may, in its discretion, refuse payment of any pension in respect of a disability or death which is caused under the circumstances aforementioned, when, in its opinion, the person by or on behalf of whom pension is claimed has not taken all reasonable and necessary steps to obtain payment of such damages or compensation.

By Mr. Reid:

Q. Would that mean in effect that a soldier who is entitled to a pension, who was injured in some logging camp and was granted compensation by the Workmen's Compensation Board of, say, $90 a month, would not be entitled to a pension if his pensionable disability for his service as a soldier, we will say, would only amount to $60 a month? In that event he would receive no pension. Am I right in that?—A. Not quite, Mr. Reid. If a man is entitled to a pension for his war disability, as you say of $60 a month, that is his; and if he receives another injury which has nothing to do with his war injury, there would be no change at all made. Perhaps I can exemplify that better. I can always use myself as an example. I receive a pension for the loss of my arm. But if I were in an industrial accident whereby I was entitled to compensation, having received an injury, say, to my right foot, that would not affect it; that clause would not apply in such a case at all. I can exemplify a case in which it would apply—one that has really brought this section much more to the fore recently—and that is the case of a man who is entitled to pension at the rate of 50 percent or over. His widow is automatically entitled to receive pension, whatever he dies from. If he was killed in an industrial accident and entitled to workmen's compensation, this section obviates the payment of both pensions.

That is, she could not get a pension by reason of the Pension Act and a pension from the Workmen's Compensation.

Q. The thought in my mind is which is going to have precedence—payment from the provincial Workmen's Compensation Board or payment by the Dominion? It seems to me there is quite a question in this particular clause.

By Mr. Green:

Q. I am afraid that the amendment you propose very much restricts the man's rights, because as the Act stood before if he got a pension he was entitled to the pension and had to assign his claim to compensation to the pension commission or to the government. In other words, the government had to do the worrying about collecting the damages. Now you take that right away from him and you say that, if he gets an award, he cannot get a pension if the award is higher than the pension would be. In many cases it is impossible to collect the award. A man may get a judgment that is not worth any more than a piece of waste paper.—A. Yes. If he has got judgment, he has taken all reasonable and necessary steps.

Q. But the Act does not read that way. It says that if any award is made by way of damages or compensation which is larger than the pension, then no pension shall be paid. The provision at the last applies only to where his award for damages is less than the pension.—A. If I get your point rightly, it should be what is actually paid, not what is actually awarded?

Q. Yes.

Mr. BLACK: Perhaps that is covered by the words, "and if the capitalized value of such award ".

Mr. TURGEON: Is it not covered by the words " take into consideration any award which may be made by way of damages ". I think that is where you mean to cover that.

Mr. GREEN: It does not. That award in many cases does not mean that the man gets one cent.

Mr. TURGEON: It says " may be paid ". No, I am wrong; it is " may be made ".

The WITNESS: This section was drafted by the Department of Justice; and if it is not clear, I think it would be quite proper, after the committee have expressed their views, as you are doing, to refer it back to them for their opinion.

By Mr. Green:

Q. Why did you go away from the old principle which was that the government did the worrying about collecting the award? The man got his pension and the government collected the money.—A. Because the Department of Justice ruled that a man could not assign his right of action.

Hon. Mr. MACKENZIE: They ruled that the old section was ultra vires, practically.

The WITNESS: May I read the Department of Justice's opinion on the matter? Would you like to hear that?

Mr. GREEN: Yes, very much.

The WITNESS: The Department of Justice naturally always wishes to have a specific question. In order to get the whole question covered, I raised particular questions and this is the answer I received:

"The questions submitted for ruling by your letter of the 14th instant in regard to the application of sec. 18 of the Pension Act, and my answers thereto are as follows:—

Question (a): Does section 18 apply in cases coming within the jurisdiction of the several provincial Workmen's Compensation Boards?

Answer: I understand this question may arise in respect of two classes of war disability pensioners, namely, (1) a war disability pensioner who suffers an accident in the course of his employment causing disability or death consequential upon his pensionable disability and (2) the widow of a war disability pensioner pensioned at the rate of fifty per cent or more who suffers an accident in the course of his employment resulting in death, whether his death is consequential upon his pensionable disability or not.

Under the provisions of the several provincial Workmen's Compensation Acts, a workman injured during the course of his employment has no right of action as against his employer or fellow workman which could be assignable within the meaning of the provisions of sec. 18 of the Pension Act.

If, however, an accident happened to a workman in the course of his employment under such circumstances as entitled him or his dependents to an action against some person other than his employer or fellow workman, the workman or his dependents, if entitled to compensation under a Workmen's Compensation Act, may claim such compensation or may bring such action, and the workman or his dependents must elect within a prescribed period either to claim compensation or to bring the action. If receipt of compensation be elected, and compensation is paid out of an accident fund, the Workmen's Compensation Board is subrogated to the rights of the workman or his dependents and may maintain an action against the third party concerned.

The only instance in which, in my opinion, sec. 18 of the Pension Act could possibly apply would be where the workman or his dependents, in an instance as above mentioned, elected to maintain an action. There are, however, practical difficulties about the application of sec. 18. These may be enumerated as follows:—

1. I am of opinion that the intention and effect of the section is to render legally assignable the right of action referred to, whether under the law of the province such right of action is assignable or not. Nevertheless there is a possibility that the courts might uphold the contention that parliament intended to require the pensioner to assign to His Majesty only such right of action as he might have under the law of the province. The section clearly has in contemplation a right of action *ex delicto;* yet under the law of each province (other than Quebec) a right of action *ex delicto* is not assignable. However, the decisions seem to recognize the distinction that the fruits of such a right of action may lawfully be assigned. On the other hand, in the province of Quebec it seems that a right of action *ex delicto* against third persons may be assigned or transferred so as to subrogate the assignee to the rights of the assignor: Civil Code of Quebec, Arts. 1570 to 1581. Under the law of Quebec, as under the law of each of the other provinces, the fruits of a delictual action, i.e. the prospective damages or the judgment debt may legally be assigned, and such an assignment would, I apprehend, be consistent with the concluding words of subsec. 1 of sec. 18, namely, "any right which he may have to share in any money or other property received in satisfaction of such liability of such person." This would seem to be the only kind of an assignment which might be taken under sec. 18 compatibly with the laws in force in the various provinces.

2. An assignment to His Majesty of the fruits of a delictual action would give His Majesty no *locus standi* as a party to the action. The action would still have to be maintained in the name of the assignor, and I am not aware of any means available to the crown to compel the assignor to maintain the action or to exert any control or direction over the course of the proceedings should the assignor maintain an action. However, if His Majesty undertook as a term of the assignment to

indemnify the assignor in respect of costs, the action might be tinged with maintenance or champerty, and, if so, the assignment would be invalidated.

3. An infant child of a pensioner may become a pensioner under the Pension Act (see sec. 2 (*m*) and (*n*) and sec. 22), though the commission may direct that such pension be paid to the child's mother or father or to its guardian, et al. (see sec. 22 (5).) Under the laws of the provinces an infant child of a pensioner would have no capacity to give His Majesty a valid assignment under said sec. 18, nor could the child's father or mother or any other person, on its behalf, give any such an assignment unless appointed and authorized by the court as the child's legal guardian to give or make such an assignment. In the absence of an assignment so authorized on behalf of an infant child of a pensioner, His Majesty could not reach any share of the damages in a delictual action which might be awarded to such child.

In view of the foregoing it becomes evident that said sec. 18 in its present form is really unworkable, as it does not enable the purposes for which it was apparently enacted to be effectually carried out. On the next occasion when amendments to the Pension Act are contemplated, it would possibly be advisable to have the section redrafted in such form as would make it possible for the commission in determining the amount of pension to be awarded to take into consideration any award by way of damages or workmen's compensation which may have been made with respect to the disability resulting in injury or death on account of which pension is claimed.

By Mr. Gillis:

Q. How is this clause applied, in the civil service, to a pensioner of 50 per cent who is in the employ of the government and contributes to the superannuation fund? On the death of the pensioner does the widow receive the superannuation pension plus the disability pension?—A. Yes.

Q. I think that this clause is absolutely unfair with respect to a 50 per cent pensioner who is employed in industry and who contributes under the compensation laws of the province. The disability pension is paid as compensation for war disability incurred on service and that pension is small enough of itself. The industrial worker who comes under the compensation laws is contributing to the upkeep of that fund. The first charge in any industry on the wages of a worker is the charge for workmen's compensation. He is contributing directly to that fund for the protection of his family. The maximum pension paid to a widow under compensation laws in the province of Nova Scotia is $60 a month. The maximum pension paid under a disability pension is also $60 a month. I do not think that $120 is too much for any widow in Canada under any circumstances. I think, myself, it is unfair and should be eliminated.

Compensation administrators in the different provinces are taking full advantage of that, and in the past there has been a lot of friction between one body trying to throw the responsibility on the other body. This has created great hardships.

I think that the compensation laws should be applied in exactly the same way as they are applied to civil servants. There should not be any hook-up here whatsoever. The man employed in industry is making contributions to protect his family; the other is compensation for service rendered the country, and I think that clause should be taken out altogether.—A. That clause with reference to workmen's compensation, Mr. Gillis?

Q. Yes.—A. You would not extend that to the fruits of an action?

Q. No. Let me explain the operation of that clause in this way: I am pensioned for a gunshot wound in the leg, and I am assessed a certain percentage of pension. I am employed in a logging camp or in a coal mine. I meet with an accident to that leg. It may mean the loss of the leg or it may mean increasing

the disability to the leg 50 per cent. I do not think that the pension authorities should accept any responsibility for the increase in compensation there. That should be the responsibility of the provincial authorities under the compensation laws. Where the pensionable disability has been increased due to an accident of that kind in industry I do not think any more responsibility should devolve upon the federal pension authorities. Compensation laws take care of it, but, with respect to the application of the Act to the widow, I think it is absolutely wrong. It is right in some cases, but it is certainly not right with respect to its application to the widow.

Mr. REID: I agree with what Mr. Gillis has said, and I should like to cite one case in British Columbia. A man has a $15 per month pension. He is working in a logging camp and he gets injured and comes up before the compensation board. He is told that he will get the sum of $20 a month or, if he cares to take a lump sum, they will capitalize it at $1,500. The man takes the $1,500 capitalization, and if he was in receipt of $15 per month he would automatically be cut out right there. He uses the $1,500 to pay up his bills, and then he finds himself without the pension to which he was entitled for his services rendered to the country in war time.

The WITNESS: I do not think you have got it quite right, Mr. Reid.

Mr. REID: I think I am right. In the proposed amendment you have it worded "capitalized value." The capitalized value of the $15 per month from the compensation board may be $1,500, and in one lump sum. You are giving the choice to the widow of taking so much per month or a lump sum.

The WITNESS: That is only applicable if his pension is affected by the accident.

Mr. REID: The Act is not clear to me.

By Mr. Green:

Q. The Act as it reads at present does not take anything out of workmen's compensation, does it? The government does not try to get the workmens' compensation from the man now?—A. Under Mr. Reid's case he would still have it.

Q. As the law stands now the workmen's compensation is not interfered with?—A. No; the Department of Justice ruled that it did not.

Q. If the amendment becomes law, the government will take into consideration workmens' compensation and reduce the pension accordingly?—A. Only if the pensionable disability is affected.

Mr. REID: They will go further than that, because it says:—

> If the capitalized value of such award is less than the capitalized value of the pension which might have been awarded under the provisions of this Act . . . no pension shall be paid.

Mr. QUELCH: He cannot receive both.

Mr. GREEN: That restricts his rights very much.

The WITNESS: For that disability.

Mr. REID: Yes.

The WITNESS: In the case I quoted you before of workmen's compensation paid for a disability, this would not have anything to do with it.

Mr. REID: In the case of a pensioner working as a civil servant, he might receive a certain amount of money per week when he retires and you would not interfere with him, rightly so; yet if the man pays into the compensation fund and gets injured, if he receives an award which is greater than his pension award, no pension shall be paid to him. I do not think that is right.

Mr. ISNOR: I do not think Mr. Gillis has made a fair comparison. They are not parallel cases, as I see them. In one case a civil servant is paying into a superannuation fund a certain amount each month which is deducted from his salary. In the case of a worker in industry coming under the provisions of the Workmen's Compensation Act, particularly applying to the province of Nova Scotia, industry makes the contribution. I do not think there is any individual contribution.

Mr. GILLIS: No, that is not so.

Mr. ISNOR: I do not think there is any individual charge directly assessed to that particular worker.

Mr. GILLIS: Yes, there is. The first charge against all wages is compensation. The individual's wages are affected to the extent of that contribution, and the individual is making that contribution. It is the individual that produces in industry; industry does not produce anything. That charge is directly against the individual.

Mr. REID: Apart from that, in British Columbia they deduct it from his salary.

Mr. GILLIS: Then they are taking it from him twice. You should take that up.

Mr. REID: That is an argument for which we will have to set an evening apart.

Mr. GILLIS: I know the Nova Scotia compensation board took full advantage of that clause under the old Pension Act and that there has been considerable friction in the adjustment of pensions. If the man is injured, having no connection with his pensionable disability, he goes before the pension board for adjustment, and the first thing that board will do is to check up with the authorities in Ottawa as to the amount of pension he is receiving. And when his award is made the amount of money he receives for a disability pension is taken into consideration and his compensation award is affected accordingly. That may not be the intention of the clause in the old Act.

The WITNESS: If that action is taken by the Workmen's Compensation Board, it does seem unfair.

Mr. GILLIS: I know numerous cases where it has affected men who were entitled to a certain percentage of compensation. I think Gen. McDonald may know some of these cases.

The CHAIRMAN: Do I understand you to say that this section would tend to make the compensation board evade their responsibility?

Mr. GILLIS: Exactly.

The CHAIRMAN: And throw the whole weight of responsibility on the pension department?

Mr. GILLIS: Not necessarily on the pension department. The individual takes the responsibility. It affects him.

The CHAIRMAN: But it would encourage them to evade the issue?

Mr. GILLIS: Yes, absolutely. It encourages them to evade responsibility.

By Mr. Isnor:

Q. I should like to ask Gen. McDonald a question arising out of the case quoted by Mr. Reid. As I understand it the individual was receiving, in the first place, a pension due to a war disability of $15 a month. This man meets with an accident coming under the Workmen's Compensation Act and he is awarded another pension of $15 per month. Instead of accepting the $15 per month he decides, so as to liquidate his debts, to accept an award of $1,500. My question, Gen. McDonald, is as to whether one has any direct bearing on the other? Does one cancel the other?—A. No.

By Mr. Reid:

Q. It would have no bearing at all?—A. No, not in the case you quoted.

Mr. ISNOR: None whatever, as far as I understand it.

By Mr. McLean:

Q. The award spoken of here would be an extra award?—A. Yes, for some other condition altogether.

By Mr. Green:

Q. Is there not a principle to be decided, the principle of whether or not we should allow a man to get a pension and workmen's compensation?—A. No; it is a little more confined than that. I think the principle is as to whether a man shall receive compensation or a widow shall receive compensation from two public sources for the same disability or death.

Mr. ISNOR: The whole thing hinges on the same disability.

Mr. BLACK: From two different causes. One is service in the army and the other is service for an employer to which he himself contributes as insurance. I do not think one should affect the other at all.

By Mr. Quelch:

Q. You gave an example of how it might affect a widow; can you give an example of how it might affect the soldier himself?—A. That is very difficult.

Q. You have not given an example of how it might disqualify an individual. You referred to yourself as an example of a case which would not disqualify you. I should like to have a case cited where it would disqualify a soldier from getting both awards. I can see your point as regards the widow; that is clear, but I cannot quite visualize how it might happen to an individual.—A. I may think up a good sample case where it would affect a pensioner himself.

Q. It would have to be during the war, would it not?—A. No, I do not think so.

Q. How would a soldier be eligible for compensation during war time?—A. It would not act during a war at all so far as workmen's compensation is concerned, because naturally he would not be entitled to workmen's compensation. But let us take, for instance, a man who has a pension for bronchitis of, say, $15 a month. Under the Pension Act the pension commission are required to increase or decrease that pension in accordance with the degree of disability found by medical examination at any time. There is no qualification as to the cause of the increase or decrease. If he becomes 50 per cent disabled from bronchitis he is entitled to get a pension under the Pension Act of 50 per cent. Now, it may be that during the course of his employment, where he is protected by workmen's compensation, he is subjected to exposure which increases his disability from bronchitis. He would presumably be entitled to workmen's compensation for that, and he would also be entitled under the Pension Act for an increased disability.

By Mr. Reid:

Q. In other words, this relates to the one pensionable disability?—A. Yes.

Hon. Mr. MACKENZIE: That is the point.

The WITNESS: He would then be drawing two pensions for the same bronchitis.

By Mr. Quelch:

Q. It might be greatly aggravated, might it not?—A. Yes, his condition gets worse. The commission calls him in and examines him and says, "You are 50 per cent or maybe 30 per cent". He may also go to the Workmen's Compensation Board and say, "I am entitled to compensation due to the fact that I was exposed during my work." I think that is a good sample case.

Mr. GILLIS: He would never get it from the workmen's compensation.

The WITNESS: I chose bronchitis because it was a convenient type with which to illustrate the point.

By Mr. Gillis:

Q. Suppose a man is pensioned for rheumatism or arthritis and he is employed at some heavy work and meets with an accident. Suppose his back is hurt or his spine is injured. The company have a record of his disability, that is, his pensionable disability. He goes to the compensation board and a doctor examines him and immediately says, "There is nothing the matter with your back; this is just the development of your pensionable disability for which you are receiving pension." He goes back and reports to the medical representative of the Deparment of Pensions where there is a record of his injury. He is examined. The pension authorities will say, "That is attributable to your injury and we cannot increase your pension." The thing is then thrown from one to the other and the man eventually dies and gets nothing.—A. You are quite right; we have run into friction of that kind.

Mr. GILLIS: Yes, I have seen a lot of it and I know.

By Mr. Green:

Q. Gen. McDonald, has there been any money paid back to the consolidated revenue fund in accordance with the terms of section 18?—A. Yes, Mr. Green, there has. There have been a few cases where damages have been collected in motor car accidents, and so on, from insurance companies.

Q. Would it not be wise to deal with cases of workmen's compensation in a separate section and then deal with the damage awards in another section? I think you will get into trouble by trying to put the two together.—A. I think perhaps your point is well taken. It is a habit, I think,—with all due respect to the Department of Justice—to try to work everything into one section.

Mr. GREEN: Of course, in dealing with workmen's compensation I doubt very much whether it is wise to deprive a man of his compensation. I think that should be decided by the committee.

The CHAIRMAN: I understand that this section will be re-written or reconsidered.

By Mr. Green:

Q. Gen. McDonald, the way the proposed amendment reads, it does not tie up the pensionable disability very closely with the other disability which is suffered outside of service, as I see it?—A. Yes; perhaps there should be a little more definite demarkation.

Q. It simply says that if a man gets an award then his pension will be reduced accordingly. That is the sum and substance of this section as it reads at present. There is no tie-up between the disabilities, the disabilities that he suffers while working and the disabilities received overseas.

The CHAIRMAN: Shall we refer this back for further consideration?

Mr. TURGEON: Yes, and clarification.

By Mr. McLean:

Q. If I may, I should like to refer again to the case cited by Mr. Gillis. In that case the man was receiving a pension for arthritis and he meets with an accident or an injury, or gets a sprain, or something like that, and his disability is increased. He is not successful in getting any workmen's compensation award for it, but the disability of rheumatism from which he is suffering increases. Under the Act as it is at present is he not entitled to have his pension increased, irrespective of what caused the increase?—A. Oh, yes. It comes down to a dispute between the medical authorities as to whether there

is an increase in the rheumatism or whether it is a separate thing from his injury. Those things may become very obscure and difficult.

Q. The fact that there was some accident which increased his disability does not prevent him getting it increased?—A. Oh, no.

By Mr. Quelch:

Q. In the case just quoted would it not be very, very hard indeed to get an increase in pension?—A. It has proved so sometimes, and sometimes it has not; so much depends on the actual circumstances and the actual conditions. But there is quite a definite conflict there.

Mr. GILLIS: A whole lot of it depends on the application of common sense in the administration of the Acts. The Workmen's Compensation Board are pretty hardboiled.

The WITNESS: I think I can safely say that that is not so in connection with the pension commission.

The CHAIRMAN: I understand that this section will be clarified. Shall we proceed to section 11?

The WITNESS: Is it the feeling of the committee, Mr. Chairman, that the workmen's compensation feature should be kept separate?

The CHAIRMAN: Yes, I think it is.

Hon. Mr. MACKENZIE: Subject to what the Justice department may say about it.

The WITNESS: Yes. I shall take the minutes and refer it again to the Department of Justice, because I confess I tremble to have to draw this myself.

The CHAIRMAN: Shall we deal now with section 11?

By Mr. Reid:

Q. In regard to this section could Gen. McDonald tell us how many pensions have been granted up to the present time?—A. I expected you were going to ask that question.

Q. For meritorious service or on compassionate grounds?—A. There are at present in the forces 233 pensions under section 21.

Hon. Mr. MACKENZIE: Between what dates were they granted?

The WITNESS: Prior to March 31st, 1939, 284 were awarded; subsequent to March 31st, 1939, 69 were awarded. Of course, those have been reduced by deaths to the present during the period.

By Mr. Reid:

Q. What is the total in all?—A. The total in all awarded is 363, so there have been 120 deaths or discontinued for other reasons since the beginning.

By Mr. Winkler:

Q. In what range do they run? Between what sums approximately?—A. Almost any sum. The Act is limited to a pensioner, to a disability pensioner, a soldier suffering from a disability, and the amount is limited by the degree of the disability which he suffers from, which, of course, has not been related attributable to war service or he would have got a pension under the other clauses; but if a man is disabled 20 per cent and the commission feels that his service has been very meritorious and he is in a difficult financial position they can award a pension of not more than 20 per cent; if it is 40 per cent he gets an award of 40 per cent. In the case of a widow it is limited to the widow's pension. As a matter of fact, this section has been used more for widows than anybody else because since the establishment of the War Veterans' Allowance

Act provision has been made for a number who might otherwise have used this section.

Hon. Mr. MACKENZIE: How many years has this section been in force?

The WITNESS: 1924.

Hon. Mr. MACKENZIE: Have you got the awards grouped into periods of years?

The WITNESS: I have not got that information here, I could get that.

By Mr. Reid:

Q. Evidently, the commission have used a great deal of care in the awarding?—A. I think it is naturally so; it is designed to deal with the special cases. I should like to refer to the necessity for the change. The old section read: "The commission may, on special application in that behalf grant a compassionate pension or allowance in any case which it considers to be especially meritorious, but in which the commission, or, on an appeal, the court, has decided that the applicant is not entitled to an award under this Act." The commission acted in what was thought to be the proper way and the auditor general drew attention to the fact that in the case of a man who had a small pension, say, 5 per cent, for something that was attributable to service, and was seriously disabled and the commission should consider it a case for suitable award up to the amount of his whole disability, they could not do it because they had already made an award under this Act even if it was only 5 per cent or a fifty dollar gratuity. There was some argument with the auditor general naturally and we referred the matter to the justice department and the justice department supported the auditor general and suggested that it be changed so that in a meritorious case if a man has a small pension of 5 per cent and it is felt that this case is one where that pension should be augmented, it could be augmented.

Q. Have you done that?—A. We have been doing that.

Hon. Mr. MACKENZIE: Without authority?

The WITNESS: Yes, without authority. We have about 35 cases that we would have to deal with in some other way if we were to keep them on pension.

Mr. TURGEON: Mr. Chairman, you appointed a sub-committee on delegations. I am assuming that there will be a delegation on behalf of the widows. Would it not be well to mark this question so that the sub-committee can deal with that question?

Hon. Mr. MACKENZIE: That sub-committee was appointed to arrange when the delegation should be heard. We will receive the delegation here. There is quite a lot of correspondence on the file from various organizations, and this committee is set up to make the presentation of evidence more methodical.

By Mr. Sanderson:

Q. I should like to ask a question based on 21. With regard to pensions that have been awarded, some of them, I presume, would be pensions that the soldiers were getting through the Veterans' Allowance Act and they changed over and got a pension; am I right in that query?—A. Very few of these men would be receiving war veterans' allowance.

Q. Are there any cases of changing over from war veterans' allowance to pensions?—A. There are a few cases where a man had very outstanding services and where the commission has felt that it was fair and just to augment the war veterans' allowance up to the amount of permissible income.

Q. That is not quite an answer to my question.—A. That is one class. There may be one or two cases, very few, in which a man has a very outstanding record and he may be in difficult circumstances, and the commission asked the

war veterans' allowance people to cancel theirs and gave him more than the war veterans' allowance gave him.

Q. And in the case of his death, that is paid to his widow?—A. If he was getting more than 50 per cent.

Q. Could you tell me how many cases have been changed from the war veterans' allowance?—A. Not offhand. It might take a little time. I will look through section 21, pensions. I do not think there are more than you could count on the fingers of one hand.

By Mr. Green:

Q. On what basis do you decide meritorious services?—A. On the basis of length of service in the field, in the theatre of war, the front line, the record of promotions or awards, or distinctions during service, just as anybody would look at a record and say that such a man had an exceptionally good service.

By Mr. Quelch:

Q. Gen. McDonald, I had a case—I shall deal with it widely—where a soldier died two months after the end of the war. He had an honourable and a long service, but his widow is refused a pension—she was not really eligible for one except under this clause; but I think that would be good grounds.—A. If it were every good service I think it would be quite worth while applying.

Q. I think application was made, I understood, through one of those widows' organizations which brought the matter up. No doubt they will make representation in the future, but they said the application was refused.—A. It would depend upon the circumstances of service.

Q. His service was a long one, 32 months.

Mr. REID: Might I ask this question? It arises from the fact that the words "auditor general" have been mentioned. In cases of dispute between the Auditor General and the Canadian pension commission, what happens?

Hon. Mr. MACKENZIE: The matter comes to this committee.

By Mr. Reid:

Q. If the Auditor General raises the point that pensions are being paid wrongly to some men or that those men are being paid too much under the Act, what is the attitude of the Pension Commission if the Auditor General takes that attitude, or does the Auditor General take that attiude now—I know he did at one time?—A. The Auditor General is pretty fair now; but naturally it is his duty to bring to the attention of the commission any cases which he thinks have overstepped the bounds of their authority.

Q. I am glad to know that the Auditor General is fair now.—A. That is all he can do. The commission examines the statement and if they decide that they do not agree with him they go on paying. The only other recourse of the Auditor General is to put the matter in his report and it comes to parliament.

By Hon. Mr. Bruce:

Q. The commission has the supreme authority?—A. The Auditor General cannot dictate to the commission as to what the commission shall do. In this case the commission did not accept the Auditor General's interpretation of this section and referred the matter to the Department of Justice to see who was right.

By Mr. Isnor:

Q. I hesitate to revert to 10, but I should like to know if there is any provision in the Act dealing with the case—and it comes under the type represented by Mr. Gillis—where a pension is paid to an individual through the pensions department and another pension is paid by the Workmen's Compensation Board, giving the individual an opportunity to select a channel through which he shall receive the full pension, namely, say, 20 per cent from one source and 15 per

cent from the other source—could he select a channel through which that 35 per cent would be paid to him?—A. No, sir. He could not select. He is entitled to his rights under the Pensions Act, and if he wishes to voluntarily relinquish them that is his own business, but the commission is bound, if that man is entitled to a pension, to pay it, whether he gets anything else from anywhere else or not. There are many cases where a man is drawing both workmen's compensation and a pension, but for different causes.

By Mr. Gillis:

Q. I should like to make reference to sec. 21 as applied to widows—that is the new sec. 11. I do not think the proposed amendment will take care of many of the cases that have been brought to the attention of the Commission in the past. I think the words "meritorious service" will have to be defined a little more clearly. It is largely based on decorations or some extra special recognition of service while on service?—A. Or length of service, long service.

Q. The case that Mr. Quelch has mentioned I think was drawn to the attention of a number of members of parliament. I had a delegation in to see me. The case he mentioned, I think, is that of Mr. Meakins of Toronto. They had made application and had been pressing that application for a long time. That man enlisted in 1915, he was discharged in April, 1919 after serving in Canada, in England and in France, he was wounded while on service and was awarded a good conduct badge. On his discharge he was found to be suffering from a pensionable disability assessed at 5 per cent resulting from a nerve injury. His death occurred before pension could be awarded. However, the cause given is influenza and pneumonia. In this connection it is to be noted that the deceased was the victim of an epidemic raging in Canada. I think that man had very good service. He was pensioned and died within a couple of months after discharge. Whether it is on compassionate grounds or for meritorious service, I think in this particular case both exist. I think his service was meritorious from 1915 to 1919.—A. How long was he in France?

Q. I do not know how long exactly. This does not set that out. But there are letters also on this file that show that during the time he was in France he was suffering from colds and bronchial trouble—very definite continuity during his service in France up until he died, and I think myself that it is on that basis—it is the need, in my opinion, that should govern if a compassionate pension is paid to a widow; it should have no connection with medals and so forth. In an award on compassionate grounds the need should be the deciding factor. I understand that this widow is in pretty bad circumstances now. I have written to General McDonald about the case. The widow has not much time to live, she is bedridden and very sick and in very bad circumstances, and I think the award of a compassionate pension should be on that basis. There have been cases of a widow who is probably in independent circumstances and pensions are awarded by virtue of service; but I think that decorations and meritorious service as defined in the past are largely a matter of accident, as elections are. So that I think there should be an understanding with respect to the application for a compassionate pension that the circumstances of the widow should be the guide in the matter rather than the service of the man in France. In this particular case—and there are many similar cases where widows have lost their homes, homes which their husbands struggled and saved to build up. Those husbands died and left a widow in dependent circumstances. In order to get a bite to eat she had to sell the home and wind up as an object of charity. She has a very definite claim, in my opinion, on the government. In this one section here, instead of having it worded " for meritorious service " and so forth and subject to interpretation afterwards, there should be a definite understanding and it should be clearly written that the circumstances of the widow should be the guide in the applying of the compassionate pension.—A. It would be easier to apply, Mr. Gillis.

Mr. TURGEON: As I understand it, the whole intention is to deal with meritorious service rather than with compassion. I think the error was in having the two words in the same sub-section. I think the confusion there is due to the feeling that meritorious service may arise in the minds of members of the commission.

Hon. Mr. MACKENZIE: I think not. I think in most cases pension would be a matter of right. In those cases it is left to the consideration of the commissioners. I think that word " compassionate " is a differentiation from a case as a matter of right. It is not based on the matter mentioned by Mr. Gillis which is a means test. That is not in the Pension Act at all. It may be a commendable principle, but it never has been in the Pension Act of Canada.

Mr. TURGEON: Is it not a mistake to have the two words " meritorious service " and " compassionate " put together if the intention is as it is?

The CHAIRMAN: While I agree with the principle enunciated by Mr. Gillis, I point out that the clause used states that the commission may grant a compassionate pension in any case which it considers to be especially meritorious; there is no reference to service or decorations.

Hon. Mr. MACKENZIE: There is the discretion of the commission. It is there to give some guidance.

Mr. TURGEON: The interpretation has been given to us as relating only to service.

The CHAIRMAN: That is only part of the consideration as I understand it.

Hon. Mr. MACKENZIE: From my experience in ninety per cent of the cases there has been a certain amount of hardship. There is also the condition that there has been a lengthy service or a distinguished service.

Mr. REID: And the woman in need; because I have had cases where the woman was working. Of course, no meritorious pension would be granted her as long as she was able to support herself.

Mr. MCLEAN (*Simcoe East*): Would the minister modify his statement a little that the principle of need is not in this Act at all or is not in this section? What I am getting at is this. Take a man who has extraordinary meritorious service, or very outstanding service but where there is no need at all. He dies. Then no application would be made.

Hon. Mr. MACKENZIE: No.

Mr. MCLEAN: If it were made it would not be considered?

The WITNESS: Not under this section.

By Mr. McLean:

Q. Under this section there must be both?—A. That is the view that is taken.

Mr. REID: I would rather see us leaving the question of widows' pensions until we get down to a discussion of widows.

Hon. Mr. MACKENZIE: Yes. We will have a discussion of that.

Mr. QUELCH: We will come to that under the next section. We are bound to take up that under the next section. We are bound to take up the question of children and decide upon it, and we cannot do it unless we are prepared to endorse the section referring to widows. Perhaps that is jumping ahead.

Mr. BRUCE: I do not know whether this is the right section under which to bring up the question I have before me, but if not I will do it again. In 1919 the government realized that the long service pensions paid to the Canadian permanent militia and the Royal Canadian Northwest Mounted Police were entirely inadequate. The rate paid at that time was based on the living costs of the previous century and was found to be so inadequate that the pension was raised approximately 400 per cent, but the men who were discharged from either service were left on the old rate. In 1925 the Hon. Mr. Lapointe, as

Minister of Justice, by Order in Council had the mounted police who were discharged on the old rate placed on a new higher rate, but nothing was done for the old soldiers. I have some cases. There are only 30 cases involved.

Hon. Mr. MACKENZIE: I am not going to try to stop any discussion of the matter, but I think the difficulty is that this is not within our terms of reference. I think those awards are made by a different board.

The WITNESS: Those are awards made by the Pension and Claims Board of the Department of National Defence.

Hon. Mr. MACKENZIE: There is no harm in having evidence with regard to it, but we as a committee are not clothed with authority to deal with it.

Mr. REID: Is that the clause, a copy of which was given to each and every member this morning?

The CHAIRMAN: Representations with regard to these people have come in and will be put before the committee on delegations.

Hon. Mr. MACKENZIE: The small committee of three.

The WITNESS: I think I received a representation from a gentleman in Toronto.

Mr. BRUCE: It is not the right place to discuss it.

The CHAIRMAN: It will be referred to the committee on delegations.

Hon. Mr. MACKENZIE: They have asked for a delegation to come here to present that case. I think it was Mr. Beeton.

The CHAIRMAN: Yes, Mr. Angus Beeton. Then may we proceed with section 12?

By Mr. Green:

Q. I have a question before you leave section 11. Subsection 1 says "but in which the commission has decided that the applicant is otherwise unqualified" and so on. Does that apply in the case of a claim being turned down by the appeal board?—A. Oh, yes; because it has to be turned down by the commission first.

Q. But can the commission hear a claim for meritorious pension before it has been appealed; that is, before it has been finally adjudicated upon?—A. Yes. Some of the pensions which have been awarded under this section have been awarded to men who fully realize that they have no claim under section 11; and the commission merely gives a formal ruling to the effect that they are not entitled under section 11, to enable them to make a meritorious award.

Q. You do not have to wait until the claim has been adjudicated upon?—A. No, not necessarily.

Q. Then in subsection 2 what is meant by the words "if his entire claim to payment had been upheld"?—A. That is the point I was referring to before. That is his entire claim. He has a pension. The man which this is particularly designed to deal with has a small pension of 5 per cent, say, for disability.

Hon. Mr. MACKENZIE: Which was turned down before.

The WITNESS: Which has been turned down.

Hon. Mr. MACKENZIE: Under the old drafting, he could not get an award.

The WITNESS: Under the Auditor General's contention, it is his whole claim.

By Mr. Green:

Q. Does that mean in effect you have power to grant up to 100 per cent pension?—A. If the man is 100 per cent disabled.

Q. But if he is claiming for 100 per cent pension, then you can grant up to 100 per cent?

Hon. Mr. MACKENZIE: If the claim was for several disabilities, the aggregate of which would be 100 per cent disability.

The WITNESS: Yes; but not exceeding the amount to which the applicant would have been entitled.

Hon. Mr. MACKENZIE: That is it.

By Mr. Green:

Q. Suppose a man claims on a disability which would only entitle him to 20 per cent if he were successful in his claim. Then you cannot grant a meritorious award for more than 20 per cent?—A. No, sir.

By Mr. Reid:

Q. That would not affect his widow, if his widow came along later and claimed?—A. If the widow's claim had been upheld, she would get full widow's pension.

By Mr. Green:

Q. Does the widow granted a pension under this section 21 always get full pension or has the commission discretion to cut that down?—A. Yes. They have discretion to cut it down.

Q. And in some cases you do grant less than full pension?—A. Yes, where there are circumstances justifying it; not so much in the west, but probably in some other parts of the country,—and in other parts of the world where the award of full widow's pension would be really an inordinate award. We have very often had complaints from small rural places in Great Britain where a widow has been entitled to her full $60 a month; complaints have come from the local clergyman and so on that it is far too much for her, away beyond the usual standard of living in that community. It seems rather strange to us in this country.

By Mr. Green:

Q. I hope you do not act on those complaints.—A. No. If she is entitled to it, she gets it.

The CHAIRMAN: The next section is 12.

Mr. QUELCH: The explanation of this section states that, under this provision, children qualify for pension on the same basis that is provided for widows in subsection 2 of section 32. How can we endorse this section unless at the same time we are prepared to endorse subsection 2 of section 32? That opens up the whole question of widows, does it not?

The WITNESS: It is just bringing the children into the same basis.

Mr. QUELCH: Are we willing to bring children into the same basis?

The WITNESS: We are going that far, anyway.

Hon. Mr. MACKENZIE: It is broadening it out.

The WITNESS: We are going that far. Hitherto, under section 32, when the widow is awarded pension, her husband having received 50 per cent or more, the widow has got it. But until we suggested this section, orphaned children—full orphaned children—did not get it.

By Mr. Isnor:

Q. Previously it only applied up to class 5, which was 80 per cent, was it not? Now it has been extended?—A. It was extended two years ago.

Q. No, as far as children are concerned. You are dealing with section 12 and you are enlarging the class from the fifth class?—A. Yes, to bring it to the same limits as the widow.

Q. Yes. That is 50 per cent?—A. 50 per cent, yes.

By Mr. Green:

Q. It is just to make good an oversight when the Act was amended the last time?—A. I do not know whether it was an oversight. It was passed by parliament.

Hon. Mr. MACKENZIE: It is broadening out the provisions of the Act.

By Mr. Green:

Q. Pension is payable to the widow if the husband was getting 50 per cent pension or more, but apparently at that time parliament did not make the same change about children?—A. Yes.

Hon. Mr. MACKENZIE: That is right.

Mr. QUELCH: If we endorse this, it will not be held that we have endorsed the same principle for the children?

Mr. TURGEON: No.

Mr. QUELCH: That is definitely understood?

Hon. Mr. MACKENZIE: Yes. That is definitely understood.

By Mr. Reid:

Q. Does this section conflict in any way with the one down below, subsection (*a*) which reads in part, "such children were born prior to the 1st day of May, 1933"? For instance, I am thinking of a 60 per cent pensioner who dies and who may have a number of young children. Under this you are taking it up to class 11, and the children will be provided for the same as the widow until they become 16 or 17 years of age. Further down there is a proviso that if the children were born after the 1st day of May, 1933, they would not be eligible for pension at all. I am just asking if this conflicts, or how the following subsection (*a*) works out?—A. That following subsection refers to additional allowances.

Q. Additional allowances?—A. Yes, to the pensioner himself.

Q. All right.—A. Section 13 is in the contentious date line clause which limits the power of the commission and has limited it to children born prior to the 1st day of May, 1933.

Q. I could see reason for restricting the wife, but I never could see any reason for restricting the children, because the children only get additional pension until they are 16 or 17. I have always been opposed to this in so far as the children are concerned. I realize that this was drafted probably to cover cases of men who were on in years marrying very young girls. But in the case of children, I think all children of a pensioner should receive pension—that is my own view of it—until they are 16 or 17.

Mr. GREEN: This is one of the main points in the bill, Mr. Chairman. I agree with Mr. Reid. I do not see any reason at all why an allowance should not be paid to a child born after the 1st day of May, 1933.

The WITNESS: I have no doubt the committee will receive many representations from many quarters.

Mr. GREEN: This section 13 of the bill goes further and provides that, in the case of a man who serves in the new war, he can only get an allowance for children born within 10 years of the termination of the war. In other words, that would have meant, if that same provision had been in effect in the last war, that any children born after a date in 1929 would not have been eligible for the allowance. It is just being a little bit tougher than the Act was before.

The WITNESS: As I said about the date line, we just put this in to get an expression of opinion.

Hon. Mr. MACKENZIE: What was the first date put in the old Act when this section was put in?

Mr. GREEN: I do not know.

Hon. Mr. MACKENZIE: I do not remember myself.

By Mr. Green:

Q. Why do you put in that 10 year limitation on a man in the fighting forces?—A. To secure an expression of opinion from the committee as to whether a date line was desirable or not in this case.

Hon. Mr. MACKENZIE: I was wondering what the first date line was when the section was in the old Act. It could not have been 1933.

The CHAIRMAN: Yes.

Hon. Mr. MACKENZIE: Was it?

The WITNESS: No; the date line of 1933.

By Mr. Turgeon:

Q. There was no date line until 1933?—A. It was established in 1933. That is the point.

Q. The same principle that would apply there would apply to this?—A. Yes.

Q. I imagine we will find the committee unfavourable to putting in a date line.

By Mr. Green:

Q. The date of May 1st, 1933, was put in as an economy measure, was it not. That was in the middle of the depression.—A. I do not know what the reason was. It was discussed in parliament. I have no doubt the debates will show that.

By Mr. Quelch:

Q. Is there any justification apart from economy? Can you think of any justification for such a measure apart from the question of economy?—A. I have a very open mind on the subject, Mr. Quelch.

Q. You put a soldier in a rather peculiar category, that he must not have any children after 1933. I was wondering why you should say that soldiers may not have children after that date; and if they do, it has got to be at their own expense, you might say.

Mr. WINKLER: Mr. Chairman, it would be interesting to find out if any members of the committee would express themselves favourable to a date line.

By Mr. Green:

Q. It is unfair in so many ways. It is unfair to the younger men in the forces, to the men who come back after the war and do not marry for five years or so. It means that their children are cut off whereas the children of older men are not. I do not see any ground on which it can be justified unless it is to save money, and that is a very poor place to save money.—A. Having had a date line in the act now for 7 years, I think you will agree that it was reasonable that we should ask the committee whether they wished to put in a date line now for the new war. I mean, it is not a question or 10 years or 15 years. But if there is to be a date line, as I have said before, I think it should be put in well in advance. If there is not one, they should know there is not going to be one.

Mr. GILLIS: Mr. Chairman, I do not think there should be one and I think the one in the old Act with reference to men who served in the last war should be removed. My conception of a pension is that, in addition to being compensation for disability incurred during service, it is to enable a man to take care of his responsibilities. If it is justifiable to pension the children at all on that basis, then I think the need is greater as a man grows older. As a man grows older, his earning power becomes less, and whether there is a date line in there or not, they are going to continue to have children. To enable him to take

care of these responsibilities I think that the date line should be removed from the pension Act altogether, both old and new.

Mr. BRUCE: Mr. Chairman, Mr. Green had spoken about the unfairness to the man who gets married late. I would point out that it is unfair to the children, and that is the reason there should be no date line.

Mr. GREEN: No. But the money is paid to the man, not to the children.

Mr. BRUCE: Is it paid to the man for the children?

Mr. GILLIS: To provide for the children. It is the children who suffer.

Mr. MCLEAN: This amendment is an enlargement of the benefits.

Hon. Mr. MACKENZIE: Yes.

Mr. MCLEAN: That is, this section is not detracting anything from what was in the Act before. It is an extension.

Mr. GREEN: It is not an enlargement, so far as the men of the new forces are concerned. It is a restriction, very definitely.

Mr. MCLEAN: I am speaking now of subsection 9.

Mr. GREEN: No. It is very definitely a restriction so far as the present fighting forces are concerned; because under the Order in Council under which these men are paid now, there is no such restriction at all, is there, Mr. Minister?

Hon. Mr. MACKENZIE: No, I do not think so.

Mr. GREEN: There is no date line for the birth of children?

Hon. Mr. MACKENZIE: No, there is no date line mentioned in any Order in Council. The whole principle in this is, first, continuing the present provisions of the old Act; secondly, augmented allowances; and thirdly, insertion of similar provision for a date line in regard to those now serving. Those are the three principles in this section.

Mr. MCLEAN: When I said there was an enlargement, I meant this brings in pensions for children for whom there were not pensions before. That is, if a man is now getting 50 per cent disability and he dies before these children, there was not a pension for those children until this amendment.

Mr. GREEN: Oh, yes.

Mr. MCLEAN: It was in that regard I said this was an extension.

Mr. GREEN: They had a right to pension before under subsections 9 and 10. It is not enlarging the rights.

Mr. ISNOR: Under the old provisions you gave a leeway of 15 years. In this new Act which you propose for the present war you only allow 10 years. To my mind, that certainly should be changed to 15 years instead of 10.

Hon. Mr. MACKENZIE: Of course, it was not inserted in the old Act until after 15 years, I understood from what was said here this morning.

Mr. ISNOR: It does not matter. From 1918 to 1933 is 15 years.

Hon. Mr. MACKENZIE: Yes.

Mr. BRUCE: May I just make a further observation with regard to what Mr. Green has said. Although the money is paid to the man himself, if the man is less capable because of lack of employment, of earning a sufficient sum to take care of the children, then it is the child that suffers. It does not alter the position.

Mr. GREEN: Oh, yes.

By Mr. Blanchette:

Q. I notice from line 35 of section 13 it reads:—

"the additional pension for a married member of the forces may, in the discretion of the commission, be continued to him for so long as there

is a minor child or are minor children of pensionable age, provided there exists a daughter or other person to assume and who does assume the household duties and care of the said child or children."

Does that mean that in the event of there being no daughter or other person competent to assume the household duties no pension shall be paid, or would that person be replaced by some social organization to take care of the children?—A. If no one is employed there can be no additional allowances paid, sir.

By Mr. Turgeon:

Q. Do they come under the next section as orphans?—A. If the mother dies, in many cases they do go to a social agency of some kind and the commission pays the additional allowance to the social agency.

By Mr. Blanchette:

Q. The commission pays that?—A. Yes. The social agency is considered to be the competent person who assumes the care of the child.

The CHAIRMAN: Shall we now deal with section 14?

The WITNESS: This is the section which provides for certain additional advantages to tubercular pensioners. It was a very cumbersome section to draft, and, after studying it again, I ventured to have another draft prepared which I think more clearly expresses exactly what is intended in section 14.

By this section a tubercular pensioner who during a course of treatment in a recognized institution is found to be in a clinically active state, having served in a theatre of war, on discharge from that institution is to be automatically on 100 per cent pension, and there are certain restrictions on reductions thereafter.

If he has entitlement to pension for tuberculosis aggravated, on discharge from the sanitarium he goes on a 90 per cent pension. It is a beneficial clause for the tubercular pensioners, and the amendment which I have drafted is a substitute for the one that is printed. The one I have circulated carries that principle on in toto to the present war.

By Mr. Turgeon:

Q. Is the amendment proposed simply to bring it in line?—A. Yes; to bring it in line.

By Mr. Green:

Q. Has that been considered by the tuberculosis section of the association? What is that called?—A. The tubercular section of the legion.

Mr. J. R. BOWLER: Mr. Chairman, I can tell you that Mr. Hale, who represents that section, has seen this new draft amendment, and I believe the form of it is satisfactory to him. In any case, I propose to ask permission for Mr. Hale to come before the committee later.

The WITNESS: It carries on the benefits just as they were before.

The CHAIRMAN: Are there any further questions on section 14?

By Mr. Reid:

Q. Yes, I should like to ask a question with reference to the underlined portion.—A. Would you mind using this one, Mr. Reid, because I found it so confusing, even to me, that I got the legal draughtsman to separate them.

Q. Subsection (*c*) reads:—

or was incurred during war service in Canada prior to the 21st day of May, one thousand nine hundred and forty, during the war with the German Reich, or in the case of war service in Canada on or after the 21st day of May, one thousand nine hundred and forty.

Hon. Mr. MACKENZIE: The first period covers the insurance principle.

The WITNESS: It is reserving the right of the insurance principle to the 21st of May.

By Mr. Turgeon:

Q. In connection with the insurance principle, if the committee should recommend a change which would do away with the order in council of the 21st of May, would it automatically affect this?

Hon. Mr. MACKENZIE: Yes.

The WITNESS: Necessarily these would all have to be redrafted.

Hon. Mr. MACKENZIE: Mr. Green, in regard to the question you asked me about the date of minor children, there was a reference in the order in council of the 21st of May to that, as you will see. I think I inadvertently stated there was no reference to it.

Mr. GREEN: That restriction does not apply at the present time?

Hon. Mr. MACKENZIE: Does not apply, no.

The WITNESS: There is an additional section noted on the bottom of page 9 of the printed material which is merely a combination of the two old sections and which expresses the same thing; that is to say, that the occupation or income of the man shall not have any bearing on the pension. It is merely combining those for the purpose of ratification.

Section 15 amending section 26 of the Act refers to helplessness allowance and merely introduces the corresponding rank of the Royal Canadian Air Force to the military and naval ranks which are not in the old Act.

By Mr. Turgeon:

Q. That is all it does?—A. That is all, sir.

The CHAIRMAN: Section 16?

Mr. TURGEON: We will probably be hearing representatives of the widows?

The CHAIRMAN: Yes.

The WITNESS: This section is to provide for the matter if it is desired to put in a limitation on the date of marriage.

By Mr. Green:

Q. In connection with section 16, the present position is that the widow cannot qualify for pension unless she was married before the man got his pension?—A. You mean under the present Act?

Q. Under this amendment?—A. Under the present Act she has to be either married to him before he was awarded pension or before 1930.

Q. I mean as applied to the widow of a man in the fighting forces in this present war; what is the restriction there?—A. We put in "before he was granted a pension."

Q. In other words, you do not even give him ten years?—A. I am not giving it, Mr. Green.

Q. Well, the bill does not even give ten years—A. No. It may be fifteen years.

Q. No, but they have that protection at the present time?—A. Yes.

Q. I am referring to the men of the last war; if they were married before they get a pension the widow had entitlement?—A. Yes.

Q. But now you do not give any time limit in addition to that at all?—A. No.

By Mr. Turgeon:

Q. I take it that the limitation by the year 1930 was put in after 1930? Am I right in that, or was it put in before?—A. No, it was not put in before; it was put in during the year 1930.

Q. But in the year 1930?—A. Yes.

By Mr. Green:

Q. But take the case of a young man coming back from this war and having been wounded and having entitlement to pension. Probably he will not have been married and he marries in two or three years' time; his widow will just be cut off?—A. When he dies, yes.

Q. No matter whether he dies from his pensionable disability or not?—A. Yes.

Q. That is being terribly—terribly tough.—A. It is just exactly what was in the Act before "1930" was put in. Before that date line of 1930 was in, the Act read as this amendment does.

By Mr. Quelch:

Q. Why should we not give the soldiers of this war the same benefit as the soldiers of the last war received.—A. Up until 1930 the soldiers of the last war did not have that privilege. They had to be married before they were awarded a pension.

Q. Then we changed it?—A. That was an additional privilege which brought in everybody who had been married after they were awarded pension up until 1930.

Mr. GREEN: It was found necessary and fair to do that at that time, and why should we now take a step backward and put in an old provision which cuts off the widow unless she is married before?

Hon. Mr. MACKENZIE: There is the possibility of abuses there if you have no definite time limit.

Mr. QUELCH: Should we not have it for the first seven years? We recognize that a pension may be applied for up to seven years.

Hon. Mr. MACKENZIE: I think if you will examine both sides of the matter, you will see there is some justification for it.

The WITNESS: There were the so-called death bed marriages.

By Mr. Isnor:

Q. I was going to draw Gen. McDonald's attention to section 16. Beginning at line 20 this section reads:—

> Provided that no payments may be made under this subsection from a date prior to that from which pension is payable under the provisions of section thirty-seven of this Act.

Has that been repealed, or does it still stand?—A. That still stands. That is the limitation on paying retroactive pensions.

Q. These sections will all be renumbered, and I was wondering whether that was the correct section?—A. That is the correct section.

Mr. GREEN: I think we had better let section 16 of the Act stand over until the next meeting.

Hon. Mr. MACKENZIE: They are all standing over.

Mr. GREEN: I mean without further discussion. I think Gen. McDonald was going to say something about subsection 4.

The WITNESS: That refers to the case of a man who has not been living with his wife and alimony has been awarded. But in many cases that have come before the commission alimony has not been paid, sometimes by agreement, and the man has done nothing towards supporting his divorced wife, perhaps for many years before he died.

By Mr. Green:

Q. Yes, but why did you cut out the words "awarded alimony," and put in the word "received"? In many cases it is impossible in an action to collect the money from the husband even though you have a judgment against him for alimony?—A. Do you think she is entitled?

Q. If she has been awarded alimony by the court I think she should be entitled. The sub-note to your section says "awarded alimony," but the section itself says "receiving alimony".—A. Well, the old section was "awarded". Do you think it should still remain "awarded"?

Q. I think it restricts it too much. I think you should make it "receiving" instead of "awarded." If she has gone to all the expense of getting a decree against her husband and has got an award of alimony, I think that should be sufficient. I know from experience that it will cut out many cases where the women are unable to collect their alimony. If she is entitled to alimony, that is all the department should require, surely.—A. I can quite see there are arguments on both sides. The commission has the power to decline pension where a man has not been maintaining his legal wife. They cannot pay unless he has been contributing to her support for a reasonable time prior to his death.

Q. But there is a restriction in the Act that it is only in the case of a wife being in a dependent condition, so that it would not open the door wide.

Hon. Mr. MACKENZIE: We will consider the point you raised, Mr. Green.

The CHAIRMAN: The committee will adjourn until Tuesday next at 11 o'clock.

The committee adjourned at 1 p.m. to meet Tuesday, March 25, at 11 o'clock, a.m.

APPENDIX

AMENDMENT TO BILL 17

SUGGESTED AMENDMENT TO SECTION 14 (SUBMITTED BY GENERAL MCDONALD)

Suggested alternative amendment to Section twenty-four, subsection three in which members of the forces are divided into the following three categories:—

(*a*) with respect to service during the great war;
(*b*) with respect to service during the war with the German Reich; and
(*c*) with respect to military service other than war service (i.e. peace time service).

14. Subsection three of twenty-four of the said Act is repealed and the following substituted therefor:—

"(3) Pensions for disability resulting from pulmonary tuberculosis when during the treatment of a member of the forces the presence of tubercle bacilli has been discovered in the sputum or it has proved that the disease is moderately advanced and clinically active, shall be awarded and continued as follows:—

(*a*) In the case of a member of the forces who served in a theatre of actual war and whose disease was attributable to or was incurred or was aggravated during *war* service, *during the Great War,* and in the case of a member of the forces who did not serve in a theatre of actual war whose disease was incurred during *war* service during the *said Great War,* a pen-

sion of one hundred per centum shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(*b*) In the case of a member of the forces who did not serve in a theatre of actual war whose disease was aggravated during *war* service during the *Great War,* a pension of ninety per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(*c*) In the case of a member of the forces who served in a theatre of actual war and whose disease was attributable to, or was incurred, or was aggravated during *war* service, *during the war with the German Reich,* and in the case of a member of the forces who did not serve in a theatre of actual war whose disease was incurred *during war service outside of Canada, during the war with the German Reich, or was incurred during war service in Canada prior to the 21st day of May, one thousand nine hundred and forty, during the war with the German Reich, or in the case of war service in Canada on or after the 21st day of May, one thousand nine hundred and forty, arose out of and was directly connected with such war service,* a pension of one hundred per centum shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(*d*) In the case of a member of the forces who did not serve in a theatre of actual war whose disease was aggravated *during war service outside of Canada, during the war with the German Reich, or was aggravated during war service in Canada prior to the 21st day of May, one thousand nine hundred and forty, during the war with the German Reich, or in the case of war service in Canada on or after the 21st day of May, one thousand nine hundred and forty, during the war with the German Reich, arose out of and was directly connected with such war service,* a pension of ninety per centum shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(*e*) In the case of a member of the forces who had service other than war service, as herein defined, whose disease occurred *on service and arose out of and was directly connected with such service,* a pension of one hundred per centum shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(*f*) In the case of a member of the forces who had service other than war service, as herein defined, whose disease was aggravated *during service and the aggravation arose out of and was directly connected with such service,* a pension of ninety per centum shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

Provided that after the expiry of two years no pension awarded in respect of pulmonary tuberculosis shall be reduced by more than twenty per centum at any one time, nor shall reductions be made at intervals of less than six months; and that the provisions of paragraphs (*b*), (*d*) and (*f*) of this subsection shall not apply if the disease manifested itself within a period of three months after enlistment.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

TUESDAY, MARCH 25, 1941

WITNESS:

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

TUESDAY, March 25, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 o'clock, a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: *Messrs.* Black (*Yukon*), Blanchette, Bruce, Casselman (*Grenville-Dundas*), Cleaver, Cruickshank, Emmerson, Eudes, Gillis, Green, Harris (*Grey-Bruce*), Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Mutch, Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Turgeon, Winkler, Wright.—27.

Consideration of the following clauses of Bill No. 17, was proceeded with: 17, 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27.

The Australian and New Zealand Pension Acts were summarized by General McDonald.

It was agreed that representatives of the Canadian Legion of the British Empire Service League be heard at the next meeting.

On motion of Mr. Macdonald, the Committee adjourned at 1.00 o'clock p.m. to meet again Thursday, March 27th, at 11.00 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

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MINUTES OF EVIDENCE

HOUSE OF COMMONS,

ROOM 277, March 25, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

THE CHAIRMAN: Order, gentlemen. At the end of our last session we were discussing subsection 4 of section 16, the question of the receipt of award of alimony. Are there any further questions on that subsection. That is found at page 11.

Hon. Mr. MACKENZIE: I think Mr. Green raised a point and asked to have it reconsidered.

THE CHAIRMAN: We will pass to section 17.

BRIGADIER-GENERAL H. F. MCDONALD, Chairman of the Canadian Pension Commission, recalled.

THE WITNESS: Mr. Chairman and gentlemen, there were one or two questions asked prior to last session by the minister about the awards under section 21 by fiscal years, from its commencement in 1925, and I have here the following table:—

Fiscal Year	No. of Awards
1925-26	12
1926-27	2
1927-28	2
1928-29	7
1929-30	4
1930-31	3
1931-32	..
1932-33	3
1933-34	..
1934-35	40
1935-36	56
1936-37	51
1937-38	53
1938-39	51
1939-40	69
1940-41 (to date)	51

Section 17 is amending 32(*a*), and it reads as follows:—

The widow of a member of the forces whose death results from injury or disease or aggravation thereof which was attributable to or was incurred during his war service during the great war, or which was incurred during his war service in an actual theatre of war during the war with the German Reich, or which was incurred during his war service in Canada prior to the twenty-first day of May, one thousand nine hundred and forty, during the war with the German Reich, or which in the case of war services in Canada on and after the twenty-first day of May, one thousand nine hundred and forty, during the war with the German Reich, and in the

case of military service other than war service, arose out of and was directly connected with such war or military service, shall be entitled to pension,

(*a*) in case of war service during the great war, if she was married to such member of the forces either before he was granted a pension or before the first day of January, one thousand nine hundred and thirty;

(*b*) in case of war service during the war with the German Reich and in case of war service other than military service, if she was married to such member of the forces before he was granted a pension.

(2) No payments shall be made under this section from a date prior to that from which pension is payable under the provisions of section thirty-seven of this Act.

That, of course, is the section which sets the date of marriage. It may be of interest to the committee to hear the historical summary of legislation which covers the date of marriage of widows since the inception of the Act.

The Act of 1919 contained the following provision:—

"No pension shall be paid to the widow of a member of the forces unless she was married to him before the appearance of the disability which resulted in his death."

The argument contained in the report of the committee of that year is as follows:

33. (1) In so far as the man who is killed or dies on service is concerned, pension will only be paid when her marriage to the deceased took place previous to the appearance of the disability from which the man died. No pension will be paid under any circumstances when the marriage took place subsequent to the appearance of the disability.

Strong arguments were put before the parliamentary committee in favour of pensioning widows who had married returned men who died as the result of their services, but the committee refused to recognize such widows for the following reasons.

First, the widow knew, or should have known, that her husband had, on account of his disability a less chance of livelihood than the normal man, and married him in the full knowledge of that fact;

Second, from the experience of the United States it was clear that deathbed marriages for the sole purpose of securing pensions would be of frequent occurrence; and

Third, also from the experience of the United States, it was clear that many marriages between aged pensioners and young girls would take place for the sole purpose of securing pension. Figures were brought to the attention of the committee which showed that in the United States pensions were still being paid to the widows of men who fought in the war of 1812. It was thought that Canada should not adopt a principle which would allow of pensions being paid to widows in 2026 on account of husbands who served in this war.

In the amendments of 1928 this proviso was repealed and the following substituted:—

(i) No pension shall be paid to the widow of a member of the forces unless she was married to him before the appearance of the injury or disease which resulted in his death,—

(*a*) unless the injury in respect of which he was pensioned or entitled to pension would not shorten his expectancy of life; or

(*b*) unless he was not chronically ill of a pensionable disease and not in receipt of pension in respect thereof.

Subsection (1) of section 32 was repealed and redrafted in *1928*. It was urged before the special parliamentary committee of that year that it was unfair to penalize certain widows who had married ex-members of the forces and pensioners in good faith since their discharge from the army and knew absolutely nothing about the injury or disease resulting in disability for which their husbands were pensioners or were entitled to pension, although such injury or disease had in fact appeared before the date of marriage. Consequently, this amendment was passed to qualify a widow who had married presumably in good faith.

The committee will readily see that these amendments were very confusing and proved to be of no practical benefit to the widows it was designed to relieve. It was found that there was practically no pensionable disability which would not shorten a man's expectancy of life, unless it were in the nature of an amputation, fracture, sprain, etc., and as the man would be unlikely to die as a result of such pensionable disabilities as these the widow obtained, therefore, no tangible advantage.

The portion referring to being "chronically ill of a pensionable disability" proved practically impossible of administration and fair adjudication. In 1930 this subsection was repealed and an entirely new section 32A was substituted.

32A. (1) The widow of a member of the forces whose death results from an injury or disease or aggravation thereof which was attributable to or was incurred during his military service shall be entitled to pension if she was married to such member of the forces either before he was granted a pension in respect of such injury or disease or before the first day of January, 1930.

(2) Nothing in this section shall be deemed to authorize the payment of any pension in respect of any period prior to the first day of January, 1930.

This section was the first positive declaration of the widows' right to pension since the inception of the Pension Act. As stated the former legislation had been entirely inadequate for the protection of a large class of widows. These widows had married their husbands in good faith and without an ulterior motive with regard to receiving pension at their death. Strong representations had been made on their behalf before every special parliamentary committee since 1919. In 1928, it was thought that a certain measure of relief had been granted, but as previously stated, the amendment of that year proved to be of no practical assistance. It was urged before the parliamentary committee of 1930 that the old requirement of marriage before the appearance of the injury or disease should be done away with entirely, and that every widow who had married within a certain period after the termination of the war should be eligible for pension irrespective of whether marriage took place before or after the appearance of the injury or disease resulting in her husband's pensionable disability. It was finally decided to enact section 32A giving any widow who was married prior to the first day of January, 1930, the right to pension if her husband's death was the result of injury or disease which was attributable to, incurred on, or aggravated by service.

With respect to marriages subsequent to that date, it was thought that a rule similar to the old one should apply, and widows in that category were declared to be eligible only if married before the granting of pension to their husbands. It was further decided that it was sufficient if relief were granted to these widows as from the 1st January, 1930, and consequently, a proviso was added that no retroactive payments should be made in respect of any period prior to that date.

Perhaps there is another question which has a bearing on this if the committee would like to hear these historical things. It is more or less interlocked with the additional allowances and restrictions contained May, 1933. The clause which is at present in the Act and which was assented to May 23, 1933, says:—

"Notwithstanding any thing contained in this or any other Act, no pension, or additional pension, awardable or payable under the provisions of this Act, shall be awarded or paid,—

(1) under Schedule A or Schedule B of this Act, to or in respect of,—

(*a*) any child of a member of the forces or pensioner, if such child shall have been born on or after the first day of May, 1933;

(*b*) the daughter, or other person who, on the death of the wife of a pensioner or on the death of a widow of a member of the forces who has been in receipt of a pension, shall have assumed the household duties, and care of the minor child or children of the pensioner or the widow, as the case may be, on or after the date aforementioned.

(2) under Schedule A of this Act, to or in respect of the wife of a member of the forces or pensioner, if she shall have been married to him on or after the date aforementioned."

I have not been able to find any discussion of this amendment in Hansard or in any parliamentary committee of that year. As the committee knows, there were other broad amendments made to the Pension Act in that year—the principle of the matter of procedure—that is 1933; and this amendment was introduced then, but no proceedings were recorded of the special parliamentary committee of that year, and I am unable to find any note. However, in *Hansard* of the House of Commons No. 94, 24th April, 1933, in reference to this matter, the Hon. E. N. Rhodes, then Minister of Finance, made this statement:—

. . . . . The whole position has been the subject of careful review at two conferences, the first held on March 24, and the second on April 19. At these conferences, the following were present, representing their respective organizations:—

Major John S. Roper, M.C., K.C., President, Canadian Legion, British Empire Service League.

Mr. J. R. Bowler, Canadian Legion, British Empire Service League.

Mr. Richard Hale, representing Tuberculous Reference Section, Canadian Legion.

Colonel W. C. H. Wood.

Captain C. P. Gilman.

Doctor P. B. Mellon, representing Army and Navy Veterans in Canada.

Mr. Frank G. J. McDonagh, representing Canadian Pensioners' Association of the Great War.

Captain (Reverend) Sydney E. Lambert, Dominion President of the Amputations Association of the Great War.

Captain A. E. Baker, M.C., representing the Sir Arthur Pearson Club of Blinded Soldiers and Sailors.

Mr. Richard Myers, representing Amputations Association of the Great War.

[Brigadier-General H. F. McDonald.]

After full discussion it was agreed that there would, for the present, be no interference with the existing procedure, but it was agreed:—

1. That any consideration of a general readjustment of the rate of pensions should be postponed until the next session of parliament.
2. That an amendment shall be made to the Income War Tax Act providing that pensions shall be subject to income tax.
3. That on and after May 1, 1933, there are to be no additions of dependents to the list of those who are eligible, or who may become eligible for pensions. . . . . .

Apparently, the amendment referred to was introduced in the Senate and referred back to the House of Commons with no debate recorded on it whatever.

Now, this amendment we are discussing was put in at the start: that the widow is to be married to a member of the forces before he is granted a pension.

By Mr. Green:

Q. Coming back to old principle— —A. It was the same procedure put in at the conclusion of the last war and subsequently enlarged.

Q. Would it be fair to say that in this Bill 17 there is absolutely no improvement made in the provision for the widow of the soldier who served in the last war, and that so far as the widows of soldiers serving in the present war the rights are restricted in that unless a widow is married to a soldier before his disability has incurred she cannot get a pension?—A. No, there is no restriction; that provision as it refers to soldiers of the last war is in the present Act.

Q. The widow of a soldier of the last war who was married to him before the 1st January, 1930, can get a pension whether he got a pension before or after marriage?—A. Yes; and if she is married to him after 1930 she still can get the pension, if she was married to him before he was awarded the pension.

Q. So far as the new army is concerned they are cut right off. Unless a man is married before he gets his pension the widow is not entitled to anything?—A. Yes, that is in this section.

By Mr. Quelch:

Q. If the insurance principle is restored, then automatically section 32 (*a*) would be changed?—A. The earlier part?

Q. Would be changed?—A. Yes.

Mr. CRUICKSHANK: I received a complaint from a young man in Halifax regarding this matter, which perhaps should have gone to Mr. Isnor. I cannot see the sense in having it stated that a man has to get married before 1930. I can see it in a personal way, as I did not get married before 1930—I did not have enough dough. But I cannot see this discrimination.

The WITNESS: You are speaking about the old Act?

Mr. CRUICKSHANK: I am speaking about the underlined part of section 32 (*a*) which says that a man must be married prior to 1930. Why the discrimination? There were a great many men of my own age, sixteen and seventeen who joined the army; are they to be discriminated against? There were hundreds across Canada who did not get married prior to 1930. The present minister is not married yet, and he may be getting married any day. It is most unfair discrimination to confine it to 1930.

This complaint which I received from Halifax is the complete history of eleven cases in Halifax.

Mr. ISNOR: What is the name of the man who sent it?

Mr. CRUICKSHANK: I will give you a copy of the letter. It is most unfair, as I see it, to confine it to 1930.

I had a delegation the other day representing 280 widows from one association alone, and these widows now are not eligible for pension. I cannot conceive of any parliament discriminating against these women.

Hon. Mr. MACKENZIE: What you are saying is that the former parliament was wrong.

Mr. CRUICKSHANK: Absolutely. I think we have such a representative body of veterans on this committee that—

Hon. Mr. MACKENZIE: They always had the same. The veterans were always on this committee.

Mr. CRUICKSHANK: But they did not have the same class of members in the previous committees.

Mr. MUTCH: We have been over all this before.

Mr. CRUICKSHANK: I think we must have broader scope in which to cover these widows. In my own district I could name many widows of veterans who are now on relief, and that is no credit to us. As I see it, it is for this committee to find some way in which to amend the Act so that these widows will not be placed in that position. Speaking for the younger men of the last war, I strenuously object to the clause which says they have to be married prior to 1930. I think they are both unfair. If we are going to take only what was passed before, what is the use of our sitting here?

Mr. QUELCH: I take it that we will discuss the whole question of widows' pensions. Under this section a widow is not eligible for a pension unless she can prove that her husband died as a result of war service, or that he had a 50 per cent disability. I believe that public opinion to-day is very much in favour of that 50 per cent disability being removed. When a man is married, automatically his wife is taken care of; in other words, the government recognizes that a married soldier is entitled to a higher pension than a single soldier. Then why, if that soldier dies, should we cut off the whole of her pension unless the wife can prove absolutely that he died as a result of war service? Surely, if a man is married and receiving a pension, the widow should receive a pension if he does. I will not say what amount of money, but, unquestionably, she should receive a pension, because we have recognized the fact that we have certain responsibilities, in view of the fact that we increase the amount of his pension if he is married. What possible justification can there be for that? I think we should wipe out that fifty per cent disability clause entirely.

Coming back to section 32 (*a*), I wonder if anybody in this committee could possibly justify that clause. It seems such absolute nonsense. It is nothing more or less than silly. We say we will pay a pension to a widow if her husband dies as a result of an injury sustained prior to May, 1940, and yet, if he dies as a result of a disability received after that date, she gets no pension. I should like to hear somebody try to justify that clause. It sounds to me so absurd. On the other hand, I think General McDonald has admitted that if the insurance principle is replaced in the Act, that would automatically be wiped out, as there would be no sense in it.

The WITNESS: Not the date of marriage.

By Mr. Quelch:

Q. But the part as to whether the injury was sustained prior to the 21st of May, 1940, would be wiped out?—A. Yes.

Q. What possible justification is there for that in the Act?—A. We have been discussing it.

By the Chairman:

Q. May I ask General McDonald what has been done in other countries in this particular matter?—A. This is a memorandum on the basis of entitlement in the United Kingdom:—

Disability Pensions:

An essential condition for the award of a pension for disability is that such disability shall be certified by a medical board or medical officer appointed or recognized for the purpose by the minister to be attributable to military, naval or air service during the war. A disability cannot be accepted as attributable to service unless it is certified as either—

(*a*) directly attributable thereto, or

(*b*) due to a wound, injury or disease which arose during or existed before service in the war and which was aggravated by such service to a material extent and remains so aggravated.

There must be good and sufficient evidence to justify certification. A disability cannot be certified as attributable if it is due to the member's serious negligence or misconduct (i.e. straight attributability principle applies throughout service).

Death Pensions

The primary condition for any grant is that death was due to or materially hastened by a wound, injury or disease directly attributable to war service; or was due to a wound, injury or disease which arose during war service or existed before such service, and was aggravated by war service to a material extent, and but for such aggravation death would not have taken place or was hastened by such aggravation. A grant is only admissible provided death,

(*a*) was not in any substantial measure due to or hastened by the member's own serious negligence or misconduct, or—

(*b*) took place not more than seven years after the receipt of the wound or injury, or the first removal from duty on account of the disease which caused or hastened death, or, if there was no such removal from duty, the termination of the man's war service (i.e. straight attributability principle applies throughout service).

Restrictions Placed Upon Widow

A widow is not eligible for widow's pension if her marriage took place after,

(*a*) the end of the war; or

(*b*) the termination of her husband's service; or

(*c*) the receipt of the wound or injury which caused his death, or his first removal from duty during the war on account of the disease which caused his death.

whichever is the earlier date. If, however, her husband gave further service after the date referred to in (*c*), and during and as a result of that service suffered a material aggravation of his disability which persisted until his death, the date for the purpose of this para. may be that of the later removal from duty during the war on account of the disability, or, if there was no such later removal, the date at (*a*) or (*b*), whichever is the earlier.

AUSTRALIA

Basis of Entitlement

Disability Pensions:

These are divided into two classes dependent upon whether or not the member of the forces concerned was employed on active service outside of Australia during the war.

Service Outside Australia

In the case of actual service outside Australia pension is paid in all cases where disability is incurred during the period from the date of enlistment for active service outside Australia and the date of termination of such service, provided that the disability is not caused by misconduct (i.e. the insurance principle is applied during the whole period of service).

Service in Australia

In the case of service in Australia and where the enlistment is solely for the duration of the war and not for service outside Australia, pension is paid to the member of the forces for a disability which is directly attributable to his employment as such member and which is not caused by his misconduct (i.e. the attributability principle applies here throughout service).

By Mr. Green:

Q. Is that for this war or the last war?—A. This war.

By Mr. Macdonald:

Q. When was the Australian Act passed?—A. Since the commencement of this war, in 1940.

Q. Do you know if there is a committee sitting in Australia considering the revision of that Act?—A. Now?

Q. Yes.—A. I believe there is a committee sitting on general rehabilitation problems.

Q. Including pensions payable to soldiers?—A. I have not the terms of the reference to that committee, but I believe that is included.

Death Pensions

The same rules as above set forth apply with relation to pensions for death. That is to say, the insurance principle applies from date of enlistment to date of discharge in all cases where the member of the forces has been employed on active service outside Australia during the war. While with reference to service solely in Australia during the war it must be shown that the death of the member of the forces was directly attributable to his employment as such member.

Restrictions Placed Upon Widow

A widow is only entitled to grant of pension in cases,

(*a*) where marriage takes place either previous to or during service, or

(*b*) where marriage takes place within seven years subsequent to the termination of the war or within seven years subsequent to her husband's discharge from the forces, whichever first happens.

By Mr. Green:

Q. That means that in Australia, providing the marriage took place within seven years after the war, the widow can qualify for pension?—A. I would read it so.

Mr. MACDONALD: That is not as generous as our Act.

Mr. GREEN: That is more generous.

Mr. MACDONALD: I am talking about the present Act.

The WITNESS: The present Act, no, it is not as generous.

Mr. MACDONALD: This bill is not passed yet.

Mr. GREEN: General McDonald is reading about the provisions covering men serving in this war, not in the last war. We do not know what they were in the last war. In so far as the men in this war are concerned, the provisions are far broader than in our present bill.

Mr. MUTCH: You are quite right, in connection with proposed legislation.

Hon. Mr. MACKENZIE: Not in regard to the insurance principle but in regard to the date of marriage for widows.

By Mr. Macdonald:

Q. According to the Canadian Act, if a pensioner married up to January 1st, 1930, an allowance was also paid to his wife; is that correct?—A. There pension can be paid to the widow, but in regard to the additional allowance paid for the wife the date is 1933.

Q. I am trying to compare the Australian Act with the Canadian Act as it now stands. Under the Canadian Act pensions are paid to widows if they were married before 1930?—A. Yes, sir.

Q. Under the Australian Act, they would only be paid if they were married up to 1925?

Mr. GREEN: He has not said that yet.

By Mr. Green:

Q. You have not told us what the provisions were for the last war?—A. No, I have not. These are for the new legislation.

By Hon. Mr. Mackenzie:

Q. Are you sure of that?—A. Yes.

By Mr. Macdonald:

Q. What you are reading now, General McDonald, has reference to the present war only?—A. It is in regard to the present war only. I cannot give any details at the moment from memory what their situation was in regard to the last war.

Mr. MACDONALD: That is what I wanted to clear up.

The WITNESS:

NEW ZEALAND

BASIS OF ENTITLEMENT

Disability Pensions

These are divided into two classes dependant upon whether or not service takes place overseas during the war.

Service Overseas

In case of service overseas pension is paid in all cases,

(*a*) where the disability of the member of the forces actually occurs during service overseas (i.e. insurance principle), or

(*b*) where the war pensions board is satisfied that the disability is attributable to service overseas, or in the case of aggravation, that the aggravation has been caused by such overseas service (i.e. attributability principle.)

Service in New Zealand

In case of service in New Zealand pension is paid in any case

(*a*) where the disability is attributable to service in New Zealand during the war, or

(*b*) where the War Pensions Board is satisfied that the condition which has resulted in disability has been aggravated by service in New Zealand during the war (i.e. in paragraphs (*a*) and (*b*) above the straight attributability principle applies to service in New Zealand during the war).

Death Pensions

The same rules as above set forth apply in relation to pensions for death dependant upon whether service was overseas or in New Zealand during the war.

Restrictions Placed Upon Widow

In cases where marriage takes place after discharge from the forces a widow shall not be entitled to pension if,

(*a*) the death of her husband occurs within one year after date of marriage, and

(*b*) at the date of his marriage the husband had not, in the opinion of the board, a reasonable expectation of surviving for at least one year thereafter.

By Mr. Green:

Q. In other words, that restriction is put in to avoid deathbed marriages?—A. That is it.

Q. Is that not really the only argument there is against paying pensions to widows of soldiers at any time regardless of when they were married? Is that not the main argument against it?—A. I have read you the arguments that were put before parliament.

Mr. MUTCH: Are you advocating pensions for widows on a service basis?

By Mr. Green:

Q. Is that not the main argument that has to be met?—A. My personal opinion, Mr. Green, is that something along the lines of the New Zealand principle has a good deal to recommend it. But that is only my personal opinion.

By Mr. Macdonald:

Q. Is there any time limit for marriage in the New Zealand Act?—A. Just the one I have quoted.

By Mr. Turgeon:

Q. Would you mind reading that again?—A. "In cases where marriage takes place after discharge from the force a widow shall not be entitled to pension if,

(*a*) the death of her husband occurs within one year after date of marriage, and

(*b*) at the date of his marriage the husband has not, in the opinion of the board, a reasonable expectation of surviving for at least one year thereafter."

Q. That is regardless of the cause of death, is it?—A. The basic entitlement is attributability to service.

Q. But if he dies within one year from the date of marriage from causes not connected with his war service, is she allowed a pension? That is what I have in mind.—A. Yes, I see your point, Mr. Turgeon. I would not like to say offhand. If I may, I should like to ask Mr. Bridges if he knows offhand.

Mr. BRIDGES (Dept. of Pensions and National Health): In view of the fact that the section postulates that the husband must have died from a service-related disability, I do not think that question would arise.

By Mr. Turgeon:

Q. I am wondering about a man who dies within a year of his marriage from the result of an accident or something not connected with his war service. —A. He would not be entitled to pension.

By Mr. Green:

Q. May I get this clear? As I understand it from that clause, if the soldier dies within one year after his marriage the widow will not get a pension?—A. She would not.

Q. If it is one year from the date of the marriage?—A. Yes.

Q. Otherwise, there is no time limit?—A. That is as I read it.

By Mr. Quelch:

Q. You say she would not get a pension, but if the soldier had a fifty per cent disability the widow would get a pension.—A. You are referring to the New Zealand Act?

Q. I am thinking that if we could combine the two, it would be better to have it embodied in the Act, and have it understood that if he died as a result of an accident within one year the pension would be paid provided he had at least a fifty per cent disability. I say that if it is decided to keep the fifty per cent disability in, but I hope it will be removed entirely. I think we could model our Act after the New Zealand Act in that regard.—A. Perhaps I could go on with this and put it all on the record.

SOUTH AFRICA

BASIS OF ENTITLEMENT

Disability Pensions

In South Africa disability pensions are granted in respect of disabilities which are either attributable to or aggravated by military service during the war and which are not due to serious negligence or misconduct. (Here we have the straight attributability principle).

Death Pensions:

Subject to any serious negligence or misconduct causing the husband's death a widow is entitled to pension,

(*a*) if her husband is killed or dies while on military service during the war (i.e., here we have the straight insurance principle where death occurs on service).

(*b*) if he dies within seven years after discharge as a result of wounds received during and as a consequence of such service during the war (i.e., the attributability principle applies here as death must result from wounds or injuries received not only during service but as a consequence of such service).

(c) if he dies within seven years after discharge of disease or physical impairment resulting in disease contracted or aggravated while on military service, which disease or aggravation or physical impairment resulting in disease is consequent upon such service (i.e., the attributability principle applies also here as the disease or aggravation or physical impairment must be shown not only to have occurred on service but also to have been consequent thereupon).

Restrictions Placed upon Widow:

A widow is not entitled to grant of pension in any case,

(a) where marriage takes place after the end of the war or after termination of her husband's service, or

(b) where marriage takes place during service but subsequent to the receipt of the wound or injury which causes death, or

(c) where marriage takes place after the husband's removal from duty on account of contraction or aggravation of the disease which causes his death.

Reduction in Rate of Pensions in Respect of Non-European Volunteers

The amount of pension payable to non-European volunteers and their dependents shall be at three-fifths the rates applicable to European volunteers and their dependents.

That is all legislation in respect of the present war on the matter of pensions. I have some extracts from the United States legislation which has, of course, reference to the Great War only.

UNITED STATES

Disability Pensions for Service Related Disabilities

Disability pensions for service related disabilities are paid in cases in which the disability was *incurred in or aggravated by actual service and in the line of duty.* To be entitled to disability pension the veteran must have served during an enlistment or employment entered into or extending into the period from April 6, 1917, to November 11, 1918, inclusive, and to have been honourably discharged. Disability must have occurred in or have been aggravated by service during such enlistment and prior to July 2, 1921, and must not have resulted from misconduct.

Conclusive Persumption in Certain Cases of Active Tuberculosis and Spinal Meningitis

Cases of active tuberculosis and spinal meningitis which have been shown to have existed to a 10 per cent degree or more by January 1, 1925, are conclusively presumed to be due to a person's military or naval service for the purpose of an award of disability pension.

Disability Pension for Non-Service Related Disabilities (Veterans' Allowance)

Any World War veteran who served in the active military or naval service for a period of 90 days or more and was honourably discharged or who having served less than 90 days was discharged for disability incurred in or aggravated by the service in line of duty and who was in the service before November 11, 1918, or if he served with the United States military forces in Russia, was in the active military service prior

to April 2, 1920, may be entitled to receive a pension of $30 per month for *permanent and total disability* if not the result of his own misconduct and if not shown to have been incurred in any period of the military or naval service.

This pension is not payable if the veteran's income (term or converted insurance and adjusted compensation not considered as income) if unmarried exceeds $1,000, or if married or with minor children exceeds $2,500.

Death Pensions where Death is Related to Service

The same rules as above set forth in respect of service related disabilities apply with relation to pensions for death. That is to say, death pensions are payable in cases in which a deceased veteran died as a result of injury or disease *incurred in or aggravated by* active military or naval service during the world war.

The amount of a widow's pension is also dependent upon whether she has or has not attained the age of 50 years. If under 50 years of age the pension is set at $38 per month. If 50 years or over the amount of pension is $45 per month. These pensions are subject to appropriate additional allowances in respect of each minor child.

Death Pensions for Deaths not Related to Service

The widow of a world war veteran who was at the time of his death in receipt of or entitled to receive a pension of 10 per cent or over, is entitled to a pension of $30 per month with appropriate additional allowances for each minor child in cases in which the husband's death was not related to his service. In order to qualify for such pension the widow's annual income, if without children, must not exceed $1,000, or, if with children, must not exceed $2,500.

Restrictions Placed upon Widow

In all cases of pension for death, whether related to service or not, the widow must have been married to the veteran prior to May 13, 1938.

By Mr. Macdonald:

Q. That is a very excellent summary.—A. Thank you. It is the very latest information we have from the various countries.

Hon. Mr. MACKENZIE: Some information was given to the British parliament on February 18, 1941, at page 122. Members might like to look at it in the library.

The CHAIRMAN: Are there any further questions on section 17? If not, we shall take section 18.

The WITNESS: Section 18, section 19 and section 20 are all concerned with the payment of supplementary pension to pre-war residents of Canada who served in the Imperial or other than Imperial forces. Section 18 and section 19 are just carrying on the present provisions of the present Act in respect of men and women who served in the last war and making it applicable by the change of the definition of war.

By Mr. Turgeon:

Q. There is no other change?—A. There is no other change. Section 46 is the section which is designed to apply to this war, and perhaps the following—

By Hon. Mr. Mackenzie:

Q. You said section 46. You mean section 20, do you not?—A. Section 20, I should say. The following will be of interest as providing a background for this enactment:—

"The memorandum of agreement between the governments of the United Kingdom, Canada, Australia and New Zealand relating to training of pilots and aircraft crews in Canada and their subsequent service makes provision for the training of a large number of Canadian personnel to serve in the air overseas.

Under this agreement the Canadian pupils are enlisted into the Royal Canadian Air Force as aircraftmen class II and during their training they may rise to various non-commissioned ranks. During the period of their training in Canada they will receive pay and allowances at the rates and subject to the conditions laid down from time to time in financial regulations and instructions for the Royal Canadian Air Force on active service. Except for a limited number of successful pupils who may be selected for commissioned rank in the Royal Canadian Air Force (general list) the trained output of the training schools will proceed overseas for service with the Royal Air Force.

On embarkation for service with, or in conjunction with, the Royal Air Force these officers and airmen will then be paid by the Royal Air Force in accordance with the conditions laid down in King's regulations and air council instructions for the Royal Air Force.

If the pay and allowances admissible under Royal Canadian Air Force regulations should exceed those admissible under Royal Air Force regulations, any difference issued by the government of Canada will be so issued as deferred pay either on termination of service or otherwise in special circumstances.

The memorandum of agreement also provides that the government of the United Kingdom will provide pensions and other non-effective benefits from the date of embarkation. The pensions for which the government of the United Kingdom undertakes liability will be as laid down in Royal Air Force regulations. It is further provided that should it be decided by the government of Canada to supplement the amount so issued any such supplement would be borne by that government.

Reference to a comparison between the rates of pension as furnished by the British Ministry of Pensions and the rates as provided in the Canadian Pension Act (see appendix "A") shows that the latter are in all cases substantially in excess of the British rates.

The following information is submitted to assist in the determination of the Canadian government policy in regard to the supplementation of pensions awarded by the British Ministry.

The only financial responsibility which the Canadian government undertook in respect of pre-war residents of Canada who served in the British forces during the war of 1914 is outlined in sections 45 and 46 of the Pension Act.

45. When a person of the rank of warrant officer or of a higher rank who was domiciled and resident in Canada at the beginning of the war has been awarded a smaller pension than he would have been entitled to under this Act for a disability incurred during the war in any of His Majesty's naval, military or air forces other than the naval, military or air forces of Canada, he shall, on resuming his residence in Canada and during the continuance of such residence, be entitled to such additional

pension as will make the total of the two pensions received by him equal to the pension he would have been awarded in respect to such disability, had he been serving in the military service of Canada. 1919, c. 43, s. 46; 1920, c. 62, s. 25.

46. When a person of the rank of warrant officer or of a higher rank in any of His Majesty's naval, military or air forces other than the naval, military or air forces of Canada or when a person in the naval, military or air forces of one of His Majesty's allies who was domiciled and resident in Canada at the beginning of the war has died during the war or thereafter as the result of a disability incurred during the war or demobilization and his widowed mother, mother whose husband is both physically helpless and in a dependent condition, widow or children have been awarded a smaller pension than they would have been entitled to under this Act in respect of his death, such widowed mother, mother whose husband is both physically helpless and in a dependent condition, widow or children shall be entitled, during the continuance of their residence in Canada, to such additional pension as will make the total of the two pensions received by them equal to the pension that would have been awarded if the person aforesaid had died in the military service of Canada. 1919, c. 43, s. 47; 1925, c. 49, s. 11.

These sections provide for the augmentation of pensions awarded by the British Ministry of Pensions to Canadian rates where these rates are greater than the Imperial ones. As however, the payment of such augmentation is predicted around an actual award of pension by the British Ministry it does not ensure to these men all the benefits which are provided for Canadian soldiers in the Pension Act. There are certain awards which can be made to a Canadian soldier by the pension commission which are not made by the British Ministry.

Section 32 of the Pension Act provides that the widows of men who were at the time of their death in receipt of pensions at 50 per cent or over are automatically entitled to pension irrespective of the cause of their death. There is no such provision in the British legislation; they do not award a widow's pension unless the cause of death is service related.

Another point is that the British regulations provide for the payment of a lump sum gratuity for disabilities below 20 per cent. The Canadian Act provides for monthly pensions down as low as 5 per cent, below which a lump sum payment is made. Thus an Imperial pensioner may have received his final payment although he has a disability of say 15 per cent. He would receive no additional amount from the Canadian government as there is nothing to supplement.

It will be noted that the above legislation refers only to personnel of the rank of warrant officer and above. These are the only classes for which the Canadian government assumes any additional responsibility and of course form only a small proportion of the total number of pre-war residents of Canada who served in the Imperial forces.

With respect to personnel below the rank of warrant officer, an agreement was reached in 1919 between the British and Canadian governments under which the British government undertook to pay Canadian rates of pension in respect of men *below* warrant officer and commissioned rank who were bona fide residents of Canada or U.S.A. on 4th August, 1914 (and until their enlistment if later), in order that such men should not suffer by reason of enlistment into Imperial units instead of units of the C.E.F.

This concession, generally known as the Canadian option scheme, may be described briefly as an option offered to such men and their dependents to elect the benefits of either the British or the Canadian scheme of pension for so long as they continue to reside in Canada or U.S.A. Entitlement to pension had to be determined in accordance with the British rules and, in essence, the option was a question of *rates* of pension and allowances. The option could only be exercised within a limited period, which expired in August, 1922, and only pensioners who returned to Canada or U.S.A. within twelve months of discharge or demobilization were entitled to exercise it. The right to receive pension at Canadian rates is forfeited and cannot be restored if the pensioner resides outside Canada or the U.S.A. for more than twelve months.

The effect of both these arrangements was only to ensure that pensions awarded by the British government could be paid at Canadian rates; they did not give the full benefits to which Canadians were entitled under the Canadian Pension Act.

The financial burden upon either government imposed by the operation of the two plans above referred to has not been great. The Canadian government is fulfilling its undertaking in respect of 255 pensioners involving an annual liability of $47,109. The government of the United Kingdom has at the present time in Canada 777 pensioners who have availed themselves of the benefits of the Canadian option scheme.

By the terms of the memorandum of agreement the responsibility for the augmentation of pensions assumed by the Canadian government will apply to non-commissioned as well as commissioned ranks. The information furnished by the Royal Canadian Air Force is to the effect that about 20 per cent only of the flying personnel in the field will be of commissioned rank, at the approximate average grade of flying officer. The remainder will be non-commissioned officers at the approximate average rank of sergeant.

The aim of the joint air training scheme is to make available a supply of Canadian flying personnel to the Royal Air Force. Any estimate of probable casualties is based upon so many unpredictable factors that it cannot be made with any degree of accuracy. Any estimate of future pension liability which would have to be assumed by the Canadian government is based upon the following variable and uncontrollable premises:—

(1) Number of casualties
(2) Ranks of the casualties
(3) Family status of the casualties

From the results of examinations made by the pension commission in the light of such experience and information as can be relied upon it can be estimated, however, that the liability to Canada required to place this class of personnel on full pension parity with other members of the active service forces of the dominion will amount to not less than $150,000 per annum per thousand of flying personnel sent overseas, and may exceed this amount substantially.

Under the presently existing pension legislation there is no enabling authority to provide for such supplementary payments.

The Canadian personnel selected for training under the joint air training scheme enlist in the Royal Canadian Air Force and so long as they are members of that force are entitled to all the privileges and benefits provided by the Canadian Pension Act: if on completion of their training a substantial portion of them, under circumstances over which

they have no control, are required to serve in the Royal Air Force, if disabled or killed during their service with that force the benefits to which they are entitled are less than those which they previously enjoyed.

The whole enterprise is regarded by the people of Canada as one of their most significant contributions to the war effort and in the main, essentially a Canadian one. The personnel are specially chosen from the best type of Canadian youth both in respect of mental and physical capacity, and having once enlisted for this adventure have no further individual choice as to how or where they shall serve.

While the above discussion applies primarily to members of the Royal Canadian Air Force and the Royal Air Force who it is anticipated will form much the largest group to which the beneficial provisions of this section will apply, the legislation includes all pre-war residents of Canada who enlisted, or have enlisted in the forces of the United Kingdom subsequent to September 1, 1939. It provides not only for the actual augmentation of the rate of pension as awarded by the United Kingdom authorities, but also provides that the pensioner will get the ancillary benefits provided by the Canadian Pension Act which have been hitherto lacking in the United Kingdom legislation.

TABLE SHOWING ROYAL AIR FORCE RATES OF PENSION AND AMOUNTS REQUIRED TO AUGMENT THESE TO EQUAL CANADIAN RATES

AMOUNTS SHOWN ARE ANNUAL PAYMENTS IN CANADIAN FUNDS AT $4.86⅔ TO THE POUND STERLING

—	100% Single Man		20% Single Man		100% Man and Wife		20% Man and Wife		100% Man, Wife and 1 child		20% Man, Wife and 1 child		100% Man, Wife and 2 children		20% Man, Wife and 2 children	
	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.	R.A.F.	Can. Supp.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Sergeant	495 59	404 41	99 12	80 88	601 03	598 97	120 21	119 79	680 12	699 88	136 02	139 98	743 38	780 62	148 68	163 32
Flight Sergeant	527 22	372 78	105 44	74 56	632 67	567 33	126 53	113 47	711 75	668 25	142 35	133 65	775 02	748 98	155 00	157 00
Warrant Officer, Class II	558 86	341 14	111 77	68 23	664 30	535 70	132 86	107 14	743 38	636 62	148 68	127 32	806 65	717 35	161 33	150 67
Warrant Officer	590 49	309 51	118 10	61 90	695 93	504 07	139 19	100 81	775 02	604 98	155 00	121 00	838 28	685 72	167 66	144 34
Pilot Officer Flying Officer	851 67	48 33	170 33	9 67	997 67	202 33	199 53	40 47	1,119 33	260 67	223 87	52 13	1,216 67	307 33	243 33	68 67
Flight Lieutenant	973 33	26 67	194 67	5 33	1,119 33	180 67	223 87	36 13	1,241 00	239 00	248 20	47 80	1,338 33	285 67	267 67	64 33
Squadron Leader	1,095 00	165 00	219 00	33 00	1,241 00	319 00	248 20	63 80	1,362 67	377 33	272 53	75 47	1,460 00	424 00	292 00	92 00
Wing Commander	1,216 67	343 33	243 33	68 67	1,362 67	497 33	272 53	99 47	1,484 33	555 67	296 87	111 13	1,581 67	602 33	316 33	127 67
Group Captain	1,460 00	430 00	292 00	86 00	1,606 00	584 00	321 20	116 80	1,727 67	642 33	345 53	128 47	1,825 00	689 00	365 00	145 00
Air Commodore	1,581 67	1,118 33	316 33	223 67	1,727 67	1,272 33	345 53	254 47	1,849 33	1,330 67	369 87	266 13	1,946 67	1,377 33	389 33	282 67
Air Vice Marshal	1,703 33	996 67	340 67	199 33	1,849 33	1,150 67	369 87	230 13	1,971 00	1,209 00	394 20	241 80	2,068 33	1,255 67	413 67	258 33

TABLE SHOWING ROYAL AIR FORCE RATES OF PENSION FOR WIDOWS OF OFFICERS AND MEN AND AMOUNTS REQUIRED TO AUGMENT THESE TO EQUAL CANADIAN RATES

AMOUNTS SHOWN ARE ANNUAL PAYMENTS IN CANADIAN FUNDS AT $4.86⅔ TO THE POUND STERLING

—	R.A.F. scale	Canadian Supplement
	$ cts.	$ cts.
Group Captain	973 33	538 67
Wing Commander	876 00	372 00
Squadron Leader	681 33	326 67
Flight Lieutenant	486 67	313 33
Flying Officer	438 00	282 00
Pilot Officer	438 00	282 00
Acting Pilot Officer	438 00	282 00
Warrant Officer	291 03	428 97
Warrant Officer, Class II	272 05	447 95
Flight Sergeant	253 07	466 93
Sergeant	234 09	485 91
Corporal	215 11	504 89
Leading Aircraftsman and Aircraftsman	196 12	523 88

By Mr. Green:

Q. Does this new section 46A mean that in the case of all Canadians who take their air training under the commonwealth training plan, once they leave the shores of Canada, Great Britain becomes primarily responsible for their pensions?—A. Yes. That is in the memorandum of agreement between the governments.

Q. In other words, Great Britain has to pay the bulk of the pensions, although the men are Canadians, and the Canadian government pays any surplus to bring them up to Canadian rates?—A. I think if you will refer to the sample rates which I attached to that memorandum which I read, you will find that in the lower ranks the amount of Canadian supplementation will be very much greater than the British pension itself.

Q. Do you know why it was put on the basis that Great Britain had to pay the pensions for the Canadians?—A. I do not know. That was arranged when the joint agreement was entered into in regard to payment.

Hon. Mr. MACKENZIE: There was a special sub-committee of the delegates who were over from the various parts of the Empire, and this was one of the recommendations they made.

Mr. GREEN: Although the bulk of the men training are to be Canadians, the British government has to pay the pensions.

Hon. Mr. MACKENZIE: It also provides for adjustments. There was a lot of discussion at the time.

By Mr. Isnor:

Q. There was a large number of young men who were awaiting an opportunity to enlist in the R. C. A. F. about a year ago and were unable to do so.

They took it upon themselves to go to England and join the R. A. F. Do they enjoy any benefits under this Act?—A. You mean they enlisted after the outbreak of war?

Q. Yes.—A. Yes. They would enjoy the benefits.

Mr. TURGEON: I want to make a suggestion for the consideration of the minister and your commission, Gen. McDonald. At the moment I am not concerned with what Mr. Green pointed out, namely that the Imperial government will be paying a large part of the pensions earned by Canadians in active service because I am assuming that there was a quid pro quo, and that is part of the general agreement which is over and beyond the Pensions Act itself. I am concerned with the fact that in your proposed section 46A you limit those who will receive pensions to the men who enlisted in the Royal Air Force after the 1st of September, 1939. My suggestion is that consideration should be given to taking in all those Canadians who went in a certain number of years previous to September 1st, 1939. That is, we have men fighting in the Royal Air Force now who joined the Royal Air Force before the outbreak of war. They are Canadians, and in the course of time will probably be domiciled in Canada again. My suggestion is that consideration be given to them, and I am just making that as a suggestion because we will be debating it later on.

Mr. REID: I think it might be advisable for Gen. McDonald to get some figures on that. I think mostly every member knows of instances of young men who went to Great Britain previous to the declaration of war and joined the Royal Air Force, and are now on active service.

Mr. TURGEON: They largely went because there was no place for them here. We were not engaged very much in war service then.

The WITNESS: Those men went really with the intention of taking up the Royal Air Force as a profession.

Mr. MUTCH: The real catch in that was this. Before the war we were not taking into the R. C. A. F. anybody who was not a university graduate. But about two years before the outbreak of war Great Britain relaxed their restrictions not only to take in men who had grade II or third year standing, but to men who had taken a year of high school work, whether they had actually succeeded in passing or not. There were, I think you will find, several hundred who went over at that time and enlisted for a four-year period, which was known as "short-term enlistment" and which carried a commission.

Mr. REID: I think they offered an inducement.

Mr. MUTCH: They offered the inducement of paying more attention to a man's physical and technical ability than to his education. That is the inducement they offered.

The WITNESS: Is your suggestion that the section should be extended to all arms of the service, Mr. Turgeon?

Mr. TURGEON: I was thinking of the Royal Air Force. I think there are special conditions surrounding enlistment of Canadians in the Royal Air Force that do not apply to the other arms of the service. I am not saying that they should not come in, but my suggestion for the moment is confined to the Royal Air Force.

By Mr. Macdonald:

Q. I think also in connection with the Royal Air Force that prior to the outbreak of the war the Canadian government co-operated with the Imperial government, and that the Canadian government did have men examined in Canada with regard to their physical condition and they knew before leaving Canada whether or not they had the necessary physical qualifications to enlist in the Royal Canadian Air Force. Therefore, there was a certain amount of

co-operation between the Imperial government and the Canadian government even before the war; and although we did not actually enlist men for the Royal Air Force in Canada we did assist them in joining the Royal Air Force by examining them here previous to their going overseas.

Mr. MUTCH: In some instances we gave preliminary training.

Mr. GREEN: Was there not some date after which the government allowed no Canadian to enlist in the R.A.F.? Before that they were not enlisted until—

The WITNESS: No, it would merely be a matter of changing the date.

Mr. MUTCH: There was never any time when they could not go, but there was a date after which the Canadian government made the first arrangements, and in some instances actually provided some training at Trenton, after which they went overseas.

Mr. REID: Before the outbreak of the war Great Britain had a scheme whereby men from all the dominions were across in the old country training for various services in the force, and we had many Canadian men who were given the opportunity to serve and who are now in the active service force, and I think they should not be left out.

Mr. MUTCH: Take the first Canadian squadron under Bogley. I believe most of them went over on a short term provision. There was a proviso that if a man was suitable as an instructor or outstanding as a flyer he might be retained in the services, but they were to come back when their four years were up.

Mr. GREEN: Could we not find out about the position?

The WITNESS: Yes, I shall be glad to do that.

By Mr. Green:

Q. In all the sections you use the words "resident and domiciled in Canada" or the reverse "domiciled and resident in Canada." It seems to me it would be fairer if we simply used the word "domiciled." A man might be out of Canada temporarily for two months. I know of some cases in the last war where men were living outside of Canada temporarily at the time the war broke out. They enlisted and went into the Imperial forces but all the time they were legally domiciled in Canada. Such men cannot get the benefits of these provisions because of the fact that they were not resident in Canada as well as being domiciled here. Why are the words used?—A. They have been carried on from practice.

Q. Domiciled is a much wider term than resident.

Mr. REID: In section 46 and section 46A you reverse the term. In one case it appears "domiciled and resident" and in 46A it is "resident and domiciled." It is only a matter of wording, I suppose.

Mr. MUTCH: You have been associating with lawyers for too long a time.

Mr. GREEN: What harm would be done if the word "resident" were cut out and if we were to leave the word "domiciled"?

The WITNESS: You are in a better position to advise me on that, Mr. Green. It is a question of legal interpretation of the words "domiciled and resident."

Mr. MUTCH: It means more than merely saving printer's ink, I can tell you that.

Mr. REID: Would it not take care of the matter if we changed the word "and" to "or"; domiciled or resident?

Mr. BLACK: Where he is living at the time. Resident in Canada over a period of years. In Canada it is five years.

The WITNESS: Resident or domiciled.

Mr. MACDONALD: That would bring in everybody who lived in Canada.

Mr. BLACK: That would be a happy solution.

Mr. MUTCH: You won't get away with that.

The CHAIRMAN: Are there any further questions based on section 20?

Mr. GREEN: Let us consider the case of a man attending Oxford University when the last war broke out. He enlisted in the Imperial forces. I understand he cannot get the benefit of section 45; is that correct?

The WITNESS: No, I think we have awarded those; the man's residence is in Canada. He was there temporarily only getting his education. I would not like to be quoted on that; I should like to look up some cases.

Mr. MUTCH: I think recently that has been done, but the original interpretation was against it. I know of a particular case.

The WITNESS: The whole sense of the matter is that if a man is a bona fide Canadian and enlists in the forces and comes back to Canada he should have the benefit of Canadian benefits.

Mr. GREEN: Change "and" to "or".

Mr. REID: Why do you limit it in section 46A to six months, "such persons shall be required within six months of their resumption of residence in Canada to elect between Canadian rates and the rates governing the pension awarded them." Would that include a man who stayed six months in the old country afterwards?

The WITNESS: No, it is six months after he gets back to Canada. He must let us know if he wants to get the benefit.

Mr. MCCUAIG: If you change that word "and" to "or" you are leaving the door open to anybody who might come in from some other country and be temporarily resident in Canada and then enlists. I think the purpose of the Act as it is written is that he should be both resident and domiciled; and I think if you enlarge the term of residence sufficiently to cover those who have a permanent residence in Canada, the word "and" will cover the situation. I hope you will give consideration to that.

The WITNESS: There is no intention of changing anything until the committee makes its final decision.

By Mr. Cruickshank:

Q. I wish to refer to the large number of young men coming up to join the forces from Texas.—A. The payment is also contingent upon residence in Canada after they come back.

Q. Am I to understand—for instance, in one camp in Manitoba I am told that out of fifty-seven fellows taking air training fourteen are from Texas. Will they not be eligible?—A. Do you know whether they enlisted in the R.C.A.F. or in the R.A.F.?

Q. They enlisted in the Commonwealth training scheme.—A. It may be that some of them enlisted direct into the R.A.F. We have R.A.F. personnel as well as R.C.A.F. and New Zealand and Australian air force men.

Mr. MUTCH: That particular school is R.C.A.F. and they get Canadian rates of pension.

The WITNESS: All of them?

Mr. MUTCH: No, but that particular school to which he is referring; I think that particular group is an R.C.A.F. school.

The WITNESS: They are all under the administration of the R.C.A.F.

Mr. McCuaig: I have in mind a particular case of a young chap who came here from Bermuda. He came to Canada and lived here for a short time with the idea of enlisting in the R.C.A.F., and some time afterwards he got into the service. However, his intention is to go back to Bermuda after he is through. Now, is there any reason why the Canadian government should pay a pension to him such as we are discussing, and if we change the wording to " or " he would be temporarily resident in Canada.

The Witness: Yes, but if he went back to Bermuda he would not get the increased rate; he has to continue his residence in Canada.

Mr. Mutch: Only if he transfers to the R.A.F. after leaving here. There is no restriction on residence in Canada after the war if he serves with the R.C.A.F. in the event of his return after the war is over.

Mr. Cruickshank: I want to get that clear in my mind. Many of us had the privilege of listening to Mr. Wendell Wilkie last evening, and if we put the matter in plain English we are absolutely depending upon the United States now. Large numbers of these young fellows are coming up here from the United States; we are practically begging them; and I don't care where a man is going to live so long as he is going to defend me over there and save my life and my country's life—I don't care where he is going to live afterwards, he is entitled to a pension if he deserves one. For instance, there are hundreds of United States boys serving in the air force, the R.A.F. and the R.C.A.F.—I am not particularly concerned about the title—but if they are fighting for us in our air force, I think the Americans are just as much entitled to a pension when they come back as anybody else whether they settle in Seattle to live or in the city of Vancouver.

The Witness: That man would be just as much entitled to the added rates.

Mr. Mutch: There is some confusion in my mind. Let us leave the old country out of the matter for a moment and say that a man comes from the States or from some place else and enlists in some branch of the Canadian service, at the end of the war if he has a disability there is no restriction as to where he shall live or what he shall do, is there?

The Witness: None at all.

By Mr. Mutch:

Q. So that the only place where this point arises is that if a man enlists in the Canadian Air Force and in the course of his service is posted to the British Air Force; and the question we are discussing now is whether or not that man, not being a citizen of Canada before the war, and not residing in Canada after the war—whether there shall be an obligation upon the Canadian government to supplement the British pension to the same standard as the Canadian pension; is that the point?—A. Yes. I think that is what Mr. Cruickshank has in mind.

Mr. Cruickshank: Yes.

Mr. Mutch: There is no difficulty about him getting the same pension that any other Canadian will get wherever he came from provided he lives in Canada after the war, but if he lives in other than Canada after the war he simply gets the British rate.

Mr. Cruickshank: That is clear to me to a certain extent. Now, let us suppose that he is in the Canadian Air Force—and I am basing this on the point Mr. Mutch has brought out—supposing he joins the R.A.F., I can see that he should get their rate of pension if he goes to live in the United States; but suppose we transfer him, suppose there is nothing voluntary about it—suppose we transfer him, we post him there, he has no say about the matter although

he might want to stay with the Canadian boys; therefore, if we post him to a British squadron I do not see why he should not get the benefit of the Canadian rate.

The CHAIRMAN: You are thinking particularly of the man who serves in the Canadian force.

Mr. CRUICKSHANK: Mr. Chairman, the point is whether we transfer him to the other force or not; he may not want to be transferred but we transfer him; therefore I think he is entitled to the Canadian rate.

The WITNESS: The differentiation you refer to applies to a man who serves and is awarded pension by the British authorities.

Mr. MACDONALD: There might be some confusion arise in the minds of our own young people from this discussion. As I understand the proposed Act it is suggested that every young Canadian who enlists in the R.C.A.F., completes his training, goes abroad and is then transferred to the Royal Air Force and is disabled, receives the pension rate of the Royal Canadian Air Force; is that correct, General?

The WITNESS: Yes.

Mr. MACDONALD: And if he happened to be killed then his dependents, if entitled to a pension, would receive the pension rate on the Canadian pension basis?

The WITNESS: Yes, sir.

Mr. MACDONALD: The other question that arises is this: if a non-resident of Canada enlists under the British Commonwealth Air Training Plan and is transferred to the Royal Air Force and is disabled and then returns to his homeland which is not in Canada, then he would receive the rate of the Royal Air Force and not the Canadian pension.

The WITNESS: Yes, that is the present arrangement.

Mr. ROSS *(Souris)*: Don't those young Americans enlist as Canadians?

Mr. MUTCH: No, they do not. There was an order in council or something brought out about last September. They were coming into the barracks with a broad southern accent saying they were born in Regina or some such place, and that matter was subject to negotiation between the government of Canada and the government of the United States. To-day a man makes a declaration that he will serve loyally the force in which he is enlisting, and he does not have to take the oath of allegiance. That applies only to the United States and France—it applies only to countries at any rate who deprive their nationals of citizenship when they take an oath of allegiance to a foreign power. To-day they make a declaration but they do not take the oath of allegiance.

Mr. ROSS *(Souris)*: I think there is an obligation in regard to those chaps in the future if they enlist as Canadian citizens. Would the general enlarge on that?

Mr. MUTCH: If they enlist as Canadian citizens they are making a false declaration in the first place, because they are not Canadian citizens; therefore, they would not be entitled the same as a Canadian citizen.

Mr. WRIGHT: General McDonald, what is the position under this clause with regard to Canadian boys who marry American girls before going overseas? Suppose a Canadian boy in that position goes to the R.A.F. and is killed. Suppose his wife is granted a pension because of his death—she is granted the larger pension—and she goes back to the States to live, would her pension be reduced?

The WITNESS: No.

The CHAIRMAN: This section will receive further discussion in committee.

Mr. GREEN: How can we avoid it? We have the provision that payment may be made under the provisions of this section only to such persons as are resident in Canada and during the continuance of the residence. Now, if the widow goes back—

The WITNESS: She is a Canadian citizen by virtue of her marriage to a Canadian citizen.

Mr. BLACK: By her mere marriage she does not become a British or Canadian subject.

Mr. CRUICKSHANK: I am not a lawyer but there is a flock of them here, and I think you are in error in that statement that she is a Canadian citizen.

The WITNESS: If it is the committee's wish that the commission shall not do that we will not do it.

Mr. BLACK: She has to make the choice.

The WITNESS: If she is the wife of a Canadian don't you think she should continue to get the pension?

Mr. CRUICKSHANK: Under the law she is not a citizen unless she makes a declaration.

The CHAIRMAN: We have had these difficulties brought up, and now we will pass to section 21.

Mr. GREEN: Mr. Chairman, I do not think the general has cleared that matter up. I do not see what citizenship has to do with it under the wording of section 46A.

The WITNESS: All right, Mr. Green, have it your own way.

Mr. GREEN: It deals only with residence and not with citizenship at all. How would that widow be covered if she moved back to the United States?

The WITNESS: I have given an offhand opinion. If you are going to extend this suggestion to American residence—

Mr. MUTCH: —you are going to have an argument every time a case comes up. If you can define it in legislation this is the time to do it.

The CHAIRMAN: It will be defined.

Section 21?

The WITNESS: I do not think the committee need pay very much attention to section 21. It is just removing a lot of obsolete procedure which was put into the Act in order to look after the situation which arose on the abolition of the pension appeal court and the tribunal and to take care of the cases. They have all been disposed of and the procedure is now unnecessary, and it might as well be taken out of the Act.

Section 22 is merely a suggestion based purely on economy and practicability of administration. It is my suggestion, I am frank to say, that the quorum of the appeals boards of the commission shall be reduced to two members instead of three. It is an expensive and cumbersome operation sending three commissioners around to hear these cases. The incidence of disagreement between commissioners has been exceedingly rare.

By Mr. Turgeon:

Q. You think the same results can be obtained?—A. It involves not only extra travelling expenses, and so on, but it involves a very much larger commission, because we would have two quorums of two appeal boards available, and that means six members who would be engaged all the time travelling around the country.

By Mr. Isnor:

Q. It reduces it from three to two?—A. Yes. It would mean with the work in head office, first and second hearings and all the multifarious decisions, three or four more commissioners, making ten in all; whereas if we had quorums of two we could get along very well with the statutory minimum of eight members for the time being anyway until the work increases.

By Mr. Turgeon:

Q. Is it your considered opinion that the same consideration would be given to the applicant with two members as is now given with three members?—A. As I say, the incidence of one member of the three disagreeing is so extremely rare that I do not think any practical advantage is gained, but, if the committee feels that any injustice is being done, it is a matter for the committee to decide.

Mr. GREEN: Mr. Chairman, I am sorry I cannot agree with General McDonald on this provision. To the applicant for pension, who is living a long way from Ottawa, the main body which interests him is this appeal board, because he appears before it and brings his witnesses and tells his story and he feels that that is the only trial he has. Sending down an application to be considered here in Ottawa on a first hearing and then on a second hearing by people who never see or do not know the applicant does not appeal to the applicants. But this actual hearing before three commissioners does appeal. Previously, he had the right to have his case heard by a board of three in Ottawa. That was done away with by the last parliamentary committee and we substituted or increased the quorums from two to three and made that the final court.

If a man is turned down by this present appeal board of three members, he is out, for all practical purposes; and I think it would shake the confidence of returned soldiers in the whole pensions administration if you reduced the quorum of the final court from three to two. I think it is a retrograde step and should not be considered.

One further reason is that the next section of the bill, section 23, provides that if these two men do disagree, and there are bound to be some cases where they do disagree—

The WITNESS: Oh, yes.

Mr. GREEN: —if these men do disagree then the chairman of the pension commission back here in Ottawa can delegate a third man sitting here in Ottawa to decide the case. In other words, it gives power to a commissioner sitting in Ottawa, who has not heard the evidence and who has not seen the witnesses, to make a decision. That will make for all kinds of trouble across the country.

If I were an applicant for pension and was seen and heard by two men who disagreed as to whether I should get a pension and then the case was sent back to Ottawa and some unknown man decided against me, I would be extremely annoyed, and so would every other member of the committee.

Certainly, if you are going to insist on an appeal board of two, if the decision is split, give it in favour of the man and let the benefit of the doubt section mean something in the Pension Act.

The WITNESS: Mr. Green, nobody is insisting; I merely said it was suggested as a measure of economy. Please do not keep on putting it up to me that I am insisting on things.

Mr. GREEN: I would say that if there is a split verdict, the benefit of the doubt should be given to the man.

The WITNESS: I think perhaps it would be well to hear representations from soldier organizations on this point.

By Mr. Mutch:

Q. I think I am right in this, that with the present board of three a majority decision is given?—A. Yes.

Q. So that from the standpoint of the actual situation with respect to, I think, 95 per cent of the applicants, they are in exactly the same position as they were in before.

I cannot see why this would not be a step in the direction of economy which is quite practical, and I am all in favour of trimming down administration costs as much as possible if by so doing you are going to give any support to the applicant himself.

But most of the grief which all of us encounter with respect to pension cases comes from those people who get split decisions or who do not get a satisfactory ruling. And I am bound to agree with the remarks of Mr. Green, having in mind section 55 (*a*). I cannot think of anything that has given more satisfaction to the applicants for pension than has these same travelling quorums, because a man tells his story face to face and he thinks, at any rate, that the decision was a personal decision. They would be very much disturbed at the idea of a decision going against them on the ruling of somebody who had never seen them; and I think it would be necessary first to show that a very considerable economy would be effected in the matter, in the interest of harmony, rather than anything else.

I do not think it will affect the decision of three cases in a hundred, to be frank about it, but we have all had some experience with these unfortunate decisions even in three cases out of a hundred, and we all know how much grief it can cause not only to the soldier but to all of us interested in returned soldier problems.

Mr. MACDONALD: I was glad to hear General McDonald say that he thought we should hear representations from returned soldier organizations with regard to this matter. We have heard representations from two members of the committee, and I think it would be a good idea to get along and have an open mind on the question until we hear these representations from veterans' organizations.

By Mr. Cruickshank:

Q. I should like to know how many boards there are. One of the main complaints I have heard from returned men in British Columbia is in reference to the delay in having their cases heard. It is not so much in connection with the two or three men boards but in the time they have to wait for the privilege of appearing before them. How many boards are there travelling across Canada?—A. At the present time there is one.

Mr. CRUICKSHANK: We should have twenty.

By Mr. Mutch:

Q. What is the pile-up of appeals?—A. Awaiting hearing?

Q. Yes.—A. Ready for hearing?

Q. Ready for hearing?—A. All across Canada there are about 500.

Mr. CRUICKSHANK: I know that in my own Legion the principal complaint relates to the delay in getting their cases heard. General McDonald says there are 500 cases ready for hearing now. I do not know exactly what the figure is, but I have heard it quoted in the house and I have read that glamorous statement which appears once a week called "information", or something like that, and by digesting it carefully it would seem that the number is great. I do not know how many we have, but if there are only 500 now, we have staring us in the face 200,000 in a short time, and I think one board is ridiculous travelling across the country even for 500.

By Mr. Reid:

Q. How many doctors are on the boards?—A. On the commission?

Q. Yes.—A. We have one doctor at the present time.

Q. Would there still be a doctor with these travelling boards?—A. There is no restriction as to the profession having a doctor on the commission.

By Mr. Mutch:

Q. How many barristers are there on the boards, General McDonald?—A. I do not know; I never inquire into the profession of my colleagues, but I think there are two.

Mr. CRUICKSHANK: I am not saying this to appear in any way antagonistic to the legal profession at all—I cannot very well, surrounded by this array of talent—but speaking seriously of the experience of the returned men in my province—and I think other representatives of the Legion elsewhere, if they spoke frankly, would say the same thing—it has been the legal fraternity of the board that has been the objection. I am not saying that disrespectfully of the legal profession at all. I have appeared a few times in Vancouver with certain returned men, and I have seen legal men tie them up so badly they do not know whether they are making a contribution or asking for a pension. I do not think there should be a lawyer on the board; it should be medical men or laymen.

Mr. TURGEON: Mr. Chairman, I feel called upon to say a word in this connection. I am not a lawyer. Like my friend to my left, I am not talking disrespectfully of the members of any profession, but my experience is that most complaints come from unsuccessful applicants because of the medical examination of their case rather than from the manner in which they have been treated by members of the commission. I do not mean that as against doctors. I suppose every member of this committee receives an enormous amount of correspondence from applicants for pensions, and right here I want to pay a tribute of appreciation to the commission for the manner in which they have attended to all applications which have gone from me to them without regard to whether the pension was or was not granted. In the majority of cases the complaint had reference to a difference of opinion between the applicants and the medical examiner as to the cause or the nature of the disability. I think that is where the main cause of these complaints rests.

By Mr. Quelch:

Q. I wonder if General McDonald would explain what would happen in the case of a split verdict? Mr. Green has suggested that the benefit of the doubt should be given in a case of that kind, but there is no guarantee that it will be given.—A. It is provided for in the next section by a third member giving the decision. Of course, Mr. Green's objection could be met by having the case re-heard by a board of three.

Mr. REID: I am not so much in favour of having doctors on these boards or lawyers, because in my experience before the boards I have usually found that it sometimes takes five doctors to be in favour of the man before it will over-ride the doctor who sits on the board.

The WITNESS: Is not the whole thing a difference of opinion between the applicant for pension and the commission? The whole thing is to determine whether the disability is related to service, and there must be some medical opinion to enable you to decide such a question. I, myself, am very much convinced that this slight deafness which I have in my left ear is due to a wound on that side of my head, but I have not found any ear specialist who will agree with me.

Mr. MUTCH: The most difficult, the most arbitrary and the meanest customer we ever had in the whole organization was neither a doctor nor a lawyer but a soldier with a fairly distinguished record.

The CHAIRMAN: Shall we pass now to section 23?

Mr. BLANCHETTE: Mr. Chairman, I wonder if it might be possible for members of this committee to be allotted a certain day to present what I should think are crying cases which we have come across in our respective counties? General McDonald has said it might be possible to hear from some of the soldier organizations.

The CHAIRMAN: That is outside the terms of our reference. We have appointed a sub-committee to deal with delegations to be heard, and they have not yet submitted a report.

Mr. MUTCH: I did not attend all of the meetings for the reason that I was absent for a week or two, but in the last committee we found it necessary to agree amongst ourselves that the committee dealing with the general revision of legislation would not deal with individual cases. While I have some which I should like to present, and I am sure everyone else is in that position, I think if we are going to get anywhere we had better adopt a resolution that we will not hear particular cases; that is, it would be in order to cite a particular case in order to argue a general principle, but I do not think we should make any attempt to recommend on particular cases.

Mr. BLACK: Hear, hear.

The CHAIRMAN: The report on procedure and delegations to be heard will be submitted at our next meeting.

Shall we deal with section 23?

By Mr. Macdonald:

Q. The next section depends more or less on what we decide with relation to section 22?—A. Yes.

Mr. CRUICKSHANK: Section 24 is the same?

The CHAIRMAN: Yes. Section 25?

By Mr. Green:

Q. What is the purpose of section 25, General McDonald?—A. When the Pension Appeal Court was in existence it had authority to make interpretations of the Act. I quoted to you in the course of the committee meetings a number of points where a question of general interpretation was involved, particularly with the Auditor General, and so on; and the commission felt it should have the power to make the interpretation.

Q. Has the commission not got power now?—A. I claim that inferentially it has by virtue of section 5 which gives it exclusive power, jurisdiction, and so on.

By Mr. Mutch:

Q. Is the treasury board involved?—A. Not the treasury board; they usually accept, but the Auditor General sometimes does not, and we go to justice and we become involved in an argument, and justice really does not know much—with all due respect to them—about the details of the operation of the Act.

Mr. MACDONALD: The lawyers are having a hard time this morning.

By Mr. Green:

Q. Now you are proposing to give the appeal board appointed by the chairman the power to interpret the Act? Previously, the commission itself had power?—A. It was not definitely expressed. My opinion is that it has certain power, but the commission is a large body.

By Mr. Macdonald:

Q. Does it not come down to the point that where there is a conflict of interpretation between the commission and some other body the interpretation of the appeal board or the commission shall prevail?—A. Yes, the one especially designated by the chairman. I think as long as I am chairman, the chairman will be on that.

By Mr. Green:

Q. The appeal board is made up of members of the commission?—A. Yes.

Q. At the present time you say that the commission as such has power to interpret the Act?—A. That is what I feel, but some people dispute it.

Mr. MUTCH: That has been questioned and questioned successfully.

By Mr. Green:

Q. Why not give the commission power to interpret the Act?

Mr. BLACK: They have that power now, have they not?

The WITNESS: I felt that a commission of nine or, perhaps as Mr. Cruickshank foreshadows, fifteen or twenty members to deal with all these travelling boards would be a clumsy board from which to secure a definite decision. It is just to centralize the authority.

By Mr. Green:

Q. Would it be wiser to keep that power in the commission as such, which of course brings it directly under the control of the chairman, rather than to set up the appeal board? That appeal board may make a decision on the interpretation of the Act which might be at variance with rulings that have been made by the commission over the years, and you may find yourselves in serious trouble.—A. They are members of the commission. It is merely to centralize the power on these occasions when there is necessity to give a general interpretation.

Q. Yes, but what you really want is to give the commission itself power to interpret the Act?—A. Yes.

Q. And in order to get that you are giving the power to the appeal board? —A. The appeal board was put in largely for the convenience of the chairman.

By Mr. Macdonald:

Q. How many are on the appeal board?—A. Three.

By Mr. Mutch:

Q. Are they not always the same three?—A. No, but this one would be specially designated for any particular question.

Mr. MUTCH: Would it meet the objection, Mr. Green, if they said that the final jurisdiction should rest with a quorum of the appeal board?

Mr. MACDONALD: A quorum of the commission.

The WITNESS: If I may suggest this to you, I have no objection to leaving it as Mr. Green suggests, in the commission.

By Mr. Green:

Q. That is what you want, to give the commission itself power to interpret the Act?—A. Yes, to avoid getting into disputes.

Q. The way it is now, you would not be on that appeal board?—A. Oh yes. I am a commissioner. I very often designate myself to sit on an appeal board.

Q. It seems to me that if the Act is to be interpreted, the chairman of the commission should be the chairman of the group that does the interpreting?—A. If you wish to leave it to the chairman, that is quite all right with me.

By Mr. Black:

Q. At the present time does the chairman not do the interpreting?—A. Except when we come to some contentious point and somebody disputes our interpretation.

Q. Then the commission does not agree on the interpretation?—A. They do not agree with the commission.

Q. Some members of the commission do not agree with other members of the commission? Is that it?—A. No. The commission speaks as a single voice. We settle our differences within ourselves, and then we give what we believe is a majority opinion.

By Mr. Cruickshank:

Q. How many are there on the commission at the present time?—A. At the present time there are nine.

Mr. MUTCH: Five, then, including the chairman, would decide it instead of three. That is the only difference.

By Mr. Green:

Q. As I understood you, you said that it would be workable if the provision were made that the pension commission shall have power to interpret?—A. Yes.

By Mr. Gillis:

Q. There is an appeal board functioning now. Is it the intention under this clause to eliminate the old board?—A. No. It is nothing at all like that. The appeal board is a body of three commissioners designated by the chairman for whatever duties they may have to perform—that is, to go out travelling, to hear various other types of cases.

Q. Where does the necessity arise for this clause?—A. As I said before, it is to definitely establish the authority of the pension commission to interpret this Act.

Mr. REID: Then leave it with the commission.

The WITNESS: All right.

By Mr. Gillis:

Q. Why not leave it with the chairman?—A. That is a responsibility that I am afraid the chairman would not like to assume.

The CHAIRMAN: The next is section 26.

The WITNESS: Section 26 deals with the question of the additional allowances to pensioners, and carries in respect of the last war the date of 1933; it puts before you for your consideration the question of a limit for additional allowances to pensioners in this war.

By Mr. Macdonald:

Q. What is the provision with regard to the last war?—A. That additional allowances shall not be paid to pensioners in respect of their wives, if they were married after May, 1933, or children who were born after May, 1933.

By Mr. Cruickshank:

Q. Would you read that again, please?—A. No additional allowances—and I am speaking now of the Act as it is at present, as it applies to the last war—can be paid to a pensioner in respect of his wife if he was married after May, 1933, or in respect of children who were born after May, 1933, except under the special case where there are living minor children born before 1923 and he engages a housekeeper or other competent person to look after them.

Mr. MUTCH: This looks to me like the first good opportunity we have had since 1936 to decently inter both of these dead line limits.

Mr. REID: Personally I am opposed to subsection "A" limiting it to children born before May, 1933.

The WITNESS: I read you the discussion that went on. I read you all I could get out of Hansard.

By Mr. Green:

Q. Have you any statement to make on this section?—A. Have I any statement to make in regard to what?

Q. As to why this limit of May, 1933, was put in?—A. I can only refer you to what I read from Hansard. I was not a member of the commission at that time, and naturally members of the commission are not the ones who make the legislation.

Q. The sum and substance of the section, if it goes through as it is in this bill 17, will be that the wife of the soldier married after the 1st of May, 1933, and a child born after the 1st of May, 1933, gets no allowance. Is that not correct?—A. That is not affected by this Act. That was passed in 1933.

Q. In the case of the men now in the fighting forces, a child born more than 10 years after— —A. We put in, as a tentative suggestion, 10 years.

Q. A child born more than 10 years after the termination of the war gets no allowance and a wife married more than 10 years after the termination of the war gets no allowance?—A. Yes.

Q. I am opposed to that.

By Mr. Macdonald:

Q. Under the old Act pensions were payable in respect of children who were born within 15 years of the cessation of hostilities. Is that correct?—A. I think your arithmetic is good.

Q. Is there any reason why we should now limit the period to one of less than 15 years?

Mr. MUTCH: So far as I am concerned I have reached the stage where I do not like any limit anywhere. With respect to the other things, the limits do not mean anything. They are impracticable. They are just something that you hoist along. As I said the other day, they lend themselves to the sort of agitation that does not help either the pensioner or those who are trying to help him. So far as this particular clause is concerned, I may say that there are larger numbers—we will have border line cases whatever decision we make; and I think there are too many cases to call them border line cases—which are ruled out by the provisions of that limitation of 1933. So far as I am concerned, I should like to urge on the committee that in their recommendation they drop that 1933 limitation for children born after that time, particularly. I see no

reason at this time to start out again on the long road that we traversed after the last war, by sticking in that limit now which will cause a certain amount of annoyance and grief, and which does not settle anything for 10 years from now or 15 years from now at all; for I venture to prophesy that between now and 15 years from now this will be changed at least three times, whatever decision you may make; and in the interests of clarity, I should like it left alone.

The WITNESS: This particular clause was changed only once. We started off after the last war with no limit, and the limit was then put on in 1933.

Mr. MUTCH: The limit was put on in 1933. I am taking exception to the limit which was then put on, and I am suggesting that it should be taken off for dependent children. I am not half as much concerned about the possibility of the increase of expenditure under that clause (*a*) as I am concerned with the injustice which I know that particular clause has worked.

Mr. MACDONALD: Mr. Chairman, I asked a question a moment ago.

The CHAIRMAN: Yes?

By Mr. Macdonald:

Q. In the last war, pensions were paid in respect to children who were born within 15 years of the cessation of hostilities. Why has a change been made with regard to the present war in that pensions are only to be paid for children born within 10 years? Has the experience of the past shown us that we should cut the period of time down? There must be some reason for this?—A. It is really a tentative suggestion to get the opinion of the committee as to whether there should be a time limit.

Q. So then may I take it that the period of 10 years does not mean anything? It is just submitted for discussion?—A. Yes. It is just submitted for discussion.

Mr. CRUICKSHANK: I should like to ask a question, Mr. Chairman. I do not know if you are the right person to answer it. I presume it is a matter of policy. Is the limit put in as a matter of consideration of dollars and cents, a matter of cost? That is the real reason, is it not, Mr. Chairman?

The CHAIRMAN: I should not think so.

Mr. CRUICKSHANK: Then I can see no earthly reason for it being in. As I see it, it is purely dollars and cents. I am with Mr. Mutch, and I am strongly opposed to any limit.

By Mr. Reid:

Q. Would it not be time enough to deal with this at some future time, and cut it out entirely now?—A. That was done last time. Now we have violent objections to 1933.

Mr. CRUICKSHANK: Who were the objections from? Otherwise it boils down to a matter of dollars and cents, and we must not look on pensions, as I see it, from the dollars and cents point of view. If there is a just case where a veteran, a widow or child should get a pension, I think the pension should be be paid irrespective of the dollars and cents consideration. Personally I am strongly opposed to any time limit being put on pensions with regard to the last war or this war. Of course this is only for the last war. Let us change it and bring in an Act that is just.

Mr. QUELCH: I look upon this measure as purely an economy measure; and I believe there are other places where economies can be effected where they will cause less injustice and less hardship.

Mr. BLANCHETTE: I wish to voice my opposition also to the setting of any date limit. I think the sole principle back of pensions is to be of assistance to the soldier and his dependents. The wife and children are penalized, as the bill now stands, and I am opposed to it.

Mr. GREEN: May I ask Gen. McDonald if there is any argument in support of this restrictive provision, except the saving of money?

Mr. MUTCH: I do not think you should answer that, Gen. McDonald.

The WITNESS: I cannot say that.

By Mr. Green:

Q. I think we are entitled to know if there are any other reasons or if there are not.—A. No, I do not think there is any other reason. If the government wishes to go out and go right along, there is no physical or eugenic or any other kind of reason I can think of.

By Mr. Mutch:

Q. The average age of the men enlisting to-day is about 22 years. Give them 5 more years of war, and then add 10 years to that and they are only 37. If they do not do better than some of us did after coming back from the last war, they will not be in a position to get married before that .—A. If you want to know anything about the financial inference of this section—

Q. I think the year ought to indicate what the reason was. In 1933 we were not particularly prosperous.—A. I read you this morning the debate which went on there. That is all there is in Hansard. The returned soldiers' organizations were consulted and perhaps they will be able to tell you something more about it.

Q. They took the evil they could see rather than take a chance on what they would get from a committee in the middle of the depression?—A. Between the date this was cut off and 1940, as near as we can, we have estimated the number of children. I am not using this as an argument, but I think the committee should have it before them. As near as we can estimate—that is, taking the number of children who came on pension in the prior years and making the usual reduction that the scientists tell us that age causes in these things—there would probably be about 18,500 children, although that may be a little high, who would now be entitled or whose parents would now be entitled to receive additional allowances if that 1933 date was wiped out.

By Mr. Cruickshank:

Q. That is not going to break the country?—A. I am not suggesting that, Mr. Cruickshank. I am merely giving the committee the facts. At our average rate, that would probably increase our bill at the present time by about $900,000 a year.

By Mr. Macdonald:

Q. Did I understand you to say that there would be on pension 18,500 children born since 1933?—A. That is what we have estimated from our previous experience of birth rate and so on of that age group.

By Mr. Mutch:

Q. What would be the average age of those children? Do you know that? —A. They would be the ones born since 1933.

Q. But they are still being born and there are still some who have hopes. They would be an average of about 8 years of age, would they not?—A. What do you mean by the average age? Their average age would be the difference, halfway between 1933 and 1940, would it not?

By Mr. Macdonald:

Q. No. I think it would drop off in 1940.—A. The numbers are dropping off every year, yes.

By Mr. Green:

Q. What it really means is that 18,500 children have been penalized for the last 8 years?—A. That is, they have been deprived of pensions.

Q. Because they did not get that allowance.—A. Their fathers have been deprived of the additional allowance.

Mr. CRUICKSHANK: That is not the intention of the Canadian people.

Mr. GILLIS: I think that measure defeats the very purpose of the pension. A pension is granted in the first place to compensate a man for injuries and to enable him to carry out his responsibilities to his family. It is compensating him because of the fact that his earning power in the general labour market is impaired, and as he grows older that disability becomes worse. At the time that 1933 dead line was put in there was a storm of protest against it from the veterans' organizations from one end of Canada to the other. The explanation which the government at that time gave to the veterans' organizations was that it was purely and simply an economy measure, that it was necessary at that time in the interests of economy. But I think the events which have transpired since then have proven conclusively to the Canadian people that this country is not broke. Millions of dollars can be found to prosecute another war and there is not any difficulty in doing it. I think it is a poor policy on the part of the government to preach economy to the men who sacrificed all they had in the last war and who are going to do the same in this. I think if this committee serves no other purpose than to have this dead line eliminated completely and have the government accept their full responsibility to the men who fought in the last war and are going to fight in this war, we will at least have accomplished something. I think that is something this committee should insist on in no uncertain terms, namely, the removal of that dead line and the acceptance by us of our responsibility to carry out the principles of pension, which is to assist the men to carry out their responsibilities towards their families. As Mr. Green has pointed out, it just means that there is that number of children he mentioned being penalized. One, two or three children in a family are sitting at a table, perhaps, where there is no contribution made with respect to their upkeep, while two or three members of the family are receiving some consideration. I think one thing this committee should do is to insist in no uncertain terms on the removal of that dead line respecting dependents' pensions.

By Mr. Black:

Q. I should like to ask Gen. McDonald if the Pension Board has any record of the effect of this legislation on the birth rate? Has it acted as birth control?—A. No, we have not. We have no knowledge in our records of actual births after 1933, because it was not necessary for the pensioner to tell us.

Mr. QUELCH: It is a form of indirect birth control.

Mr. MUTCH: Apparently not, because there are 18,500.

The CHAIRMAN: Section 27.

The WITNESS: Section 27, gentlemen, is merely a formal section which introduces the appropriate Royal Canadian Air Force ranks in their proper place in the schedules and introduces the rank of brigadier which has been substituted for brigadier general.

Mr. ISNOR: Have we had any report as yet, or have you, Mr. Chairman, received any report from the sub-committee in regard to representations?

The CHAIRMAN: No. We hope to have that next time. This completes the examination and questions on the bill. With your permission we should like to hear next time the report of The Canadian Legion, if that is satisfactory. Is that satisfactory to you, Mr. Bowler?

Mr. BOWLER: Yes, sir.

The CHAIRMAN: On Thursday at 11 o'clock.

Mr. MUTCH: Are we going to continue sitting just twice a week?

The CHAIRMAN: Three times, as much as possible.

Mr. CRUICKSHANK: A good idea would be to sit during the adjournment and make a proper job of it. We would have three weeks.

The CHAIRMAN: We will adjourn until Thursday at 11 o'clock.

Mr. GILLIS: Is there any possibility of changing our meetings to Wednesday and Friday? It makes a long day when you sit from 10 o'clock in the morning until 11 o'clock at night. Wednesdays and Fridays are half days.

The CHAIRMAN: We explored that possibility, and the most desirable days and the most feasible days are Tuesdays, Thursdays and Fridays. I think we shall have to sit three times a week from now on.

Mr. GREEN: We shall never get through if we do not.

Mr. ISNOR: Before we adjourn, there is one thing I should like to mention. We have had considerable discussion in regard to the definition of "theatre of war."

The CHAIRMAN: Yes.

Mr. ISNOR: I wonder if Gen. McDonald has as yet provided a new interpretation of that particular clause, clause "O". I do not propose at this late hour to start a discussion on it, but I think it would be well for us to have something on record, so that we might consider re-wording that. I would suggest that, as the first matter of business at the next meeting, Gen. McDonald might place that on record.

The WITNESS: So much depends on the adoption or otherwise of some of the general principles that have been enunciated.

Mr. ISNOR: I think a great deal of this discussion centres around the interpretation of that clause referring to the theatre of war.

The CHAIRMAN: Would you change that, Mr. Isnor, and ask that Gen. McDonald submit a definition as soon as possible?

Mr. ISNOR: Yes, I should be glad to do that.

The WITNESS: I have one drafted somewhere. I will bring it and submit it the first thing at the next meeting, as a suggestion only. I do not wish to take the responsibility of drafting the section.

Mr. ISNOR: No. It is just something for us to discuss.

The committee adjourned at 1 p.m. to meet again on Thursday, March 27th, at 11 a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

THURSDAY, MARCH 27, 1941

WITNESSES

Mr. J. R. Bowler, General Secretary of the Canadian Legion of the British Empire Service League.

Mr. Richard Hale, Tubercular Veterans' Association and Chief Pension Adviser of the Canadian Legion.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

THURSDAY, March 27, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs Abbott, Blanchette, Bruce, Cleaver, Cruickshank, Emmerson, Eudes, Ferron, Gillis, Green, Harris (*Grey-Bruce*), Isnor, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, Marshall, McCuaig, McLean (*Simcoe East*), Mutch, Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Tucker, Turgeon, Winkler, Wright—28.

Mr. J. R. Bowler, General Secretary of the Canadian Legion of the British Empire Service League, and

Mr. Richard Hale, representing the Tubercular Veterans' Association, and Chief Pension Adviser of the Canadian Legion were called jointly, examined and retired.

On motion of Mr. Mutch, the Committee adjourned at 1.00 o'clock p.m., to meet again Friday, March 28, at 11.00 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

ROOM 277,

March 27, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order please. This morning we are to hear the general secretary of the Canadian Legion of the British Empire Service League, Mr. J. R. Bowler, and also Mr. Hale who appears with him. Would Mr. Bowler please come up to the platform.

Mr. J. R. BOWLER, M.B.E., General Secretary, Canadian Legion, British Empire Service League, called:

The WITNESS: Mr. Chairman, I appear on behalf of the Dominion Council of the Canadian Legion, British Empire Service League, of which body I am the General Secretary, and with me is Mr. Richard Hale who is the Chief Pensions Officer at Dominion Headquarters Service Bureau. Before dealing with the matter under consideration, I would like to convey on behalf of the Dominion president of the Legion, Mr. Alex Walker, and of the Dominion Council, the Legion's compliments and respects to yourself, sir, and to the Minister, and our very sincere appreciation of the opportunity afforded to the Legion to appear before this committee and make representations. They particularly wish to commend the initiative of the Minister in having made this committee possible at this time, and also the forthright way in which, in accordance with the established tradition, he has brought this pension bill into a committee representing all sides of the house where everyone may shoot at it; and we have been given a chance to say what we think of it too. Later on, during the proceedings, Mr. Minister, the Dominion president, Mr. Walker, hopes to come to Ottawa and also hopes that he may be given an opportunity to say something to the committee at that time.

If I may, Mr. Chairman, I shall commence with Bill 17, and in regard to the discussion on pensions, it is my understanding, sir, that this committee is dealing also with the general provisions of the Pension Act.

The CHAIRMAN: That is right.

The WITNESS: On that understanding, and so as to facilitate matters as much as possible, in the presentation which will be made by myself and by Mr. Hale we will endeavour to include Legion resolutions dealing with the general provisions of the Act in the proper order when going through Bill 17. We thought that would save time.

First of all, sir, I think that the Legion should perhaps put on record its position in regard to the new members of the forces, that is those who are now serving. It is a fact, and we want it to be distinctly clear, that except in regard to Legion members who are serving again—and there are a number of them, although the number is necessarily small—the Legion has no actual mandate to speak on behalf of the members of the new forces; and at this early stage when so few men have returned it is impossible to judge whether the new forces will wish the Legion to speak for them or whether at the appropriate time they will wish to speak for themselves. The Legion would like that to be kept clearly in mind during these discussions; but at

the same time we know that those now serving are not in a position to speak for themselves nor will they be until they are discharged. We feel, therefore, that during the period of the war when the great bulk of the men are actually in service the Legion is in duty bound to look after their interests to the utmost of its ability, but leaving it to them when they are in a position to act for themselves, to decide if they wish to continue to act through the Legion or whether some other medium will be found. And in making this explanation the Legion feels that it speaks for all ex-service men, and it also feels that all ex-service men will agree with the following principle in respect of pensions and other measures in regard to the new forces.

The policy I suggest is as follows: "That in respect of pensions and all other matters the members of the new forces when discharged should under no circumstances receive any less consideration than has been afforded to ex-service men of the last war, and that wherever possible their position should be improved."

The Legion believes that this position is fair and just and that it would be a source of embarrassment to those who served in the last war if any other policy were adopted. If members of the committee will bear in mind during the discussions in which the Legion takes part regarding these matters that that is the fundamental policy which will govern everything that the Legion has to say, we shall be obliged.

Now, sir, in regard to Bill 17 I should like to discuss first the definition of the term "theatre of actual war" appearing in section 1 of the new bill; and in this regard we were very glad to note that after further consideration the chairman of the pension commission, General McDonald, decided to split the definition leaving the old definition as it applied to the old war exactly as it was and bringing in a new definition in respect to the new forces. In that regard, sir, and we have no particular motive except to avoid confusion—

Mr. GREEN: Before Mr. Bowler goes on, I do not believe we have had a copy of the change in the definition of "theatre of actual war."

Hon. Mr. MACKENZIE: It was only suggested in general discussion.

General MCDONALD: I was asked to draft suggested changes to submit to the committee, and I have them here.

Mr. GREEN: Could we have them now?

The WITNESS: They have not been submitted.

General MCDONALD: I have brought them.

The WITNESS: I am sorry; perhaps I have said something I have no right to say. In any case, the point I want to make at the moment is that we feel that there might be a danger of confusion and other undesirable consequences if in an effort to keep the statute brief, the provisions, particularly the enabling provisions or definitions of importance are written to include the two classes; we feel that as far as possible they should be kept separate leaving the old soldiers exactly where they were and putting in new paragraphs and new definitions for the new soldiers. Our only reason for that is that over the years every one has come to know what the various provisions of this Act mean, and we know from past experience that even the change of one or two words which on their face appear to be entirely innocent could lead to some interpretation that no one had foreseen. I just suggest, sir, that as a matter of draughtsmanship it might safeguard us against future complications if as far as possible that principle is applied.

In view of the somewhat lengthy discussion which took place on the question of the definition of the term "theatre of actual war," I thought it might be of assistance if we placed on record here the legion's own understanding of the origin and purpose of that particular term. We want to emphasize that, as we see it, this definition forms no part whatsoever of the basic pro-

visions governing entitlement to pension. The entitlement provisions, as has been so clearly pointed out in the memorandum filed by General McDonald, prepared by Mr. Harry Bray, are contained in Section 11 of the Pension Act. As we understand it, the term "theatre of actual war," was included in the original Pension Act of 1919, and, at that time, was solely for the purpose of defining the specific geographical areas, service in which would give rise to certain special benefits to members of the forces already entitled to pension on the basis of aggravation of pre-enlistment disabilities.

The definition of the Act of 1919 was as follows:

(*n*) Theatre of actual war means—

(1) In the case of the military or air forces, the zone of the allied armies on the continents of Europe, of Asia or of Africa, or wherever the member of the forces has sustained injury or disability directly by a hostile act of the enemy.

(2) in the case of the naval forces, the high seas or wherever contact has been made with hostile forces of the enemey, or wherever the member of the forces has sustained injury or disability directly by a hostile act of the enemy.

That is the definition, and it will be noted that the only change to-day as applied to the veterans of the old war, is that the words "contracted disease" are substituted for the word "disability" where it appears. I think the explanation for that is that after this Act was passed and in the course of administration it was found that there was a great deal of confusion between the expression "disability" and the expressions "injury" or "disease". And to clarify it an amendment was passed which was made applicable to the whole Act that wherever "disability" appeared it would be replaced by the term "injury or disease resulting in disability."

That the explanation I have suggested is correct is shown by the fact that in the original Act of 1919 the term "theatre of actual war" only appears on one occasion in the body of that enactment. That is in the original Section 25 (3). The general effect of Section 25 (3) was that if a man served in a theatre of war no deduction of pension could be made—unless it was obvious or congenital or wilfully concealed—on the ground that the disability existed prior to enlistment. In other words, when a man was passed as fit and served in a theatre of war as defined, then the State held itself to be bound by its own medical examination. To put it another way a statutory estoppel was created. It was for this reason that, for the guidance of the commission, it was found necessary to define geographically what was meant by "theatre of actual war." I trust that I have made that clear. This refers to the case of a man who is accepted as fit and later is found to have had a pre-enlistment disability for which, in the ordinary course, deduction would be made from his pension; and the purpose of this legislation to which I am referring was that if he reached a theatre of actual war then there could be no deduction; the State would be bound by its own examination.

That was the purpose of the introduction of the term "theatre of actual war", because the commission had to know what part of the world was to be considered a theatre of actual war for that purpose.

There was considerable discussion as to the meaning of the definition, and I shall try to clarify it from our standpoint. It will be observed that the zone of the allied armies on the continents of Europe, Asia or Africa are specifically mentioned, also the high seas. The commission has no trouble at all if it can get them in the areas mentioned, as they are "theatre of war cases" for the purpose of that section. The question arose—I am still speaking of the 1919 Act—that the war might extend to other localities not within

the specific areas mentioned, and to provide for this contingency, should it arise, the following words were added and formed part of the section—"or any other place at which the member of the forces has sustained injury or disability directly by a hostile act of the enemy." What that section had in mind was that if he were in the zone of the allied armies in Europe, Asia, Africa or the high seas he would be in a theatre of actual war. If he was not in those particular zones, he still might be in a theatre of war if he were in any other place where he received a disability as a result of a hostile act of the enemy. So that the concluding portion of the definition is not an alternative to the first portion of the definition but is an extension of it to places which they could not visualize at the time but for which they tried to provide. I think that is the explanation of that section.

By amendments to the Act in later years service in a theatre of actual war as defined was made the condition governing certain other benefits. In other words, they found that definition to be convenient for other special benefits which from time to time they wished to confer, particularly benefits to tuberculosis cases (which were described by the chairman) and, in certain instances, to venereal disease cases under circumstances where there was aggravation during service.

The term was also employed in connection with the time limit on pension applications. For instance, to-day the time limit of 1st January, 1942, applies to those who had served in a theatre of actual war. But my point is that in each case the purpose of the definition is not to provide entitlement to pension, as appears to have been suggested during the discussions, but rather to define a geographical area within which certain special benefits under this Act will apply under certain circumstances.

In respect to the definition in bill 17 as applied to the present war, the question arises as to whether the proposed measure is broad enough to meet existing conditions. The British Isles being a battle area is now definitely included, and that is very proper. However, Iceland is not, unless it can be said that it is part of the European continent. Neither are Greenland, Newfoundland nor the Atlantic coast of Canada. None of these localities can come within the definition unless the member of the forces there sustains injury or disease due to a hostile act of the enemy. And, even so, it would only apply, as I understand the statute, to that particular individual. If he got wounded there, say, in Iceland, then, for the purpose of his own case, then and thereafter Iceland would be a theatre of war, but not necessarily so for any others who served in Iceland. The same applies to any other unspecified locations to which this war may spread.

In view of the almost limitless possibilities for extension of the present war in all parts of the world, it would seem almost impossible to evolve a specific definition which would meet all situations as they may arise. Even the suggestion that all localities outside of Canada should be included is open to objection that, in the minds of many, certain areas in Canada are in the present struggle theatres of actual war. Perhaps the situation could be met—I am speaking now particularly in regard to aggravation cases—by laying down a specific period of service, regardless of locality, at the expiration of which no deductions should be made for pre-enlistment disabilities; in other words, that the state would regard itself as estopped. A period, say, of ninety days ought to be sufficient to bring out any physical or other disability that might exist in a member of the forces, and would, at the same time, provide adequate opportunity for exhaustive examination by the medical authorities. That is one suggestion.

Another alternative would be to give the commission power from time to time to apply the definition in its discretion according to the course and development of the war. I think we can trust General McDonald to do that in the way that everyone intends.

[Mr. J. R. Bowler.]

A further suggestion which has come to me since I started to study this particular part is to mention the British Isles and the zones of Europe, Asia, Africa and the high seas, and then add to those areas "any other place where the member of the forces is exposed to hostile acts of the enemy." It occurs to us that that might possibly be a good solution. For instance, under that definition the chairman of the board could rule on Iceland, and all the indications are that Iceland ought to be in at the present moment. He could also rule on the cushy islands down in the South Atlantic to which some of our troops go.

However, these are the three alternatives which we suggest to the committee as being perhaps helpful in finding an adequate solution.

The CHAIRMAN: I think it might be preferable to ask questions on each section as Mr. Bowler proceeds, instead of waiting until the end of his statement. He has now dealt with definitions, and would be glad to answer questions on that particular section.

By Mr. Quelch:

Q. Why does Mr. Bowler say that certain parts of Canada might be regarded as actual theatres of war? What sections of Canada is he referring to?—A. I have never been down there myself but I have heard it argued in this committee and elsewhere that the Atlantic coast under present conditions should be regarded as a theatre of actual war.

Mr. MUTCH: It is understood that in some instances patrols by air certainly travel a considerable distance out to sea; I do not know how far they go.

The CHAIRMAN: That is correct.

Mr. MUTCH: And there is always the possibility of enemy action as far as they are concerned?

The WITNESS: And undoubtedly there are land forces on duty on the coast who are exposed to quite severe conditions, particularly in winter months.

Mr. MUTCH: Yes, the naval services in coastal waters. I do not suppose it will be settled until somebody either attempts or does shoot down a coastal patrol plane.

By Mr. Turgeon:

Q. Would it help to meet your viewpoint if in sub-paragraph (i) of paragraph "O" the word "the" before "member" were struck out and the word "any" substituted? You said a while ago that a theatre of actual war would be established for any particular member who was injured. Now, saying where the member of the forces has sustained injury is what makes it apply particularly to the soldier applicants, is it not?—A. That is correct.

Q. If you put there where any member of the forces has sustained injury, would that meet what you had in mind a while ago?—A. Yes, I think it would.

Mr. CLEAVER: Of course, that would create a very distinct widening of the responsibility of the government to pay pension, would it not?

Mr. TURGEON: But it would be confined to a hostile act of the enemy.

Mr. QUELCH: In the last war England was not considered an actual theatre of war.

The WITNESS: No.

Mr. QUELCH: I should not imagine that Canada could be compared with England in the last war. That is what I was referring to. We did not admit in the last war that the mere fact of a man being killed in a certain area made that an actual theatre of war, because in England some of our troops were killed.

Mr. MUTCH: By Zeppelin raids.

Mr. QUELCH: Are we going to say that any part of the world where a soldier may be killed will be classified as a theatre of war?

Mr. TURGEON: By a hostile act of the enemy.

Mr. QUELCH: Yes, by a hostile act of the enemy. In England in the last war troops were killed by hostile acts of the enemy, and therefore England should have been called a theatre of war but it was not. Because of that fact soldiers who would otherwise have been receiving pensions did not receive them. I have always felt that that was an injustice.

Mr. TUCKER: A real injustice.

Mr. QUELCH: Yes, a real injustice. I mean, to say that Canada is to be considered a theatre of war in this war and not to allow that England was a theatre of war in the last war, is inconsistent, in my opinion. I am not saying that Canada should not be considered a theatre of war. I think England should have been considered one in the last war in view of the fact that there were bombing raids over England in the last war, certain ports were shelled by hostile craft and many people were killed in England. Yet we did not allow England to be considered a theatre of war. So I merely say if we did not consider England a theatre of war in the last war, it seems to me absurd to call Canada a theatre of war in this war.

The WITNESS: I am not suggesting that you should. But the point is that the new definition as applied to the new forces does now bring in the British Isles, which is quite proper, I think everyone will agree.

Mr. QUELCH: Yes.

The WITNESS: On the other hand, the definition itself contemplates that it should go further and it is easy to see that it should go further. It is difficult, in my mind, to exclude Iceland under present conditions; and yet under the proposed definition Iceland can only be considered a theatre of actual war if a member of the forces gets an injury or a disease as a direct result of a hostile act of the enemy, and it applies only to him. I think the definition falls short in that respect. It should be broad enough so that the commission can, if it sees fit, include the whole of Iceland for the purpose of all the people who serve there.

Mr. MUTCH: Just at that point, I should like to make an observation. I would certainly go as far, or at least part of the way with Major Bowler. But at the beginning the primary intent of the Act is to provide for the person who is injured or disabled from illness as a result of service. I do not dislike the restriction in the use of the word "the" because that does provide for anyone who does suffer, but what I do not agree with is the limitation. A man is taken from his ordinary occupation and taken as far as Iceland. I do not like the restriction that he has to be actually disabled as a result of enemy action. I do not think because one man or a dozen men in Iceland are wounded, injured or killed as a result of bombing, that everybody who is there should necessarily be treated as though he were in an actual theatre of war. I do not think the trouble is there. I think the whole question of entitlement is involved.

The CHAIRMAN: May we defer further discussion until the definition is drafted and submitted, and permit Major Bowler to go on with his next subject?

Mr. CLEAVER: I have just one suggestion to make, Mr. Chairman, in this regard and I wonder if you would permit me to do it now?

The CHAIRMAN: Very well.

By Mr. Cleaver:

Q. Major Bowler, you have been dealing with these pension problems long enough, I think, to be a realist and to realize that there is some limit to the public purse. Have you considered the thought that if "theatre of actual war" should be extended to the extent which you suggest, perhaps it

might be wise to set up a different scale of pensions—perhaps a means pension or a different scale of pensions in regard to these cases of aggravation which occur to service men when they are serving in what we understood under the old Act as an actual theatre of war? Take for instance, Iceland. We have had no engagements in Iceland.—A. Mr. Cleaver, first of all let me say that I think the Chairman will bear me out when I say that the importance of this section in relation to expenditure involved is perhaps unduly magnified. The number of cases that are benefited by the fact that they have served in a theatre of actual war are very few in proportion to the total amount of pensions paid.

Q. Are they not very troublesome and do they not cause a great deal of criticism?—A. Well, the whole basis of the thing is this: a man is accepted into the army as fit. The medical people employed by the country examine that fellow and say, "Yes, you are fit to go overseas", and they send him over into a theatre of actual war where subsequently he contracts something. Ordinarily you would say that the state should be bound by its own examination, and having classed him as fit they should accept the responsibility for anything that turns up later. But they do not do that. There is the right under the Pension Act for the country to say, "Even though we did pass you as fit, we now say that you had a pre-enlistment disability and you are not going to get pension for that. You are only going to get pension to the extent that we consider it was aggravated during service." That was a troublesome problem. In regard to service in parts other than a theatre of war, that principle still applies. There is full deduction for what the country considers to have been a pre-enlistment disability, even though not found by their own medical examiners. But they do say—and that is the real purpose of this definition in the first instance— "If we pass you as fit and if we send you to a theatre of war, then we will be bound by our own act and we will not try to raise any question under the Act."

Q. Quite true.—A. The number of cases in relation to the whole class of pensioners is very few. In most cases when a man is sent overseas the medical examination will be found to be correct. It is only in the exceptional cases that that particular question is raised.

Q. If I understood you correctly a moment ago, one of your recommendations was to this effect: once a man had been in the service for a matter of some weeks, then the state should become estopped and this theatre of war definition should apply to his individual case. What I am suggesting to you as a compromise suggestion would be that in that event a different scale of pension should be payable to the man who is really simply suffering aggravation of a pre-existing disability, a disability that existed prior to enlistment.—A. Well, that is what he gets now.

Q. No. He only gets a proportionate pension now?—A. He gets aggravation.

Q. He gets pension to the extent of the aggravation?—A. That is right.

Now I am suggesting a compromise, namely that he should perhaps get a little more than that but he should not go the whole way; that he should simply get a means pension or something of that sort.—A. No. I am afraid I could not agree.

Mr. TUCKER: It seems to me that we are trying to draw a distinction now that is outmoded by the change in the nature of the war. I cannot help but think that. Under this proposed change, consider the position of a person in a staff job in London, who might be under all the circumstances safe—far safer than some of the boys patrolling the Atlantic coast. In the case of the man in the staff job in London he would be in a theatre of actual war and would get the benefit of this Act, while somebody undergoing all the dangers of patrolling the Atlantic coast, such as you just read about this morning and of which we have all heard, would not get the benefit of it. With the change in

the nature of the war, it seems to me that this sort of definition, which has perhaps always worked great injustice, should be dropped altogether. I know of lots of people who went to England who had to undergo bombing in the sea coast towns there, and were under greater danger in some places there than were people across the channel in some hospitals in France. But in the one case they were preferred people, and the people on the English side of the channel did not enter into the picture at all in regard to War Veterans' Allowance and these other pensions. It seems to me that when a man enters the service and gets into a place where he is exposed to enemy action, you should not try to draw a fine distinction and say he was not wounded or killed in a theatre of war. The fact is that he is there at the disposal of the government and he is liable to be wounded or killed, and you should not try to draw these fine distinctions.

Mr. GREEN: Is not what makes this definition of such great importance the fact that the same definition is used in the War Veterans' Allowance Act?

Mr. MUTCH: Yes.

Mr. GREEN: That is why it has to be given very careful consideration.

The CHAIRMAN: It will be given consideration. I think we had better proceed with your second section, Major Bowler.

The WITNESS: I should like to conclude by saying that the only purpose of any suggestions I have given—and you will notice they are alternative suggestions, Mr. Cleaver—is that obviously the old definition used in the last war will not do.

Mr. CLEAVER: No, it will not.

The WITNESS: Because Great Britain is certainly a theatre of war and that has now been included; but it is also clear that there are going to be, if there are not now, other localities in addition to Great Britain. What we have been endeavouring to do is to suggest a solution which would make it possible for the commission to be able to determine what other localities were to be considered theatres of war without having to apply what I think is a very restrictive condition, that the member of the forces must have received injury or disease as a direct result of a hostile act of the enemy.

By Mr. Cleaver:

Q. Yes. But consider these problem cases, Major Bowler. If they are either all in or all out, if there is no spirit of compromise by way of reduction of the amount, may you not find yourself in the position that having asked too much, you would get nothing?—A. Well, I should not like it to be understood that the legion is asking for anything except that the definition of "theatre of actual war" be now adequately adapted to cover the conditions under which this war is being fought. That is everything that we are suggesting.

By Mr. Reid:

Q. And no one can tell where the actual theatre of war is going to be?—A. No one can tell where it is going to be. But we want the commission to be in a position, if a new area opens up to-morrow as a battle area, to define that.

By Mr. Cleaver:

Q. Yes. But Major Bowler, you of course cannot help but admit that your one suggestion as to service in Canada for a limited period of some weeks certainly goes a lot further than what you have just now indicated? —A. Well, I suggest that for this reason: the country itself agrees that at a certain point in the proceedings it ought not to be permitted to deny its own medical examination. The conditions of this war are different. Members of this committee have suggested that the Atlantic coast ought to be considered

a theatre of actual war. I have not suggested that, but members of this committee have, and I have heard others; and I think you can make out a very good argument for it. That suggestion—90 days, I said; that is, three months—was only in the event that it was decided to make any part of Canada a theatre of actual war.

Q. I understood your suggestion to be that it should apply to the whole country; once a man had enlisted and served anywhere in Canada for three months that then any aggravation which took place would give him full entitlement.—A. It depends how far you want to go. There certainly is an argument, Mr. Cleaver, that at some point in the proceedings the country has to be bound by its own medical examinations, even service in Canada. It is not a very creditable proceeding to take a man into the service and keep him three years in Canada and then, after having passed him medically fit and taken him in, to say practically all his disabilities were pre-enlistment.

By Mr. Cruickshank:

Q. I should like to ask the witness a question. Was not "theatre of war" covered by one of the most distinguished men on the committee, the late Mr. Casselman, when he said: "Why can we not cover it by simply saying 'theatre of actual war means any place at which a member of the forces has sustained injury or contracted disease directly by hostile act of the enemy'? Cut out all your geography and your distinction between naval, military and air forces and simply let that cover the whole thing." As I understood the papers yesterday Iceland and Greenland are made an actual theatre of war, not by any act of this government or any other government but by a certain man in Germany. The papers quote him as saying that Iceland is a theatre of war.—A. They are not theatres of war, according to this.

Q. Mr. Casselman's definition is a correct one, in so far as I am concerned as a member of this committee. I do not care where a member of the Canadian force is serving, whether in British Columbia or anywhere else. If they are serving in uniform I think they should be treated accordingly.

The CHAIRMAN: The whole section is being redrafted now.

Hon. Mr. MACKENZIE: Yes, the whole section is being redrafted and I think possibly the new definition which will be submitted to the committee may be more satisfactory.

The CHAIRMAN: We are endeavouring to get from Mr. Bowler the opinion of the Canadian Legion with regard to certain sections. I think we should defer argument on this section until the definition is redrawn.

By Mr. Reid:

Q. Is it the contention of the Legion that pensions or consideration for pension be asked for all who join the active service forces of Canada and who receive injuries of some kind or another in Canada or abroad? I have particular reference to hundreds in offices here, many of whom have better jobs than they had before. My sympathy is with the fighting men and I think the sympathy of the country is also with the fighting men. I am not one of those who believe that the country is ready to pay pensions to men who have cushy jobs in this country and are doing the same work as they were doing before at enhanced wages.

Mr. MACLEAN: May I make a suggestion? I know we all want to get in a broad outline the opinion of the Legion in connection with this Act, and we want to get that as soon as we can. My suggestion would be that we limit our discussion in so far as possible to simply drawing out that opinion. I think it is very important that within a reasonable time we get a broad outline on the view of the Legion, and it may be if we spend too much time giving our own opinions it would perhaps defeat that object.

Mr. REID: That is one of the reasons I asked Mr. Bowler that question.

The WITNESS: To answer your question, may I say we are asking that the same pension provisions govern this war as governed the last, no less.

Mr. REID: That is reasonable.

The WITNESS: May I deal next, Mr. Chairman, with section 5 of bill 17 which re-enacts section 11, which is the basic section governing the entitlement to pension? The main effect of the amendment is that in respect to those who served in Canada after the 21st of May, 1940, they will be pensioned if their disability arose out of and was directly connected with military service, instead of as previously, if the injury or disease was incurred during service. In other words, in respect to service in Canada after the 21st of May, 1940, "the attributable to service" principle is to apply instead of the "insurance" principle or the "incurred during service" principle. It is a fact, sir, that much of the ground on this important question has already been covered by the chairman of the commission in the memoranda that he has filed. However, with your permission, I should like to put on the record, even at the risk of some repetition, what the Legion requests me to say about this particular matter.

As is well known, there has been up to the present time under Canadian practice two distinct fundamental principles governing entitlement to pension, for disability or death:—

(*a*) In peace time, injury or disease or the aggravation thereof resulting in disability or death must be shown to be (in the words of the present statute) "due to military service" as such.

This is known as the "due to service" principle. Service cause is the governing factor.

(*b*) In war time, injury or disease or the aggravation thereof resulting in disability or death is pensionable when shown to have been "incurred during" service.

This is called the "insurance" principle and simply means that when a man is accepted for active service during a war the state takes the responsibility for all that happens to him during such service, misconduct excepted, and whether directly due to military service or otherwise.

These, I think, are the two basic principles governing our pension legislation in Canada. One applying in time of peace and the other applying in time of war.

The insurance principle was laid down by parliament with all due deliberation in the original Pension Act of 1919. General McDonald has told you that prior to that time pensions were paid under some form of regulations. I believe that during the war itself the insurance principle was introduced by these regulations and it was confirmed by statute in 1919.

It is noted that the present bill eliminates the insurance principle in respect of members of the forces who enlist after May 21, 1940. For this class the following provision is laid down, and it is section 11:—

> When the injury or disease or aggravation thereof arose out of and was directly connected with such war service.

It is intended, we presume, that provision will also govern future peace-time service. As the language does not appear to be as restrictive as that now employed in the statute in respect of peace-time service, namely, attributable to military service as such, it seems likely that future peace-time service will benefit by any relaxation that might be involved, but in so far as the men now serving are concerned the printed explanations in the bill make it clear that it is definitely intended to take away the "incurred on" principle in respect of all members of the forces serving in Canada who enlist after that date.

That is shown quite clearly on page 5 of my copy of bill 17 under "Explanations." According to subsection 2 it says:—

> This subsection takes away the "incurred on" principle in respect of all members of the forces who serve in Canada only after the 21st day of May, 1940.

The explanation goes on to say:—

> The arbitrary date of the 21st of May has been taken as it was the date of the passage of an Order in Council under the War Measures Act which established this principle.

By Mr. Mutch:

Q. Might I interrupt you for a moment? Does your organization think in the first instance that some restriction for service in Canada or some restriction of the insurance principle or some modification of the insurance principle is necessary or is likely to be necessary as a result of what we might encounter in this war?—A. In the light of our knowledge and experience we are of the opinion that ultimately the full insurance principle will have to be applied, even if not now. We think that cases will develop as they did last time which will cause a great deal of controversy and the only way to settle it would be to bring them in.

Q. Would you suggest then in fact what we are doing is starting back to go over the same hard road we have gone over in the last twenty years piecemeal, forgetting what we have learned, or are you prepared to suggest any modification of the insurance principle at all?—A. No. Perhaps I might explain why. In the first place when that insurance principle was written in the Pension Act of 1919 parliament knew very well what it was doing; and as has been shown by General McDonald, Mr. Nickle, who was chairman of the parliamentary committee of that year, stated definitely in the house: "This is an insurance principle." He said, "We are insuring them against everything that may happen to them during their service excepting misconduct."

The country knew what it was doing and in 1919 it had then the benefit of the whole period of the war and must have known what types of cases were liable to arise in Canada as well as overseas. That is my first point. My second point following up your question is this: that in 1920 the insurance principle definitely came out of the Pension Act. In 1920 representations were made by the Pension Commission to a parliamentary committee of that year to the effect that the war was now over, the C.E.F. had been discharged, the only forces remaining were members of the permanent forces performing peace-time services and that therefore it was no longer necessary to retain the insurance principle in the Act because peace-time soldiers should go back to the original principle of attributable to military service; and on the strength of that representation section 11 of the Act was amended in 1920 and the words relating to "incurred during" were deleted and they were substituted by the following: "When the disability or death, in respect of which the application for pension is made, was attributable to military service." That is deleting the insurance principle and substituting definitely the attributable to service principle. The following year representations were made in the same manner—in 1921—to the committee of 1921 asking for the additoin of the words "as such." This was a special amendment presumably to make the language more emphatic as to its application and administration.

So that in 1921 the condition of pension was, that the disability or death in respect of which the application for pension is made was attributable to military service as such; the insurance principle had gone out of the Act by virtue of these two amendments of 1920 and 1921. Now, I am quite convinced that everyone

acted in good faith, the pension commission as well, and everyone thought that these amendments would not affect any outstanding claims of discharged members of the C.E.F.; that they would still be free to apply under the original insurance principle which governed the whole period of their service; but it had evidently become necessary for the pension commission to get an opinion on the point and as I recall the matter, I had something to do with it, the Department of Justice gave a ruling at that time that no matter what people thought or what they had intended, the actual fact was that the insurance principle had gone out of the Act and the "due to service" principle had been substituted and as a matter of law it must apply to all claims arising out of the Act, not only to the handful of peace-time soldiers still serving but to the whole body of the C.E.F. in respect of whom there still might be outstanding claims. Now, this is a very good reason why the commission should have the power under the pension statute for which General McDonald asked. The commission at that time felt that they were bound by that opinion and the result was that in wholesale quantities perfectly good cases under the insurance principle were ruled out by the commission on the ground that the disability or death was not due to disability as such. Now, that was one of the most important factors which led up to the appointment of the Ralston commission. That is how the Ralston commission came into being. There was a great protest about this matter and there were many conflicting opinions of one kind and another. The matter was so serious that the government thought it advisable to appoint a royal commission, and that was done; I do not think anyone will deny the ability of the chairman of that commission nor the thoroughness with which they went into this particular question. This was dealt with in what was called the first part of the inquiry which was an investigation into certain charges made by the Great War Veterans' Association against the pensions commission arising out of this very question. Later the commission travelled to investigate soldiers' affairs generally but the first part was directed largely to this particular issue. It held an exhaustive investigation which lasted several months here in Ottawa. Counsel for both sides appeared before the commission and witnesses were brought in from all over Canada. After extensive investigation the commission found that the insurance principle ought not to have been taken away in regard to discharged members of the C.E.F. and they recommended its restoration and in 1923—I will not bother to read the whole thing but you will find it in the amendments for that year—it was restored by parliament without any qualification whatsoever regardless that is of whether service was in Canada or in England or overseas.

Now, I have gone to that length to explain this because you asked me a question as to whether the Legion would suggest some modifications. I put it to you that that would be very difficult for anyone in our position to do. First you have parliament in 1919 with all the experience of the war, knowing that there must have been some cases of service in Canada where it was a question as to whether or not there was much merit behind a case; they must have known that, but in spite of that they passed it with their eyes open; and then again five years later when they had all the added experience during those years and they knew definitely all the classes of cases that were involved because there were so many complaints, parliament again reaffirms that principle in 1923. In the light of that I suggest to the committee that it would be very difficult for the Legion or anyone else to now relinquish that principle. I quite agree that no doubt you are going to find cases of services in Canada only which have very little merit, but I suggest to you that that has always been so, and the real question is this, whether in an effort to curtail or limit or cut out the possibility of undeserving cases of that nature, of which there will naturally be a few you are going to penalize the whole general class.

[Mr. J. R. Bowler.]

By Mr. Mutch:

Q. Do you think it would be possible to broaden the definition of cases of contributory negligence, for instance; or, in some other way to broaden your exceptions under the insurance principle—I am speaking now particularly of service in Canada—sufficiently to protect against these cases which you admit occur?—A. There is always provision that if he is engaged in some other forms of occupation that would apply; and there is provision against misconduct—that is defined "vicious" is it not, General McDonald?

General McDONALD: Yes, vicious or criminal misconduct.

By Mr. Cleaver:

Q. Might I put to you just one illustration in order to make sure that I understand your contention: If the insurance principle should be restored or replaced in the new Act as to service in Canada would that mean that a member of the forces in Canada who is simply doing clerical work and who has no intention of going overseas and will never go overseas, who is on administrative work here, was injured going up or down in an elevator in the apartment house in which he lives—would he be entitled to a pension under your recommendation?—A. Unless it was due to his own misconduct; yes, it would. This principle was discussed by this committee earlier—I think you were here, Mr. Cleaver—I think the principle is that a man voluntarily enlists for active service and he is giving his whole life into the keeping of the state, he has no control as to whether he is going to stay in Canada or not.

Mr. CLEAVER: I was here and I heard that discussion and I took part in it.

The WITNESS: Yes.

By Mr. Cleaver:

Q. But I am just wondering whether at this time when we have so many men on administrative jobs who have not enlisted for overseas service as to whether great care should not be taken as to their being included?—A. I am assuming that enlistment for active service means enlistment for anywhere that service may take them.

Mr. MUTCH: It does not actually though.

By Mr. Cleaver:

Q. Men get an active service category when they are engaged on administrative jobs where service will be in Canada only, now what you are suggesting is that the insurance principle should be made to apply to Canada equally to a theatre of war?—A. If it is active service, I would say yes.

Q. You would have it apply to those who sign up for active service and who are liable to be called to serve anywhere?—A. Those are the ones we are referring to.

Q. You do not mean that it should apply to the whole army of clerks and so on who are staying right here in Canada?—A. No, we did not intend to include them.

By Mr. Mutch:

Q. I am inclined to agree with your general recommendation, but the fact is that there are to-day in Canada a very considerable number of soldiers being recruited for active service who are not likely to go overseas and who are actually precluded by their categories for instance from going overseas. I happen to be one of those myself and on my staff I have a considerable number of them who under the terms of their enlistment it is perfectly apparent are not going to proceed outside of Canada. Now, I am very much concerned with the preservation of the insurance principle. I am so much concerned

with the preservation of the insurance principle that I think that it may be necessary to make some modification of the qualifications to benefit under the insurance principle; and I am inclined to think in cases such as my own, which is virtually that of modern clerical personnel, and the same thing applies to the other people on the staff to whom I referred, there is no additional hazard. I am concerned in preserving for the man who is likely at any time to be sent anywhere, who surrenders his own living body, as they put it in the army, to the disposition of the military forces, that something should be done for him. But frankly there are a considerable number—perhaps too many, that is not for me to say—of persons in the service in Canada who are virtually in civilian employment; to all intents and purposes that is what they are, and they are classified as being on active service. And I am thinking again particularly of the R.C.A.F. under this commonwealth air training scheme. We have something like, I believe, 30,000 persons in Canada who should probably be wearing office smocks or overalls instead of uniforms in so far as discipline and service are concerned, men who are staying right here in Canada. You have a vast number of officers, you have all kinds of men serving in the capacity of instrument men who never heard a shot fired in anger and probably never will. If we are going to give exactly the same treatment to all of these persons employed on that type of work I am satisfied that we should have some provision at least with respect to men of that type but let us protect them under some form of workmen's compensation; let us provide for them the most advantageous system of the workmen's compensation that is available in Canada. But whether we concede that or not, I am particularly insisting on the preservation of the insurance principle for the man who actually fights and who really goes into a theatre of actual war; and I am wondering whether your organization realizes, or even recognizes the fact that an entirely new situation obtains in this war which we did not have in the last. We have a vast army of men actually in military service described as being on active service, and perhaps properly so described as on active service, with respect to whom there is not the remotest likelihood that any of them will ever leave this country. If they do leave, if their status changes, they may be provided for; but have you any opinion with respect to some differentiation between people such as those I have described and the real active service men in this war?—A. Well, there may be all these classes that you describe; it is being done, I know. Is it proper to define what is meant by the term active service? That term certainly has a popular meaning; it means, to go wherever the war takes you.

Q. Technically all these men whom I have been talking about are described as on active service and under the military set-up would be entitled to all the rights and privileges which would apply to anyone else.—A. I am only speaking for myself now, because I have not had an opportunity of talking to anyone else in the Legion about it, but I think the opinion, in so far as I have been able to gather it, is this: we visualize this insurance principle as applying to men who put themselves at the service of the state with the idea and under the condition that they are available anywhere this war may take them.

By Mr. Reid:

Q. Of course, there was to be some differentiation between them because there are many men now in the active service forces who might not have joined if they were to be called upon to do duty outside of Canada. I do not think we should go so far as to place these men of whom we have been speaking, these men on office duty only, in the same category as the men who are going to have to face the bullets and the bombs and all the strenuous condition of the fighting line. Surely we are going to be guided in this matter by the consideration of those men who are the real fighters as against the men who work in offices at

home. I for one am all for the fighting men.—A. My first reaction would be that it is a question as to whether service, the nature of which it is known in advance will never take a man outside of Canada, should be called active service; would it not be better to classify it as some other kind of service?

Mr. CLEAVER: I think that is a problem we should study, because it is a real, live problem to-day.

The CHAIRMAN: We have had Major Bowler's opinion. Shall we proceed with the report?

By Mr. Green:

Q. Major Bowler, so far as disease is concerned, is it not practically impossible for a person to qualify for pension under the "incurred on principle" if he suffers some disease?—A. Under the "attributable to" principle. It is explained in the amendment that these new proposed words "arose out of and was directly connected with military or war service" mean "attributable to" service.

Q. Yes, but under that provision, which is the restrictive provision, it is not the insurance principle at all?—A. No.

Q. Is it not almost impossible for a member of the fighting forces who becomes ill to qualify for pension?—A. Yes, he would find it extremely difficult.

Q. Even much more difficult than a man who is disabled?—A. Oh, undoubtedly.

Hon. Mr. MACKENZIE: In regard to your question, Mr. Green, General McDonald has a file of 113 cases from which there appears to be a reasonable probability that forty-four would be granted entitlement under the service as such.

Mr. GREEN: That is with disease?

General McDONALD: That is in Canada.

Mr. MUTCH: 113 cases since May?

General McDONALD: No these were 113 cases that were granted prior to May under the insurance principle. It is the ones before May that answer the question of Mr. Green. 113 cases were granted entitlement to pension under disease. Now, reviewing these cases in the light of the order in council of the 21st of May, it appears reasonable that forty-four of these would have received entitlement if the insurance principle had not been in force.

Mr. GREEN: That is about one-third.

General McDONALD: And sixty-nine would not.

Mr. MUTCH: Could you say what percentage of the forty-four are dead?

General McDONALD: Those are disability cases.

Mr. GREEN: In other words, making the change cuts down the chance of the person who has an illness getting pension?

General McDONALD: Undoubtedly.

Mr. GREEN: By perhaps two-thirds?

General McDONALD: Just exactly what the figures show there in these 113. Those are all that have been granted.

Mr. TUCKER: There was an attempt, of course, to cut down on the insurance principle by Section 11 (*b*). If it was due to a congenital defect the insurance principle did not apply; also if the disability was wilfully concealed or was obvious or not of a nature to cause rejection from service. I must admit that if people transfer, we will say, from the civil service into the Royal Canadian Air Force, with increased pay and allowances, and go on doing exactly the same work, I do not see any reason in the world why they should be paid money they would not have got had they stayed in the civil service.

There was a distinction made in the last Act between a person who went into a theatre of actual war and a person who did not. It seems to me that the person who does not go into a theatre of actual war, if you give him the same protection he would get under the Workmen's Compensation Act, is not owed anything more than that by the Dominion Government, as long as he never goes into a theatre of actual war. But if he does go into a theatre of actual war, then, of course, I can see that the principle should be different. It seems to me that we should hold very strongly to the insurance principle in the case of those who go into a theatre of actual war. With those who are never near a theatre of actual war and are never in any danger from the enemy, if you protect them to the same extent as they were protected by working in any other civil occupation, it seems to me that that is all the government has any obligation to fulfil. The mere fact that they are wearing a uniform should not give them a lot of privileges over the ordinary citizen of the state.

The WITNESS: The category to which you refer should not be regarded as on active service, because it is extremely misleading.

Mr. GREEN: On the other hand, of course, if Mr. Tucker's suggestion were adopted, it would mean that the men who are in the third division or the fourth division or on coast guard duty now, and who are willing to go overseas and probably will be going overseas after a reasonable length of time, would not be in the same position. If they get ill they are in an impossible position.

The WITNESS: I was going to add that to my answer to the question. When you speak of the insurance principle being extended to those who actually do go into a theatre of war, I would add to that, sir, "or are liable to go."

Mr. TUCKER: I think that is probably so, but if a person is in a category where he can never go and knows he will never be able to go—

The WITNESS: He should not be regarded on active service and the public should not be led to believe he is on active service.

Mr. TUCKER: No.

Mr. MUTCH: With the addition of what Major Bowler has suggested—"or liable to go"—you would eliminate most of the cases which this Act is framed to avoid.

The WITNESS: Yes.

Mr. MUTCH: Because this Act is framed with the intent to limit responsibility for that type of person, as I see it.

Mr. MCLEAN: Is it not the case in connection with these many thousands that have been spoken of that we know and they know that they will never be in any hazardous position unless the war comes to Ottawa? And yet teachnically they are all liable to be sent to any place in the world?

Hon. Mr. MACKENZIE: They have all volunteered.

Mr. MCLEAN: They have all volunteered, yes. We have to be realistic about this matter.

The WITNESS: May I ask this question in connection with the point raised by Mr. Green? In order that the category you speak of should not be given the benefit of the insurance principle, is it necessary to take away the insurance principle from the third division who are now training in Debert camp?

Mr. MCLEAN: That is just the problem.

Mr. MUTCH: That is a matter of definition.

Hon. Mr. MACKENZIE: It is difficult.

Mr. MUTCH: I know, but it is not impossible.

The WITNESS: Taking these men who it is reasonably certain are not going overseas, and it is not intended that they go overseas—and they know it—if you can make that clear, it would be helpful.

Mr. McLEAN: I think we will have to keep in mind what was pointed out by Mr. Mutch, that the conditions in this war are quite different from the conditions in the last war. There were comparatively few who enlisted the last time who were certain that they were going to be in Canada. The people of Canada want to do everything that is right for our forces, but we have to be careful to try to draft this Act so that we will not create the impression that this committee which is composed mostly of veterans is doing something that is going to cause a revulsion in the minds of the people. We should remember, too, that the cases which are going to be talked of and discussed most are not the deserving cases; they are going to be these men who, quite properly because of their skill in organizing, have been given commissions a pretty fair rates of pay and who, if pensions are granted, will be paid at the officers' rate. These are the cases that are going to be talked about all over the country, and we have to be careful that we do not create a revulsion of feeling throughout the country. This committee is composed largely of veterans, listening to the opinions of veterans' organizations, and we have to be careful that we do not have a revulsion of feeling against us which is going to be harmful to the welfare of the forces. I have not the solution to it, but I think Mr. Mutch's statement was very, very much in order.

Mr. GREEN: I do not think there is much difference of opinion in the committee as to the principle that has to be followed; it is just a matter of defining it.

The CHAIRMAN: I am sure the drafting will be done in the light of this discussion, which has been enlightening.

Hon. Mr. MACKENZIE: The whole difficulty lies in the definition of "active service."

Mr. MUTCH: If you could dig up your old permanent force and put all the people who are not going overseas into that or some other separate army, your problems with respect to retaining the insurance principle will have pretty well disappeared, and it is time somebody did it.

Mr. ROSS (*Souris*): I do not think it applies entirely to the permanent force either.

The CHAIRMAN: Order, please. Major Bowler wishes to put something further on the record.

The WITNESS: There is one thing I should like to add so that the position of the legion may be entirely clear. Reference has been made in these discussions to persons holding good jobs in the government who have gone to better jobs in the army because they have special qualifications to do certain kinds of work which is required. I realize the objection to these things, but I would like it clear that we have not that type of case in mind. It is the fact that during the last war—and I imagine it will work out about the same in this war—that 98 percent of all the forces belonged to the rank and file. It is the rank and file primarily that we have in mind. The officer usually does pretty well out of this legislation. I was an officer, although I was only a subaltern. It is the rank and file, and the man we visualize is the man of limited means, of limited earning capacity, who has conceived it as a patriotic duty that he should enlist and who joins for active service—that means wherever he may be sent. Probably his first object is to get to the war as quickly as he can. If he does not, that is not his fault.

Mr. REID: I think we all agree with that.

The WITNESS: In the meantime he leaves not only his home but he severs his employment connections. He may jeopardize them or sacrifice them entirely. If he is a private soldier it means in most cases that his army pay is going to be less than he was earning before. In any case his revenue is not sufficient

for him to keep up the ordinary social precautions that men take, such as insurance and so on and so forth. He will have only his army pay and his allowances for his family. Out of that he cannot pay insurance premiums that you and I and perhaps others can pay. It is circumstances like that, where a man—and I would say that 95 percent of the members of all the forces will be in this category—makes a sacrifice by serving and puts himself wholly and completely at the service of the state, to go wherever he is sent, that is what we have in mind. That is our conception as to whom the insurance principle should apply.

Mr. REID: And I think they are the ones the people of Canada would like it to apply to.

Mr. MUTCH: There is no difference of opinion in the committee on that.

Mr. MCLEAN: The name of civil servants has been mentioned in the discussion. I would not want anyone to take it that we have anything against civil servants. The ones I have in mind are particular cases who are not civil servants. I have in mind people who are in business, my friends, who have obtained commissions in the forces, administrative positions, and who have very materially improved their positions. They know that they will never be going away.

Mr. CRUICKSHANK: Some of these dollar-a-year men.

The CHAIRMAN: Order, please. Mr. Hale will you proceed with your statement?

RICHARD HALE, Chief Pensions Officer, Dominion Headquarters Service Bureau, called:

The WITNESS: Mr. Chairman and gentlemen, this next question has to do with the matter of time limit for disability pension applications. The recent dominion convention of the Canadian Legion recommended that section 12, subsection (*a*) and subsection (*b*) should be repealed. That is in the Pension Act.

Mr. TURGEON: You are dealing wit the Pension Act itself?

The WITNESS: Yes. This section sets a time limit, namely January 1, 1942, in respect of applications for disability pension on behalf of those who served in a theatre of actual war during the last war. There is discretion to the commission to encertain applications after that date. In support of this recommendation, the principle is submitted, as has been done on many occasions in the past, that where it can be definitely shown that a disability is related to service, the country will desire that pension should be paid in such cases and that their wishes in this regard should not be nullified by reason of an arbitrary time limit.

From information available it seems clear that large numbers of ex-service men may still have claims for disability pension, but for patriotic and other reasons have not advanced such claims. Included among these may well be a large number of gunshot wound claims, and it is the legion's opinion that such claims should at no time be excluded.

The history of these time limits is that there was an original limitation of three years from the date of discharge. This period was extended on two occasions, and eventually, in 1930 it was abolished entirely. In 1936 it was reintroduced and set at January 1, 1940, being later extended to January 1, 1942, in respect of men who served in a theatre of war. The time limit for those who did not serve in a theatre of actual war in the last war is set at July 1, 1936. As this dead-line for men who served in a theatre of actual war is now only nine months away, and as there will obviously be many more claims, the legion asks that the time limit be removed or else substantially extended.

It is pointed out—and this is very important to the members of this committee—that the legislation of 1936 effectively protects the state against large retroactive awards. In 1936 the Act was amended so as to limit the amount of retroactive pension which could be paid and the commission have a very definite discretion in that respect. It can be paid from the date of award or for one year previous to the award and in very special cases of hardship for a further six months only.

By Mr. Green:

Q. Eighteen months is the maximum?—A. Eighteen months is the maximum amount in any case. So that the state is well protected, gentlemen. We feel particularly keen with regard to gunshot wound cases of which it has been estimated there are over 70,000, who have never applied for pension. There are also quite a fair number of men who had diseases in a theatre of actual war who have not applied at all.

By Mr. Cruickshank:

Q. How many did you say?—A. It is estimated that there are more than 70,000 gunshot wound cases who have not applied.

Q. And how many diseases?—A. Well, it is impossible to estimate the diseases. But we at dominion headquarters from time to time are very much surprised to find men who have had bona fide claims for disease who have never made application at all and probably never would have had circumstances not compelled them to do so. That is a class of people to whom we are very anxious to give all the opportunities possible to make application. It might be said that the commission have discretion to consider or not to consider these claims; but that after all, gentlemen, is not a very fair situation for a man who served in a theatre of war, that he has to depend on the discretion of the commission whether or not he can claim a pension for a wound contracted in the line of duty. We should like to ask the committee to seriously consider abolishing the time limit or at least extending it considerably. That is with regard to the last war.

With respect to the time limit of the present war, it is noted that under bill 17, pension applications arising out of the new war must be made within 7 years of discharge.

The legion finds itself unable to agree with this proposal on the following grounds:—

(*a*) That, as above stated, it does not believe that it is the country's desire that claims, otherwise acceptable, should be barred by a time limit.

(*b*) That experience arising out of the last war indicates that there is no hope that all applications will be received within seven years of discharge.

(*c*) That, in this and all other respects, the legion believes that the members of the new forces should be treated with no less consideration than the ex-C.E.F. members.

(*d*) That the proposed limitation will give rise to the thought that restrictive measures are being applied to new members of the forces.

In the legion's opinion, this question should be left until after the war and then dealt with as the circumstances may, from time to time, justify.

That, gentleman, is the position of the legion in so far as time limits are concerned, and we ask you to very carefully consider our representations, because it would be most unfortunate if the soldiers serving in the present forces of Canada get the impression that parliament or this committee are already endeavouring to place some restriction upon them in so far as this is concerned.

It has been shown that after the last war the reason why so many worthy citizens of this country did not apply was that they were patriotic enough not to ask the country for a pension until the day when they were actually in need. And many thousands of the cases that fail to obtain recognition to-day are in that category. They are the finest men we have and they waited until it was too late to collect the evidence which is required to prove their entitlement. In this war there have been many of the new soldiers who have called at the Legion headquarters and who have said this: You fellows, of course, are old soldiers and you are supposed to be very wise to all these moves. We are relying on you to protect our rights in so far as pensions are concerned, but why should there be any limit put on it at all when we are only beginning the war? Why anticipate? It will mean every man who comes out of the service will be inclined immediately to rush and apply for a pension and perhaps put a burden on the state which the state should not bear. So it is a very important question and we would much prefer that the time limit in so far as those serving in the present war are concerned be left entirely out of the bill.

Mr. TUCKER: Why not leave it out of the bill for the same reason as in regard to the past war, because there must still be people who if we extended that or put this limitation on would undoubtedly bring on applications that would never have been brought on. They would say to themselves: we can get along all right for three or four years, but with this time limit being put on if we do not apply now we will be ruled out of the picture. It seems to me this idea of a time limit is wrong; it brings on applications just as you say, to the extent that it prevents anybody who is entitled to a pension from getting one by virtue of putting on a time limit. It is an injustice. It seems to me the time limit in regard to those who enlist in the present war and those who saw service overseas in the last war should be left out altogether.

Mr. MUTCH: Even up to ninety-nine years.

By Mr. Green:

Q. Really, what you want is to have the time limit wiped out altogether?—A. Yes, we really see no necessity for bringing a time limit back at all.

Mr. MUTCH: It is just a game we play with ourselves every four years.

Mr. CRUICKSHANK: In fairness to the Legion may I say that my understanding of the committee the other day was that we were unanimous in not wanting a time limit.

The WITNESS (Mr. Hale): In that case the Legion and the committee will be in agreement and that is a very happy state of affairs.

Mr. CRUICKSHANK: We will see that the government is unanimous too.

The WITNESS: I should like now to make representation with regard to section 12 of bill 17 which is designed to place children on the same basis as widows for benefits under section 32 (2) of the Pension Act.

It is only necessary to say, gentlemen, that we are very pleased indeed that this error which was made previously has now been corrected and that the children who will benefit under this amendment are very, very deserving of the benefit because previously we had a situation where the widow was pensioned and the children were not, in the one family. It made it very difficult.

The next question is the matter of additional pension for children and the continuance after death of pensioner to children or widow in certain cases.

Section 13 of bill 17 is designed to give to children of pensioners who served in the new war the same benefits under section 22 (9) and (10) of the Pension Act as apply in the case of service in the old war with the exception, however,

that in the case of the old war, children born prior to May 1, 1933, are eligible for these benefits, whereas in the case of the new war such children to be eligible must be born within ten years after discharge.

The Pension Act contains provision for the payment of additional allowances in respect of wives and children of pensioners, as laid down in the schedules of the Act. Section 67 of the Act limits these payments to marriages contracted or children born prior to the first day of May, 1933.

Section 26 of bill 17 brings the members of the new forces under this section, but limits payments to wives married and children born within ten years of the date of discharge.

The general intention to treat members of the new forces on a basis similar to those serving in the Great War is clear, but it is pointed out that the provision definitely creates a disparity which, in the case of early discharge from the new war, will be substantial. As stated previously, the Legion does not desire that members of the new forces should be at any disadvantage whatsoever as compared with Great War veterans, nor does it consider it desirable that such should be the case. A period of fifteen years after discharge would more nearly approximate the present procedure.

It may be opportune at this time to place on record the recommendation of the recent Dominion convention of the Legion in regard to this section, which is as follows:

> That section 67 of the Pension Act be repealed in so far as it refers to wives and children acquired by a pensioner after May 1st, 1933, but the rights so restored shall only become effective from July 1st, 1940.

Or such date as this committee may determine.

I make that explanation because our convention was held last year in May. It was thought wise to protect the state from any large retroactive payments and we thought that if those rights were restored, if they were restored from the 1st of July, 1940, that would achieve the purpose.

By Mr. Mutch:

Q. May I interrupt you at that point? Has the Legion considered anything with regard to that date of 1933? Has any representation been made or have they considered a compromise with respect to that date whereby children born at any time during the lifetime of veterans of the Great War shall be pensionable and leaving some restrictions in the bill with regard to that old bugaboo of death bed marriages without in any sense limiting the pensionable right of the children?

Mr. GREEN: That does not come in under this section; it is only payment to the wives.

Mr. MUTCH: I know; but I am thinking of the limitation.

Mr. TUCKER: That is protected anyway by section 67.

Mr. MUTCH: The two questions tie in together.

The WITNESS: In death or marriages, Mr. Mutch, the wives would not collect very much, because this refers only to the allowances that are payable, additional pensions for wives payable to the pensioner during his lifetime but ceasing with his death.

Mr. MUTCH: Possibly, but it might be that it has some influence on the limitation. I am not so greatly concerned, frankly, with the extra pension for the wife, which is small, 25 per cent in any case; but I am concerned about the continuation of pensions to children of pensioners whether born five years after the war or thirty-five years after the war.

The WITNESS: As far as those who served in the last war are concerned you will appreciate that the average age being what it is to-day the future liability cannot be regarded as being large.

Mr. MUTCH: We are told there are 18,500 non-pensioned children of veterans now. Perhaps if you protected it against a backlog of accumulated pensions which have not been paid and began paying now it might be all right.

By Mr. Cruickshank:

Q. That is the Legion's suggestion, is it not?—A. Yes, we are quite as anxious as anyone to protect the state from huge payments, realizing that this is wartime; but we do think it was an injustice to deprive these children. We have a situation, for instance, which is even more tragic; when a man dies and we have perhaps four children in one family and one child will be pensioned and three will not be pensioned. And that follows all the way through, you have families split, two pensioned and two not; and so forth. It is a very unfortunate case.

Mr. MUTCH: And that means one is going to sit at the table while the other is going hungry.

General McDONALD: That is not correct, all the children have a pension.

THE WITNESS: Not if they are born after May 1st, 1933.

General McDONALD: I do not agree with that.

The WITNESS: There is no pension payable to any child born after May 1st, 1933.

General McDONALD: No additional allowance, but there is a pension. Mr. Hale knows many cases in which pension has been paid to our veterans' children.

The WITNESS: Born after May 1st, 1933?

General McDONALD: Yes.

Mr. MUTCH: Does that apply only to orphan children?

General McDONALD: This particular section has nothing to do with death, as Mr. Green pointed out.

Mr. REID: It is a different one.

General McDONALD: This is an additional allowance which is paid to a pensioner with respect to the children while he is alive.

Mr. MUTCH: Exactly.

Mr. TUCKER: Is it not a case in which the widow was in receipt of a pension during the war and the children were born after the date fixed, May 1st, 1933? As I understand its application, any young fellow who enlists in this war at say around the age of 21 and marries, and after the war is over when he is 25 has children—after he became 25 and died there would be no protection with respect to those children.

General McDONALD: You are confusing two things.

Mr. TUCKER: I would like to know what it does mean.

General McDONALD: It is a little added allowance paid the pensioner under his pension, the widow being the pensioner in this case. In the case you referred to if he married and later died, his widow being in receipt of a pension, there would be this additional allowance for her children.

Mr. TUCKER: Yes.

General McDONALD: And she dies—

Mr. TUCKER: No, no, she lives.

General McDONALD: She lives?

Mr. TUCKER: Yes.

General McDONALD: And she receives additional allowance for all these children, provided they were born within the prescribed time.

Mr. TUCKER: In other words, if a soldier comes back and if he marries and so forth say three or four years after he comes back and say after he is 25, when he comes back if he has any children after he is 35 there is no provision for looking after them, is that the idea?

General MCDONALD: No, sir; again you are confusing death pensions with additional allowances.

Mr. MUTCH: Isn't the situation just the same with respect to the children and the allowance for the children whether the pensioner is still living and drawing extra for his children or whether he is dead and his widow is drawing for the children?

General MCDONALD: Yes, quite so.

Mr. MUTCH: In order words the widow is in exactly the same position, that she could only draw the additional revenue allowance for those children until they reach the age where they are cut off, and that only providing these children were born within the first ten years.

General MCDONALD: The same children for whom he was receiving it though.

Mr. MUTCH: Yes, although she might have, as Mr. Tucker pointed out in reply to me,—she might have had a considerable number of children born after the age 35 was reached in this case. She would draw nothing for the children born after that ten-year limit had been passed; and that would leave the widow drawing the same amount, and that means just nothing.

General MCDONALD: That is right.

Mr. MUTCH: In other words, your statement is that it limits the time during which you can have children for which you can get any assistance for their support.

Mr. TUCKER: What justification is there for that?

Mr. MUTCH: There is none.

Mr. TUCKER: Surely if a man goes overseas and loses an arm we are not going to say that he hasn't got a right to the same family life as the man who stays cosily at home and does nothing.

Mr. MUTCH: We have been saying it for years; the only difference is that this legislation makes it a little bit worse.

Mr. CRUICKSHANK: I agree with the chairman, I would like to hear what recommendation you have to make.

The WITNESS: We are asking that this time limit be eliminated in so far as the present war is concerned; as far as the old war is concerned that this date of May 1st, 1933, be removed and that with regard to that you only make this additional allowance payable from a current date—we suggest July 1st, 1940.

I would like to clear up one point here which the chairman of the commission—a very good friend of mine, although we disagree on many occasions—brought up with respect to this matter of the rights of children. Section 67 of the Act is very specific. It says, nothwithstanding anything contained in this or any other Act any pension or additional pension awarded or payable under the provisions of this Act shall be awarded or paid under schedule (*a*) or schedule (*b*). Now, schedule (*a*) covers additional pension which is payable for a child during the pensioner's lifetime, and schedule (*b*) covers the amount payable to surviving children; so that no pension can be paid under either schedule to or in respect of any child of a member of the forces or pensioner if such child shall have been born on or after the first day of May, 1933. So that what I stated was quite correct, that there are children in one family of which one may be pensionable and the others not.

General MCDONALD: I beg your pardon, I misunderstood your statement; that case does arise.

Mr. MUTCH: It will arise in plenty of instances if this Act stays where it is now, because the average age of the chaps coming in is about 22½ years at the most—even if the war lasted five years.

The CHAIRMAN: Proceed, Mr. Hale.

The WITNESS: Mr. Chairman, the next section is of vital importance to those who suffer from pulmonary tuberculosis, and I should explain to you that part of my duties include this special section which exists within the Legion known as the tuberculosis veterans' section, for whom I have the honour of being the chief pensions officer also; and section 14 of bill 17 re-writes section 24, sub-sections 2 and 3. Now, I should explain that in so far as the section that has been in the bill was concerned we were very happy to be able to discuss this matter with General McDonald and the commission, and as a result of our discussions and their reconsideration General McDonald was kind enough to introduce to this committee an amendment, an alternative amendment, which is numbered No. 6. I want to say, gentleman, that that alternative amendment has the full and unqualified approval of those I represent, and it is a very complicated amendment but it is designed to preserve those rights which have already been conceded to those who contracted tuberculosis in the last war, and to designate again the same benefits for those who serve in the present war in so far as those who serve in a theatre of actual war are concerned; but it restricts the benefits to those who did not serve in a theatre of actual war in this war. But that would depend on your decision in so far as the insurance principle is concerned, as to whether or not that part of the amendment, No. 6, will have to be redrafted. I would like you to understand clearly that in so far as it stands this amendment, the alternative amendment No. 6, as it stands at the moment, and if bill No. 17 stands in so far as the insurance principle is concerned, then it has our full approval; but if you, of course, in your wisdom desire to restore in some measure or in whole the insurance principle then the operation of this alternative amendment No. 6 will have to be redrafted. I would like to say by way of explanation that the contents of this section were the result of the royal commission headed by Colonel Ralston which went exhaustively into this question of pensions for tuberculosis. They made a study of the question over a period of two years, and they visited most of the sanitoria in Canada where tuberculosis cases were being treated, and this recommendation which is contained in this section was their recommendation, so that there is no change whatever in the situation in so far as these pensions for pulmonary tuberculosis in the last war are concerned. The only change is in regard to those who do not serve in a theatre of actual war in this present war.

The CHAIRMAN: The committee will adjourn until to-morrow, Friday, at 11 o'clock, when the Legion case will be continued.

The committee adjourned at 12.50 o'clock p.m. to meet again to-morrow, Friday, March 28, 1941, at 11 o'clock a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

FRIDAY, MARCH 28, 1941

WITNESSES

Mr. J. R. Bowler, General Secretary of the Canadian Legion of the British Empire Service League.

Mr. Richard Hale, Tubercular Veterans' Association and Chief Pension Adviser of the Canadian Legion.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

FRIDAY, March 28, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Blanchette, Cruickshank, Emmerson, Eudes, Ferron, Gillis, Green, Isnor, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Mutch, Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Turgeon, Winkler—23.

Mr. J. R. Bowler, General Secretary of the Canadian Legion, British Empire Service League, and

Mr. Richard Hale, representing the Tubercular Veterans' Association, and Chief Pension Adviser of the Canadian Legion were recalled jointly, examined, and retired.

On motion of Mr. McLean, the Committee adjourned at 1.00 o'clock, p.m., to meet again on Tuesday, April 1, at 11.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

23417—1½

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

March 28, 1941.

The Special Committee on Pensions met this day at 11 o'clock, a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order, gentlemen. Mr. Bowler will proceed with his statement in behalf of the Canadian Legion.

J. R. BOWLER, General Secretary, Canadian Legion, British Empire Service League, recalled.

The WITNESS: Mr. Chairman, at the conclusion of the hearing yesterday Mr. Hale finished dealing with the Legion's representations in regard to section 24 of bill 17; that is the special provision for tuberculosis cases. I would now like to refer to section 11 of bill 17 which re-writes section 21, subsection 1 of the Pension Act, that being the clause dealing with compassionate awards, the amendment having been explained to the committee by the chairman, General McDonald. The Legion would like to put on record the following comments in regard to that amendment. The meritorious clause, as it is called in the Pension Act, has been modified and changed from time to time over a period of years on a trial and error basis, and in this way has developed to the point that it now appears to be carrying out what has been the intention throughout, namely, that under certain conditions especially deserving cases can be provided for but without abuse of the fundamental principles governing the legislation. In the Legion's opinion the mere possession of a small award under the Pension Act should not operate to bar an applicant from a supplementary award under this clause. Apparently, some question has been raised as to the legality of awards of this nature, and the intention of the present amendment is to make the position clear beyond all question. This amendment has the Legion's unqualified support.

May I refer next, Mr. Chairman, to section 25 of Bill 17. That is the section designed to give the appeal board of the commission jurisdiction to interpret the Pension Act. There has already been considerable discussion on that point. The Legion would like to go on record as supporting the principle of this section. One of the main reasons for that position is that when the appeal court was in existence powers of interpretation were specifically vested in that body. After the reorganization carried out in 1936, the functions of the appeal court were assumed by appeal boards of the commission. It is just as necessary that such boards shall have the power to interpret as was the case in respect to appeal courts. In that regard I may say, as was suggested in the discussion by the committee, that power to interpret vested in the commission itself is perfectly satisfactory from our standpoint.

Mr. GREEN: Which would you prefer?

The WITNESS: To be quite frank, I think it should be vested with the commission.

General MCDONALD: That is quite satisfactory.

The WITNESS: It is all-inclusive.

Hon. Mr. MACKENZIE: Either is all right as far as we are concerned.

The WITNESS: We do not think the commission should have to rely upon legal opinions from outside sources and much more we do not think that the

commission should be bound by opinions from outside sources; and again, the state is protected in this way that the Auditor General carries out a constant review of all awards and would read all such interpretations, and if anything happened which he thought was a violation of the law or the spirit or intention of the Act he could promptly include it in his report to parliament, so that the state is protected if that is done.

May I go next, Mr. Chairman, to the question of the date prior to which marriage must take place if the widow is to qualify for pension.

Mr. REID: What section is that?

The CHAIRMAN: That is section 16, subsections (*a*) and (*b*).

The WITNESS: Section 11 of the Pension Act is the authority for payment of pensions where death is related to service in the manner specified. Section 32A (1) defines the period within which marriage will be recognized for the purpose of widow's pension. In the case of the great war the restriction is that marriage must take place either before pension is awarded in respect of the injury or disease causing death or before January 1, 1930.

Section 32, subsection (*a*) provides for widow's pension in all cases where the pensioner was pensioned in any of the classes 1 to 11 inclusive, irrespective of cause of death, but also subject to restriction in regard to date of marriage, which must be prior to January 1, 1930. That is from 50 per cent up.

Sections 16 and 17 of Bill 17 bring the members of the new forces in the provisions referred to, with the very notable exception, however, that for the widow of a pensioner to qualify marriage must have taken place prior to the time the member of the forces was granted a pension. This certainly seems to be a most drastic limitation as compared with the recognition of marriages of veterans of the last war.

As has been explained to the committee, this question has always been highly controversial. The original Act of 1919, section 33 (1), laid it down that, to be recognized for pension purposes marriage must be contracted before the appearance of the disability which resulted in death.

It is readily understood that the primary purpose of this legislation was to protect the state against marriages entered into by designing parties with a view to taking advantage of the benefits of the Pension Act. It was not long, however, before instances of apparent injustice and hardship began to present themselves. There were cases in which war disability was admittedly present at the time of marriage, but was so insignificant that neither party had any reason to anticipate serious consequences. Such marriages were entered into in good faith, yet when death occurred pension could not, under the law, be paid. In other cases, neither party to the marriage had any idea whatsoever that war disability existed, but later it was found by the pension commission that the disability had been present, even though no one was aware of it. It had appeared, and pension was refused.

The situation resulting from these decisions was brought to the attention of successive parliamentary committees, and in 1928 an amendment was passed, the general effect of which was that marriages would be recognized, even though disability had appeared, providing that the disability was not such as to shorten expectancy of life, or if not a pensioner, that the soldier was not chronically ill of a pensionable condition. The text of this amendment is as follows:—

"24. Subsection 1 of section 32 of the said Act is repealed and the following is substituted therefor:—

32. (1) No pension shall be paid to the widow of pensioner unless she was living with him, or was maintained by him, or was, in the opinion of the commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto.

(i) No pension shall be paid to the widow of a member of the forces unless she was married to him before the appearance of the injury or disease which resulted in his death,—

(a) unless the injury in respect of which he was pensioned or entitled to pension would not shorten his expectancy of life; or

(b) unless he was not chronically ill of a pensionable disease and not in receipt of pension in respect thereof.

(ii) This subsection shall not be held to authorize any payment of a pension for any period anterior to the date of the coming into force of this Act."

In 1930, the question was again considered by the parliamentary committee of that year with the result that it was decided to "blanket in" all marriages contracted prior to the 1st of January, 1930, and to recognize marriages after that date, if contracted prior to the awarding of pension for the condition resulting in death.

It is difficult to deny that the state should be protected against "deathbed" marriages. In this regard it is to be noted that the opportunity for practices of this sort has never occurred in the case of great war veterans for the reason that no one could possibly be aware in advance that the beneficial legislation of 1930 would be passed, and when it was passed, it simply took in marriages contracted up till that time. The pension motive, therefore, could not possibly have been present in respect to such marriages.

It seems clear, however, that in respect to the new war, if marriages were "blanketed in" in advance for a similar period of time, the opportunity for "deathbed" marriages or marriage from wrongful motives would certainly occur, and this obviously is not desirable.

On the other hand, it does not seem just that the marriage of a pensioner, carried out in good faith and without wrongful motive, should be penalized from the commencement by the fact that, even though death should subsequently result from recognized war disability, no provision will be made by the state for the widow and children. The conscience of an honest man would rebel against marriage under such circumstances. It has to be remembered that the question only arises in cases of death from war disability (or within classes 1 to 11 which is on presumption of war disability) and it is difficult to understand upon what grounds the state can disassociate themselves from responsibility for dependents in such cases, providing it is protected against fraud and dishonesty. It ought not to be necessary, however, for the state to penalize the entire body of pensioners in order to give itself the protection referred to, yet that is the effect of the present proposal.

In regard to the members of the new forces pensions will only be paid if they are married prior to an award of pension. The Legion fears that the discharged members of the new forces would regard this provision as a severe discrimination. It has to be remembered that a disabled person, more than anyone else, requires the care and attention which accompanies the marriage state, and it hardly seems just that the women who are called upon to perform these additional services should be unprovided for when death of the husband takes place.

The solution to this problem is not an easy one. Perhaps something in the nature of the amendment of 1928, quoted above, might meet the situation, but broadened to include all marriages where there is no evidence of bad faith. Blanketing in, as in the case of the C.E.F., could, if necessary, be considered later, having regard to conditions and circumstances as they arise.

That completes the submission on this section in respect to members of the new forces.

By Mr. Green:

Q. What do you say about the New Zealand system?—A. I was going to say that personally—I think Mr. Hale agrees—I was very much impressed, indeed, with the way New Zealand has endeavoured to meet this problem; and I should think that something along the same lines might be tried here.

Certainly the Legion is very definitely opposed to anything which will lay the Pension Act open to abuse. We are very definitely opposed to that. People are human, and there is a serious danger in regard to these deathbed marriages, and we do not think there ought to be any opportunity for that sort of thing to happen. On the other hand, we are equally emphatic that the whole class should not be ruled out because of that danger.

By Mr. Cruickshank:

Q. The same principle applies to veterans of the last war.—A. It has never arisen; I tried to explain that.

Q. Yes, but what I meant was that though it has not arisen I am absolutely of the opinion that it might. Although I am not personally affected, I am of a generation and age that would be affected by the clause as it stands now, and I think it is absolutely unjust. If a man in the last war did not get married before 1930 his widow and children are absolutely debarred. It is absolutely unfair.—A. I have not finished my presentation. I was discussing the provisions for the new members of the forces, which we think are entirely too restrictive and should be widened. The only thing that is necessary is to adequately protect the State against fraud.

By Mr. Green:

Q. What provisions have you in mind to protect the State against fraud? That is really all we need to be concerned with, in so far as these restrictions go, is it not? It might be possible to write something into the Act that would prevent fraud and leave the way open in other cases.—A. General McDonald perhaps will not thank me for this suggestion, but all that I have been able to think of is that it should be in the discretion of the commission to determine if a marriage is entered into in good faith and without wrongful motive. Somebody has got to decide it, it seems to me.

By Mr. Cruickshank:

Q. Would not the provision in the New Zealand Act relative to the one year protect the State? Would that not meet with the approval of the Legion? —A. I would say so.

Mr. Reid: While I know that the commission is fair, I would rather see something more definite put in the Act.

Hon. Mr. Mackenzie: So would the commission.

Mr. Cruickshank: The New Zealand provisions would protect it; that is, within a year.

Hon. Mr. Mackenzie: Mr. Chairman, I think the chairman of the commission would like to say something in this connection.

General McDonald: In so far as the members of the new army are concerned, it is quite probable that something along the lines of the New Zealand legislation would be quite equitable and fairly easy to administer. That covers the question of what we call deathbed marriages in that sense, men who were ill and likely to meet their end soon.

The other question that arises, to which I think Mr. Cruickshank is referring, is the bar of 1930 as regards the old troops.

Mr. Cruickshank: Yes.

General McDonald: Since that legislation has gone in the government has extended very widely the numbers in respect of whom pension will be paid irrespective of their cause of death. Everybody now knows—pensioners and their friends—that anybody who was in receipt of over 50 per cent pension would have their widow taken care of by pension in the event of death.

It is just a question as to whether the unrestricted permission to marry, as a means of qualifying for widows' pensions, might not lead to the exploitation of older pensioners who are in receipt of 50 per cent pension now from the old war. Our average age is over fifty.

Mr. CRUICKSHANK: I am a long way from fifty yet.

General McDONALD: I said "the average."

Mr. REID: You are speaking of those in receipt of 50 per cent pension?

General McDONALD: Yes, and there are a very large number of those men unmarried.

Mr. CRUICKSHANK: But following up Major Bowler's argument, I was referring particularly to the men who had not yet applied.

General McDONALD: That would cover it all right.

Mr. CRUICKSHANK: Surely it is not the principle or the policy that because a man happens to be in receipt of a pension he is to be barred from the privileges of married life.

General McDONALD: It does not bar him; it penalizes him to a certain extent, but not that clause. It is the 1933 restriction that penalizes him in regard to the additional allowances.

Mr. CRUICKSHANK: But what about his death?

General McDONALD: Oh, yes, of course, on his death. But Mr. Cruickshank, I am not arguing, I am just putting that situation before the committee. There are a large number of older men whose widows are definitely assured of pensions if they die by reason of the fact that they get 50 per cent pension.

Mr. CRUICKSHANK: That is all very well.

The WITNESS: Perhaps I could continue.

General McDONALD: I am sorry I interrupted you.

Hon. Mr. MACKENZIE: May I quote what was said the other day by the British Minister of Pensions, found at page 122 of the British *Hansard,* as follows?—

> "The question was raised about pensions to wives and children of men who marry after the disability takes place. That is a difficult question. It has been a fundamental principle that the State recognizes only those domestic obligations which were in force at the time of disablement. That principle has been laid down throughout the whole history of pensions."

The WITNESS: On that point, and without desiring to be contradictory, sir, we all realize that the British practice has always been much more restricted than ours, and they have succeeded pretty well in keeping it that way. I think there is only one answer to that, and that is in general social legislation for men, women and children who require assistance under any circumstances, be it due to increasing age or ill-health or unemployment, and so on, Great Britain is far and away ahead of us, and that is why it is possible to operate on a restrictive basis so far as pension legislation is concerned. I think there is something to be said for that point of view.

In regard to marriages in connection with the last war, as has been explained, if the marriage takes place prior to the 1st of January, 1940, the widow will be recognized for pension purposes when death occurs from a war disability or out of classes 1 to 11.

By Mr. Green:

Q. Did you say "1940" or "1930"?—A. It should be "1930." I beg your pardon. Now, by bringing that class in in that way, the danger of deathbed marriages was eliminated.

There have been complaints, however, that this caused discrimination as against marriages which have taken place since the first of January, 1930, and I have no doubt that members of the committee have run into these cases. The suggestion of the dominion convention of the Legion held last year in Montreal was that a further period of ten years be now "blanketed in". That can be done without danger of deathbed marriages, just as in the case of the 1930 legislation; and the Legion is asking that the 1st of January, 1940, be now set as the deadline for marriages for pension purposes. The feeling was that the extension proposed would not affect a large number, but that it would serve to remove the feeling of injustice which prevails particularly among younger ex-service men—perhaps that applies to Mr. Cruickshank—who quite naturally are married later in life because of their period of service and very often because of re-establishment handicaps during the post-discharge period.

It is emphasized that, during the period of the proposed ten year extension, there could have been no ulterior motive in respect to any marriages contracted, for the reason that there has been nothing to lead them to believe, until now, that any such extension might be contemplated. It is thought that if this request is granted it will help greatly in the maintenance of the homes where the children of ex-service men are being cared for, thus assisting in making them useful citizens.

Mr. CRUICKSHANK: That is the first discrimination. I still object to the date, because I was married in May, not June. I am absolutely opposed to that limitation at all. The reason I am bringing this up is that many people across Canada happen to know my age. I have had this brought to my attention by the Legion and returned men across Canada, and I strongly object to the committee setting up any date as to when you will be eligible for a pension. If a man serves his country, why in the name of Heaven has he to be told when he has to be married? I am absolutely opposed to the limitation at all, or to the Legion bringing in any limitation in any shape or form; otherwise, we are apparently more concerned in dollars and cents than we are in the welfare of the women and children who might suffer. You will never get my consent to this.

The WITNESS: You are not suggesting that that is the attitude of the Legion, are you? We are definitely asking for a ten-year extension of this.

General MCDONALD: That would bring in, Mr. Bowler, all those who are now widows?

The WITNESS: Not necessarily as to awards, but as to entitlement.

By Mr. McCuaig:

Q. If that extension were granted, would the pensions be payable only from the first of January, 1940, or would they be cumulative?—A. The Legion would be satisfied if the principle is established from some current date, some date near at hand.

Q. Are pensions payable only from that time forward?—A. Yes.

By Mr. Reid:

Q. Do you not think it would raise the retroactive angle?—A. Yes. We are concerned over the maintenance of the widows now; we would not press the point that they should receive large amounts of retroactive pensions.

Q. It will raise the question if you put a ten-year advance date in the section now?—A. Mr. Hale points out that when the 1930 legislation was passed that question did not become an issue.

General MCDONALD: When Section 32 was enlarged to class 11, that is, down to 50 per cent, it was only made payable from the date of the Act, and there were no claims, particularly, Mr. Reid.

By Mr. McLean:

Q. Could General McDonald give us any idea how many widows would come under this benefit if that date were extended to 1940?

General McDONALD: I think I could get that pretty accurately.

Q. Have you any idea?

General McDONALD: Not at the moment.

By Mr. Cruickshank:

Q. What is the argument in favour of limiting it to 1940? Why not 1945?

The WITNESS: Are you asking me?

Q. Yes.—A. I am sorry, I was not sure, Mr. Cruickshank.

Q. What is the logic or the reason for limiting it to 1940?—A. At the present time we have only got it to the first of January, 1930.

Q. Why make it 1940? They made the mistake before, but we have a far more intelligent committee now.

Mr. McLEAN: Mr. Chairman, I do not know that it is quite fair for us to ask the representative of the Legion to present any argument against any limitation whatever. It seems to me that the objection is obvious. Put yourself in the position of the young married man who is getting a pension of $50 a month. You have considered marriage on many occasions during your lifetime, and suppose that you are now sixty years of age when ordinarily all ideas of marriage have gone from your mind. You may live another ten years or five years, and, at the age of sixty, sixty-five or seventy, with the assurance that if you marry a girl and die she is going to have a pension for life, surely it is very, very obvious that there would be a large number of such marriages; at least, there would be the desire on the part of quite a number of people—people are human—to marry if they are going to be assured of a pension for the rest of their lives.

It seems to me the objection is very obvious, and I do not think we ought to ask the representative of the Legion to give reasons against it.

Mr. CRUICKSHANK: I entirely disagree. As a charter member of the Legion I want to know their reasons. You made a statement about a man of sixty years of age. Personally I cannot see why the man of sixty is not just as much entitled to get married as the man who stayed home and made a lot of money during the last war. In many cases they got married so that they would not have to go to the war. There are to-day plenty of returned men of forty-five and fifty years of age in Canada who are just as much entitled to get married as any one else. Certainly they are just as much entitled to get married as the man who stayed at home and worked in a shipyard and made a fortune and then got married out of it. You will never get my consent to this limitation.

The CHAIRMAN: I should like to repeat that we are asking Mr. Bowler the opinion of the Legion and we must not allow our questions to develop into arguments. This is not the place for argument.

By Mr. Isnor:

Q. May I ask Major Bowler if, when consideration was being given to the change from 1930 to 1940, consideration was also given at that time to doing away with the date entirely?—A. I think the convention had in mind that here another ten years had gone by, the 1st of January 1930, to the 1st of January, 1940, and there had been a large number of unrecognized marriages during that period and that there was much discontent arising from that fact. And it was in the convention's mind, in my opinion, that here was the opportunity to again apply a remedy by a blanketing-in process so as to eliminate any possibility of fraudulent marriages.

That convention was held last year, and the same argument would apply if you bring the date as of to-day and include all marriages from the 1st of January, 1930, up to to-day.

But in answer to Mr. Cruickshank, I should like him to know that the representations I am making are absolutely in accord, Mr. Cruickshank, with the resolutions passed at the convention.

Mr. CRUICKSHANK: Oh, I appreciate that.

The WITNESS: If you lay down that kind of legislation for the future and say that you are going to pension the widow of a pensioner no matter when the marriage takes place, take the limit off altogether, then it would be possible for some person of evil design to marry a pensioner on his deathbed and draw a pension for the rest of her life.

By Mr. Cruickshank:

Q. Would not the New Zealand legislation cover that?—A. That is different. But I am explaining what was in the minds of the convention. They do not want to place the whole pension structure in danger. They fear—I know I do —that the Pension Act might be jeopardized by the fact that abuses of that kind could occur. We think there are ways of meeting the situation. Certainly the New Zealand enactment, so far as the new members of the forces are concerned, seems to be excellent.

By Mr. Ross (Souris):

Q. What are the chief arguments that have been advanced in favour of a widow obtaining a pension on the death of her husband if he was in receipt of a 50 per cent pension?—A. There are a lot of arguments in favour of it, but it developed by a very slow process of evolution. General McDonald can explain the principle of pensions better than I can, but I will try. The principle of the liability of the State for the payment of pensions is disability or death which is attributable to or incurred during service, that is, related to service. So that ordinarily a pension to a widow, provided she was married within the proper time, and so on, is not payable unless her husband dies from his pensionable war disabilities. If he dies from a cause not associated with the war, then ordinarily there is no provision under the Pension Act for pension to the widow.

Now, then, according to my recollection I think this problem was recognized as far back as 1919 when the Act was first passed. It was found that there were quite a number of men who had been seriously disabled as a result of the war, pensioned in the higher brackets—100 per cent or thereabouts—and, perhaps, they died, and the doctors who had to certify to the cause of death, when they came to look into it, found that even though this man was 100 per cent or nearlly 100 per cent pensionable for war disability, he died from something else, maybe from heart failure or something of that sort, and it could not be certified that he died from a pensionable condition and, therefore, no pension was payable to the widow under the Pension Act.

Now, to meet that situation a legal presumption was created—and I think this is in the original Pension Act of 1919—that if a man who is pensioned from 80 per cent up, dies—(80 per cent or higher)—then no effort would be made to decide whether or not his pensionable disability caused death, but the state would presume that his pensionable disability must have been a very large factor in the cause of death regardless of what the actual medical findings were; and therefore it was laid down by statute that in those classes it would be presumed in all cases regardless of medical findings that death had resulted from war disability.

Over a period of years and by degrees that presumption has gradually been extended to the point that to-day if a man is only 50 per cent disabled the state will legally presume that no matter what he dies from that 50 per cent pensionable condition was the cause of death and the widow gets a pension.

Briefly, that is the history of that section.

Mr. MacKenzie *(Neepawa)*: What is the basis for granting a pension to the wife; is it on the ground of need?

General McDonald: I think Mr. Bowler has explained it clearly. The income has no bearing whatever. The widow of a person whose death is attributable to service is entitled to pension.

Mr. McLean: Would it not be that they have suffered a pecuniary loss due to the death of the man?

General McDonald: That is the general theory.

Mr. MacKenzie *(Neepawa)*: Why should that stop at 50 per cent?

The Witness: I think the principle is this, that if the man is 50 per cent disabled from war disability you still are on sound ground in saying you will assume that he died from a war disability, but if he has less than that, if he has only 40 per cent or 30 per cent or 20 per cent, your presumption gets weaker as you go down the scale. If you went any further you would be entering the field of saying that we are going to pay pensions to all widows under the Pension Act regardless. Fifty per cent, in my own opinion, is as far as you can safely go and still retain a sound basis for presuming that death resulted from war disability, no matter what the man died from.

Mr. MacKenzie *(Neepawa)*: Up to a few years it was 80 per cent.

The Witness: Yes.

Mr. McLean: To go further than that would be working on the principle that the widows of all men who served, whether they had any disability or not, ought to receive a pension.

The Witness: It would lead into that field.

Mr. Green: Of course, it would not go that far; it would only apply to widows with a pension.

Mr. McLean: The principle—

Mr. Green: It would not apply to the widows of all men who served.

Mr. McLean: That could be justified only on the principle that widows of all soldiers have to receive pensions on the death of an ex-service man. That principle would be involved—

Mr. Green: I do not think it goes that far; it would only apply to the men pensioned.

Mr. McLean: There would be justification for it. For instance, are you going to amend the Act to the effect that if a man who had a 10 per cent disability died from some other cause that his wife ought to receive a pension? That, it seems to me would have to be justified on the principle that the wives of all ex-service men ought to receive a pension.

Mr. Green: The wives and widows of all pensioners—

Mr. McLean: I think that is the principle.

Mr. Ross *(Souris)*: The 50 per cent does bar a great number of deserving cases.

The Witness: Yes. I do not want to be misunderstood. I am not saying that the class of widows not coming within this 50 per cent provision are not deserving or are not entitled to some consideration, but I say that from the point of view of entitlement under the Pension Act you cannot go further than 50 per cent and still maintain a sound basis.

Mr. MacKenzie *(Neepawa)*: Does it not lead to this question: in the case of a man with only a 40 per cent disability who died of that disability, could the widow of that man receive a pension afterwards if it were shown that he had died of that disability?

The Witness: Yes, certainly.

General McDonald: Certainly.

The Witness: If he has any degree of pensionable disability and dies from it, providing the marriage qualifications are right, pension is paid.

I may say that I have a presentation on the general question of widows—those that do not come within the provision of the Pension Act. The Legion has been greatly worried about that problem and has given a great deal of consideration to it. It was my intention to ask the chairman's permission to deal with it next, immediately after the section we are now dealing with.

Mr. McCuaig: Mr. Chairman, Major Bowler is here not to tell us what his own ideas are but he is here to represent the Legion. He may in many cases be making presentations which are not his own opinion, he may be going further than his own opinion or not as far, but I think his purpose is to present what the Legion wants, and I think he should be allowed to proceed with the presentation without members asking too many questions as to his own personal opinion.

Mr. Reid: I think in fairness that many of the questions asked of Major Bowler are not directed personally to him; we are taking it for granted that he is speaking on behalf of the Legion.

The Chairman: That is the understanding.

Mr. Reid: Yes, that is my understanding. When I have asked him a question I have taken it that he is speaking on behalf of the Legion.

Mr. Ross *(Souris)*: That has been my thought also; he is the mouthpiece for the Legion.

Mr. McCuaig: Some questions have been asked here in the nature of, do you believe such a thing should be done.

The Witness: I appreciate your thoughtfulness. I do not want to appear to the committee to be hidebound in my answers. I should like the committee to have any thoughts I have of any value, but at all times I had in mind the fact that what I say reflects the opinion of the Canadian Legion as I comprehend that opinion.

The Chairman: Mr. Bowler, before leaving section 16, there was considerable discussion on subsection 4. Have you any comment to make with regard to the attitude of substituting the word "receiving" for "awarded" in line 4?

The Witness: I am wondering why it was put in. It would seem to suggest that there have been cases where a woman was awarded alimony but because she did not actually collect it there was some objection to continuing payment to her, and the purpose of this is to insist that she shall collect. I do not see how we can insist.

Hon. Mr. Mackenzie: I do not think it is very important; it is not very material.

General McDonald: There are certain cases in which widows and divorced women have in fact forfeited any real right they had to collect by their own actions, though the legal obligation on the part of the man remained by reason of the court award. They will probably deal with it in other ways in the case of flagrant abuse.

Mr. Green: Where there may be one case like that there would be twenty-five where the woman got the award and was entitled to it on every ground and yet was unable to collect, and you would penalize her by changing that word from "awarded" to "receiving", in order to catch the one case that was unfortunate.

Hon. Mr. MACKENZIE: I do not feel that it is necessary to press that one.

The WITNESS: It might restrict the way it is proposed; it might prevent them—

Hon. Mr. MACKENZIE: I think the intention was to meet such abuses, but if it does any injury the other way there will be no intention of pressing it.

Mr. GILLIS: May I ask Mr. Bowler a question while we are on this divorce business. Clause 4 deals with women who are divorced. Have the Legion anything in mind with respect to a pensioner residing in Canada whose wife goes to the United States and divorces him there? She marries again and the pension commission do not recognize the American divorce. He is debarred from receiving a pension for his wife by virtue of the fact that the divorce was granted in the United States. There are cases of that kind, I know.

General McDONALD: It is not the pension commission that does not recognize the divorce, it is the law of Canada.

Mr. REID: Why would he want a pension if she was married to another man?

Mr. GILLIS: If he marries again—I am not speaking of the first wife—she is out of the picture, she is in the United States—but that man may marry again in Canada.

General McDONALD: His marriage is illegal according to the laws of Canada.

Mr. GILLIS: That is right. In the new way he cannot receive a pension.

The WITNESS: Mr. Hale tells me that he has had cases of difficulty but—

Mr. HALE: Mr. Chairman, the commission after all decide most of these cases on the question of domicile of the party concerned as far as the divorce is concerned, and we had this difficulty with this class in 33 when the legality of marriages was being discussed, and at that time the policy was settled to decide the legality of the marriages on the basis of the domicile of the party no matter where the divorce was granted. It has been a fair settlement, and the Legion has had very little difficulty since. The case you referred to particularly does give rise to trouble, but the policy of the commission at present is very fair in that it is determined on the question of domicile of the party seeking the divorce.

Mr. GILLIS: So that the only solution to that difficulty in the case I have given is for that man to go through the divorce courts of Canada and legalize the present marriage?

General McDONALD: Rectify the situation. A provision was put in the Act expressly to allow that. If a man had been ostensibly married previously and he could rectify his situation he could do so and no deadline barred him.

The WITNESS: Mr. Chairman, we have a presentation based on the report of the Legion dominion convention dealing with the problem of non-pensioned widows, that is, widows of ex-service men for whom there is no provision under existing legislation. Perhaps from the chronological point of view this might be a good time to deal with that matter, but I am in your hands.

The CHAIRMAN: Yes, I think you had better proceed with it.

The WITNESS: It does arise out of the discussion which we have just had.

Mr. ISNOR: Would it not be better to deal with that under new presentations? We will have several presentations from various angles and I would think we should deal with bill 17 itself and then later bring up any new features that might be embodied in the bill.

Mr. GREEN: I do not agree with that. We have got into the subject of widows and everyone has in his mind what the facts are. I think this is the proper time to continue with that subject.

Mr. ISNOR: Very well.

The CHAIRMAN: As Mr. Bowler is here presenting the opinions of the Legion I think it is better that he should go on.

The WITNESS: I am in the hands of the committee as to procedure.

Mr. ISNOR: Are we to have other representations? Are we to have representations from any widows' associations?

The CHAIRMAN: Yes, from widows' organizations.

Mr. ISNOR: That is what I had in mind; we will be going over the same ground twice.

The WITNESS: In regard to what are generally termed non-pensioned widows of ex-service men, a problem which has been frequently brought to the attention of the Legion during recent years, and which has been the subject of consideration by Legion branches and by the Legion's dominion convention, is that of widows and dependents of ex-service men who are not eligible to benefit under existing legislation.

Generally speaking, the classes of widows referred to may be described as follows:—

(*a*) Widows of pensioners whose marriage did not take place prior to the statutory time limit 1st January, 1930.

(*b*) Widows of pensioners, married within the statutory time limit, but who are unable to show that death was related to service. This will apply to widows of pensioners whose pension was below 50 per cent as, in the case of pensioners of 50 per cent and up, there is now a legal presumption of service relationship.

(*c*) Widows of ex-service men who have never received pension and on whose behalf no basis for any claim exists, and

(*d*) Widows of recipients of war veterans' allowance.

After giving careful and sympathetic consideration to this problem, accompanied by exhaustive examination of the resolutions, petitions and other material submitted to it, the dominion convention of the Legion held in Montreal in May, 1939, unanimously adopted the following report:—

> The committee beg to report that the following recommendation covers in principle the various resolutions submitted, and, further, that support for its adoption can be found in certain features of pension and social legislation of some of the other countries under review. We, therefore, recommend as follows:—
>
> > That pending the introduction by the government of adequate social legislation, which should include widows and their dependents among its beneficiaries, provision be made by an amendment to the War Veterans' Allowance Act to grant an allowance of $20 per month to:—
> >
> > 1. The indigent widow of a pensioner who is not otherwise provided for.
> >
> > 2. The indigent widow of a recipient of war veterans' allowance.
> >
> > 3. The indigent widow of an ex-service man who served in a theatre of actual war.
> >
> > Providing they have reached the age of 55 or are physically unable to earn a livelihood.
>
> We further recommend that widows in the above classes under the age of 55 years with children to support, and not otherwise provided for, receive $40 per month until the children have reached the age of 18.

[Mr. J. R. Bowler.]

It is pointed out that under the War Veterans' Allowance Act the board has discretion to continue to the widow for a period of twelve months the amount of the allowance paid to the man at the time of his death. Almost invariably, the board exercises this discretion favourably, but it has no authority to render further assistance after the twelve months have expired.

Reference to the legislation of other countries shows that in a number of instances the problem of non-pensioned widows has been recognized and certain provision has been made. For example:—

Australia. In the case of dependents of pensioners dying from non-pensionable causes, provision is made for continuation to the widow and children of the amount of pension payable to them immediately prior to the death of the soldier.

Australia has provision for payment of what are called "service pensions". The basis of entitlement is similar to that obtaining under our War Veterans' Allowance Act, and the amounts payable are approximately the same.

In respect to dependents of service pensioners, provision is made that the pension paid to the wife or child at the time of death may be continued indefinitely subject to discontinuance on re-marriage.

New Zealand. Under New Zealand legislation, a widow of pensioner not entitled to pension in respect to her husband's death may apply for what is termed an "economic pension". In the case of a widow with one child, this pension may be an amount not exceeding 10 shillings per week. A further sum of 2s. 6d. per week may be paid for each additional child.

South Africa. In the case of pensioners dying under circumstances which do not entitle the widow to pension, it is provided that, where the husband's pension was not less than £70 per annum, if an officer, or 16s. per week in other cases, and providing she was living with the pensioner, the widow may receive a pension of not more than one-half of the deceased husband's pension and allowances. This grant is subject to such conditions as the Minister of Pensions may determine.

United States. Widows of the world war veterans pensioned at not less than 10 per cent for war disability, who die from non-service connected causes, are entitled to receive compensation. The rates are as follows:—

Widow, $22 per month;
Widow with one child, $30 per month;
For each additional child, $4 per month.

The above provisions are, of course, subject to compliance with the conditions as to date of marriage, etc., set out in the respective statutes.

Now, I do not pretend to guarantee the absolute accuracy of that information. We have not got the best of facilities for getting it together, but I do believe it to be substantially correct, and that in each of the countries I have mentioned under certain circumstances provision is made for continuation of pension or payment of an allowance of some sort.

By Mr. Reid:

Q. You mentioned in the case of Australia that it was indefinite; it was not for life?—A. Australia. I have not got the statute with me. My interpretation of it is that they pay service pensions which are the equivalent of our war veterans' allowances—it is not under the Pension Act—and that whereas in Canada our board only has authority to continue the allowance to the widow after death for a period of not more than a year, in Australia it can be continued indefinitely

which, according to my interpretation means for life. I judge that they do it as a matter of course unless, of course, the widow remarries, in which case it would be discontinued.

By Mr. Isnor:

Q. Do you know whether they have the mothers' allowance in Australia? I was wondering what effect that would have on this?—A. I am not sure about Australia. I do not think I have the information on that with me either. I might point out that it will be observed that Great Britain is not included in the foregoing list of countries. This is for the reason that no provisions similar to those which has been cited, exist. In regard to this matter as in most others again I say that we believe that this is due to the advanced state of social legislation in the old country where schemes such as national health insurance, unemployment insurance, widows and orphans and old age contributory pension are in effect. Now, I am not an expert on these matters, but I do know that there are very advanced schemes for social legislation in Great Britain.

Mr. REID: Great Britain has more social legislation than any other country in the world.

The WITNESS: I have always understood that.

Mr. GILLIS: She does not beat New Zealand.

Mr. REID: Oh, yes, she does.

Mr. GILLIS: No, she does not.

The WITNESS: In Canada there appear to be four channels, through which widows may receive social aid:—

(*a*) municipal relief
(*b*) mothers' allowance
(*c*) pensions to blind widows, and
(*d*) old age pension.

So far as we can find out that exhausts the list.

The Legion would like to put this on record that it is not thought desirable that the widows of ex-service men, particularly those who served in a theatre of war, and who are not eligible for pension, and who do not come within the scope of the provisions concerning mothers' allowance, old age pensions and pensions to the blind, should be forced to the only remaining alternative, namely, municipal relief. It is for that reason that the Legion, pending the further advancement of general social legislation for widows in Canada, recommends that as a temperary measure they be provided for under the War Veterans' Allowance Act, in the manner indicated. It is shown above that there is precedent in other parts of the empire, for legislation of this character.

The CHAIRMAN: Are there any questions on that section?

By Mr. Isnor:

Q. That would be a direct benefit to the widow alone, with additional benefits according to the number of children dependent?—A. Yes.

Q. The age you mentioned was fifty-five?—A. Yes, providing they have reached the age of fifty-five or are physically unable to earn a livelihood. But in the case of widows under fifty-five, with children to support, then they should also receive the allowance.

By Mr. Reid:

Q. Was the whole question of pensions to widows discussed and considered at the convention of the Legion?—A. Yes; we had a delegation from the various widows' associations.

Q. There will always be borderline cases arising, and I was just wondering if the complications which might arise out of passing legislation of that kind were considered. I have in mind a man in receipt of $35 per month pension as against a man who has $40 per month from the veterans' allowance. On the one hand, under your proposal, the widow of the man in receipt of war veterans' allowance would receive a continuing war veterans' allowance, or pension, as you might call it. On the other hand, the widow of a man with $35 per month would not. I was wondering if you had considered all the angles that might arise as between cases of that kind, because there are many persons to-day in receipt of $35 or $30 per month pension who are not in receipt of war veterans' allowance of any kind. In cases of that kind the widow would be debarred.

Mr. McLEAN: On the other hand, there are restrictions limiting the granting of war veterans' allowance which do not exist in the case of pensions.

The WITNESS: If this proposal were adopted, all the widows falling within all the categories mentioned would be provided for, subject to certain conditions as to age, and so on.

By Mr. Reid:

Q. I rather gathered the opposite.—A. No, no; it applies to the whole class.

By Mr. Green:

Q. In the case cited by Mr. Reid, the widow would be cut down to $20 per month after a year, would she not?—A. Yes, that is quite true.

The CHAIRMAN: Mr. Hale, will you now proceed.

RICHARD HALE, Chief Pensions Officer, Dominion Headquarters Service Bureau, recalled.

The WITNESS: I should like to deal first with the question of pension for a widowed mother whose son is her sole support.

By Mr. Turgeon:

Q. What section is that?—A. That is Section 33 of the Pensions Act. That section is the cause of a great deal of concern to the Canadian Legion at the present time, not so much in respect of those who served in the last great war, but having regard to those who are now serving.

Section 33 of the Pension Act embraces not only a widowed mother who is dependent solely upon her son, but it also takes into account all the mothers. Because of that, it has many classes—there are eight of them—all qualifying classes which bind the commission along certain lines. We are particularly concerned with just the widowed mother who has her only son and that son voluntarily or otherwise goes into the service of the State and is killed in action. We believe that the widowed mother should be treated exactly in the same way as a widow.

A widow receives under schedule (*b*) of the Pension Act, $60 a month, but under section 33 of the Pension Act it is provided that the commission may pay anything not exceeding $60 a month. But there are other factors which are all taken into account. We say that it is difficult to see any sound reason for making any distinction between a widow and a widowed mother, when both are solely dependent on the man who provided for them and who has sacrificed his life in the service of the State.

It was the practice of the pension commission, for some years after the last war, to do this; and it is pointed out that in schedule (b) of the Pension Act the rate of pension for widow or dependent parents is shown to be identical.

Our recommendation is that section 33 should be re-drafted or an entirely new section should be incorporated in the Pension Act dealing exclusively with widowed mothers solely dependent on their deceased son or sons. It will be noted that parliament's intention to provide the equivalent of a widow's pension for such mothers is clearly shown in subsection (7) of section 33, which reads:—

> The pension to a widowed mother shall not be reduced on account of her earnings from personal employment or on account of her having free lodgings, or so long as she resides in Canada, on account of her having an income from other sources which does not exceed $240 per annum; such income being considered to include the contributions from children residing with or away from her, whether such contributions have actually been made, or are deemed by the commissioners to have been made.

There are quite a number of young Canadians now serving in the forces whose widowed mothers are dependent entirely upon them for support; and the Legion feels very strongly that they should be assured that their mothers will be adequately provided for to the same degree as a widow, if they fall in the service of the State.

I think, gentlemen, that the commission have administered this section very well indeed, and there is no criticism intended in any shape or form of the commission's actions. But they are bound to take into account some other subsections of Section 33 when they fix these pensions.

I have a case here which I think would illustrate the point perhaps a little more clearly. Here is the case of a man who served in the last war. I shall furnish the chairman with a copy so that you will not need to have the name on the record. This man enlisted on the 2nd of August, 1915, and after service in France he was discharged on the 30th of June, 1919, and was later pensioned for pulmonary tuberculosis. His mother was a widow and, at the time of his enlistment, he was her sole support and also that of four sisters who were of minor age. He was the oldest in the family.

On enlistment assignment of military pay for the support of his mother was, of course, taken out, and separation allowance was paid just the same as in the case of a wife. Pension was subsequently awarded to this man for tuberculosis, and he died from this condition in 1931. The commission awarded dependent's pension to the mother at the rate of $15 per month, giving as their reason that the four daughters were able to contribute to her support.

In 1938 three of the daughters were married, and in the next year the remaining daughter was married, and the commission then increased the rate of pension to $30 per month. Later, on representations by the Legion, they increased it to $40 a month. That is the situation in so far as the commission are concerned. They have to take into account, as this section now provides, the income received from other sources or, it may be from other children; whereas, if the widowed mother is solely dependent on her son, we feel that she should receive the same consideration as the widow.

Now, here is the case of a man who served in this war and who gave up his life in that gallant action of the Jervis Bay. This is not the case if a widowed mother exactly, although she is in the same category. Her husband deserted her many years ago, and she had raised this boy by her own efforts. In this case the assignment of pay took place during service in the usual way, but, under the present system of awarding dependants' allowances, the Dependants' Allowance Board declined to pay any dependant's allowance to the mother on the grounds that she was employed in the government char service in this house, and thus she was not considered to be eligible under their regulations.

This boy was killed. The pension commission took into account the income of $35 per month which she received from the government char service and decided to award pension at the rate of $15 per month. We made representations to the commission, pointing out that her financial position was much worse than it was before her boy was killed, and the commission increased the amount to $25 per month.

This mother is in a very poor condition of health. She has had four surgical operations. She is terrified about giving up her employment because she is afraid that she will not have the wherewithal to continue her home. She really should not be doing anything at all, from a physical standpoint.

We would like to help the commission in this matter by having a separate section in the Act which specifies that where the only son or sons shown to be the sole support of a widowed mother are killed that the widowed mother shall receive $60 a month just the same as the widow. We make a distinction between that class and those who have other children who can support them. We are not finding any fault whatever with Section 33 as it applies to these mothers who have other children who can and should support them. But in the case of an only son or two sons who are the sole support of their widowed mother, we feel that she should be treated exactly the same as a widow.

By Mr. Turgeon:

Q. In the case of the woman about whom you just spoke, she was paid, I think you said, $25 per month; what would she have received from the pension commission if she had not been in receipt of this other income? Have you worked that out?—A. They have the power, Mr. Turgeon, to increase the pension up to $60 per month under schedule (*b*).

Q. What I have in mind is to see where subsection (7) of section 33 would come into play in any particular case.—A. I quoted that because that indicates the intention of parliament that there would not be any deduction from the pension because of those extra portions of income the widowed mother may have. But you see there are other subsections in this Act which obliges the commission to consider these other contributions. For instance, when a parent or person in place of a parent—

Q. What section is that? That is No. 3, is it not?—A. There might be daughters, you see, such as in the case I quoted, but when they get married, of course the mother actually has no real claim on them or on their husbands.

By Mr. Green:

Q. Are you asking that these provisions should apply in the case of a soldier who marries?—A. Oh, no, this refers purely to a single man and a widowed mother who is solely dependent upon him. We feel it would make it much easier to administer for the commission to segregate this class entirely from the other class of widowed mothers where there are other sons.

Mr. GREEN: Could we hear from General McDonald about that, Mr. Chairman?

General MCDONALD: In what respect, Mr. Green?

Mr. GREEN: How such cases would be covered under the Act at the present time.

General MCDONALD: The governing clause is, of course, clause (5) of section 33:—

> (5) The pension to any parent or person in the place of a parent shall be subject to review from time to time and shall be continued, increased, decreased or discontinued in accordance with the amount

deemed necessary by the commission to provide a maintenance for such parent or person but in no case shall such pension exceed the amount of pension prescribed for parents in schedule (*b*) of this Act.

Mr. EMMERSON: How long would it take to get any action? Take a case similar to the one referred to by Mr. Hale; supposing that woman took a chance and gave up her position due to her health, how long would she have to wait before she could get something to live on?

Mr. MCLEAN: How long does it take to review a case?

General MCDONALD: As long as it takes us to get the authentic facts and the fact that she had given up her employment—a very short time.

Mr. GREEN: Would she necessarily get $60 a month even then?

General MCDONALD: It is not mandatory, but she can.

Mr. GREEN: In what proportion of the cases would the $60 a month apply?

General MCDONALD: I could not say that offhand, Mr. Green.

Mr. GREEN: Where the soldier is single and is the sole support of the widowed mother; in cases of this type, what would be the proportion?

General MCDONALD: I could not give you the figures offhand, but it is a substantial percentage of them.

Mr. GREEN: Who get the full $60 per month?

General MCDONALD: Yes. I should like to add that in regard to section 7 in no case after pension has been awarded to a widowed mother is it ever reduced on account of the fact that she has subsequently been able to get some employment. The object of that section is not to put any penalty upon widows who may wish to improve their position by working.

The CHAIRMAN: In the initial award, is the income, if any, considered?

General MCDONALD: In certain cases, yes.

Mr. GREEN: The Legion, as I understand it, are asking that the naming of $60 a month be automatic?

General MCDONALD: In the case of single sons who are sole supports.

Mr. MACKENZIE *(Neepawa)*: Would that be a large class?

General MCDONALD: Not very large, sir.

Mr. GREEN: Is that the most deserving class among those for payments to parents? Is that the class that is hardest hit or are there others more deserving?

General MCDONALD: No. I mention that as my personal opinion. I could not imagine a class of parent that would be harder hit than the woman who loses her only son who is her sole support; and that is taken into consideration and they are treated as generously as we can possibly treat them.

The CHAIRMAN: Mr. Hale, will you continue, please?

The WITNESS: That is all I have to say. The principle of this, you will realize, gentlemen, is that as in the case of a widow, the widowed mother has sacrificed her only and sole support. We see no reason at all to make any distinction between a widow and a widowed mother in that category. We know that in this war there is probably not a greater percentage than in the last war, but it is a remarkable fact that there are a large number of boys who are sons of ex-service men who served in the last war and who are serving in this war and whose mothers are not in receipt of widows' pensions, but they have shown the same spirit as their fathers and their mothers are solely dependent upon them. We are very much concerned to see that the mothers are protected to the fullest extent possible.

General MCDONALD: I think the committee might like to know, if I may interject, that in connection with the cases of widowed mothers and in connection

with which the commission has already dealt, it is very gratifying to see, from the point of view of citizens, that there is a very high percentage of widowed mothers whose sons have been contributing to their support.

Mr. TURGEON: A high percentage?

General MCDONALD: A high percentage. It is almost rare to find a case where the deceased son has not contributed.

The WITNESS: Gentlemen, I should like to deal now with section 20 of bill 17 which has reference to the payment of pensions to Canadians who served in the Imperial forces.

Section 20 of bill 17 adds a new clause (46a) to the provisions of the Pension Act dealing with this question. The effect of the clause is that persons resident and domiciled in Canada at the outbreak of the present war and who, subsequent to September 1, 1939, become members of the British forces, and who subsequently secure entitlement to gratuity or pension under the British pension regulations, shall be entitled to all the benefits of the Canadian Pension Act, provided they remain residents of Canada. They must elect, within six months of resumption of Canadian residence, between Canadian and Imperial rates.

This question was the cause of a great deal of trouble and difficulty subsequent to the last war. Many Canadians, for one cause or another, and often under circumstances not of their own volition, found their way into the Imperial forces and became subject to Imperial pension regulations and procedure. As explained hereafter, when they returned to Canada they found themselves at an enormous disadvantage, as compared with those coming under the Canadian Pension Act. The present section is designed to remove this inequality and, to some extent, it undoubtedly does so; but in the Legion's judgment room is still left for serious injustice and hardship.

The Legion accordingly recommends that every Canadian employed in the forces of the Crown (Canadian or Imperial) shall remain a charge of the Canadian government and be entitled to pension for himself and dependants on the basis of the Canadian Pension Act with all the benefits accorded by that Act.

It is well known that large number of Canadian citizens have been accepted for service in the Royal Canadian Air Force and also under the Empire Air Training Scheme, for overseas service. It is now evident that all Canadians who are transferred for service with the Royal Air Force or other Imperial forces, will not be entitled to pension for disability or death under the terms of the Canadian Pension Act, but their claims will be decided by the British Ministry of Pensions, under existing royal warrants; and it is only when they qualify under these warrants that they then receive the benefits and privileges contained in the Canadian Pension Act.

There are many fundamental differences between the two systems, but the greatest of all is the fact that Canadians enlisting in good faith in Canadian forces are denied the benefits of the Canadian Pension Act, unless they first qualify under the royal warrants as administered by the British Ministry of Pensions.

Other material differences are as follows, and this is exceedingly important, gentlemen. For twenty years we have fought the battles of Imperial veterans, and this has been one of our greatest obstacles to progress. These other material differences are:

1. There is no right of access to military and pension documents under the regulations of the British Ministry of Pensions; and adjudication of claims is carried out in Great Britain by personnel, before whom the applicant is unable to appear.

2. The term "directly attributable to military service," as contained in section 5 (*a*) of the royal warrant, is capable of wide interpretation, while in section 11, subsection (1*a*) of the Canadian Pension Act, the term "attributable" is not qualified at all.

3. The term "arose during war service" in section 5 (i) of the royal warrant can also be widely interpreted, depending on the type and nature of the available evidence.

4. The term "aggravated by war service to a material extent and remains so aggravated" in section 5 (ii) of the royal warrant is quite different to the term "aggravation" in section 11, subsection (1*a*) of the Canadian Pension Act; and would enable the British Ministry of Pensions to simply state "such aggravation was not material in extent"; and, further, at any time, they can say the "service aggravation" has ceased, or that the "aggravation is not due to the persisting effects of war service," which has been their practice in connection with claims arising out of the last great war.

5. There is the further wide difference between the royal warrant and the Canadian Pension Act that, under the former, no pension is payable for disabilities of less than 20 per cent, but a final weekly allowance is paid.

There are many other material differences too numerous to outline, but we believe that sufficient has been described to prove the main reason for our objection. We are sure the people of Canada and their representatives in parliament are anxious and willing that all Canadians serving in this war shall be treated exactly alike in so far as a pension for disability or death is concerned.

We are very much worried over this situation, gentlemen, because you will see that the intention is to treat all Canadians the same. But, in the first place, a Canadian joining the Royal Canadian Air Force and later being sent for duty with the Royal Air Force has to depend on a warrant made by the British Ministry of Pensions. Now, it will not affect in any way those who are killed in action; nor perhaps will it affect to a great degree those who are injured while carrying out military duty; but it will seriously affect those who come back, and no man can say how impaired they may be or what stage of chronic disease they will carry away with them.

For the last twenty years the Canadian Legion and its predecessor have had this problem on their doorstep, and it has been a horrible story of trying to secure recognition from the British Ministry of Pensions for war disability which we believe was certainly attributable to their military service. On their side it has to be said in fairness to them that their legislation is based very largely on conditions as they exist in Great Britain. It did not take cognizance of conditions as they might affect Imperial soldiers who went to other parts of the Empire to live; and we are very anxious that these Canadian boys who are serving in the present war shall not have to go through such a procedure as was the case with many Canadians who served in the Imperial forces in the last war and who are still, I may say, knocking at the door, trying to gain recognition.

Obtaining entitlement to pension under the Canadian Pension Act is quite a different matter, with all the right of access to military documents and the privilege of appearing before an appeal board of the Canadian Pension Commission. If a man sees those who judge his claim and he can produce his witnesses who give evidence on his behalf and he can have a representative who has reviewed his whole case from his point of view, it is a totally different thing, gentlemen, from a man 3,000 miles away trying to convince the British Ministry of Pensions of the justice of his claim to pension when he can not appear before them and he is not able to see the documents or review the reasons that may have been given for rejecting his claim.

By Mr. Reid:

Q. Do you know anybody who has ever made any impression on the British Ministry? I don't.—A. I do not think it is necessary to stress that unduly. The British Ministry officials whom I saw in London in 1936 did their very best to impress me with the justice of their system and, of course, from their point of view, it sounded all right, but from the Canadian point of view it sounded anything but all right. And I venture to say that one of the greatest disappointments there has been from the last war arises out of those men who, believing that they could serve the Empire better by accepting commissions in the Imperial forces, did so, or transferred their services in other respects and then later discovered that it was almost impossible to make a claim successfully.

By Mr. Green:

Q. The sum and substance of your statement is that all Canadians should be covered by the Canadian Pension Act regardless of the force in which they serve?—A. That is correct.

By Mr. Turgeon:

Q. Am I right in assuming that your official representation is confined to those who were Canadians before their enlistment?—A. Oh, yes. The section says "resident and domiciled in Canada."

By Mr. McLean:

Q. I wonder if Mr. Hale would elaborate a little the mechanics which he thinks should be employed? I take it from what has been suggested that the idea is that all Canadians should have their pensions established or awarded by the machinery set up by our legislation. Now, how would that be done? For instance, in my own case in the last war, during the war I transferred to the Imperial Forces. I was discharged from the Canadian army, and the Canadian army have no more records of my case at all. Now, I was wounded; how would the Canadian machinery decide my case if I applied to them for pension?—A. Well, the answer to that is quite simple: When a man returns from his service he will be submitted to Canadian army discharge systems and will be examined by them and they will have the documents right there.

Q. That means that all the records will be transferred from the British War Office to the Canadian Defence department say in connection with war service. Then there are three or four other features too. There were certain benefits received by members of the Imperial forces that do not exist in our system at all. For instance, I do not know whether there are many, but there was one of which I had particular experience. Under the Imperial system if a man had what was designated by them as a very serious wound he was awarded a lump sum that was based on the seriousness of his wound and the total length of his active service. That is something that is not in the Canadian system. And that might be awarded with no disability following at all, that is what actually happened in my own case, there was no disability. I got a lump sum because of the seriousness of the wound. It seems to me that when you are suggesting that all this be transferred to the Canadian government you are taking on quite a contract. I am not suggesting that it should not be done. I am just raising the point with a view to asking Mr. Hale to elaborate a little more fully how he thought it could be carried out.—A. Well, it will not affect that man's award in the first instance at all—and then with respect to the award made to dependents, that will be considered automatically. And the same thing would apply

to those who are injured. You see, they would make the award in these cases. It is the case that may be returned after the war is over, or even the case of a man injured from one certain condition and he may develop another condition or several other conditions which such cases may wish to claim have had relationship to their war service. They would have to get such an award direct from the British Ministry of Pensions.

Q. Well, are you suggesting that the whole question of pensions, including death pensions for Canadians who served in the Imperial forces, be dealt with by Canadian machinery rather than the British?—A. Those who enlist in Canadian units in the beginning and who later proceed to serve with the Imperial forces.

Q. Well, you could hardly differentiate between these two, could you?—A. Well, there is the distinction.

Q. Take the case of a man who serves in the R.A.F., why should there be any adjustment? If it is going to apply, should it not apply to all Canadian citizens? I am just asking for information.—A. It is just this: When a man enlists in a Canadian unit he does so in good faith, believing that his services will be for Canada right through. If because of the exigencies of war he is sent for duty with the Royal Air Force, or any other Imperial unit, we do not feel that he should lose any rights which are accorded to other Canadians who serve in purely Canadian units all through. The class of people to whom you are referring, who are Canadians but who may have enlisted in the Imperial forces, is another separate question which I hope this committee will consider also; but I do not believe that they are in the same category as the man who joins a purely Canadian unit in the first instance.

By Mr. Green:

Q. In which class would you put the men who are joining the Imperial air training plan?—A. I think they are joining the Royal Canadian Air Force, and that is a purely Canadian unit.

Mr. GREEN: No, we were told here the other day that when they go to England they become members of the Royal Air Force, not the Royal Canadian Air Force at all.

Hon. Mr. MACKENZIE: There was an agreement concluded about two months ago between the various parts of the empire, and under that agreement pension claims for our men fighting over there will be assumed by the British government. That suggestion brings up all sorts of complications pro and con. I think the suggestion is impractical and that it should not be done at the moment at all.

General McDONALD: In other words, the men who join the Commonwealth Air Training Plan for purposes of training are enlisting in the Royal Canadian Air Force but later they are transferred to the Royal Air Force.

Mr. GREEN: That is an important point.

General McDONALD: On embarkation from Canada they are then transferred to the Royal Air Force and from then on they are under the Royal Air Force.

Mr. GREEN: For my part I cannot understand why that agreement was made. It seems to me that it would be a far simpler matter for the Canadian government to conduct its own affairs.

Mr. McLEAN: I think, from what I have heard of this representation, it is at least deserving of favourable consideration. I do not think we can differentiate between the men who enlist in the Canadian forces and then join the Imperial forces, and the men who were never in the Canadian forces.

Hon. Mr. MACKENZIE: This section does not mention that at all.

Mr. McLEAN: I have in mind a young man who along about 1938 thought of joining up with the forces. He considered joining the Canadian forces but he joined the Royal Artillery and is serving in Egypt. Now, he will come back after active service and it seems to me that you could not differentiate, if this proposal is entertained, between that young Canadian and the Canadian who joins up in the Canadian Infantry, gets his commission and serves with his regiment.

The CHAIRMAN: We have received the representation. It can be discussed later. Proceed Mr. Hale.

The WITNESS: I think I will conclude my representation in this way: There is no great problem involved in regard to the question of documentation. To-day those who serve in the British forces are receiving supplementary pensions under the Canadian Pension Act. Their documents are made available by the British Ministry of Pensions to the Canadian Pension Commission. What we are anxious to provide is to be sure that these boys who return are not going to have to undergo the hardships that Canadians endured after the last war, and if they are returned they become subject to the same conditions as we hope will be carried out on demobilization of the Canadian forces—careful examination, special X-ray of their lungs, checking of their systems to make sure that they have not contracted any diseases; that will save tremendous trouble in future years, it will protect the state equally with the men. And once that is done there will be full available records upon which the Canadian pension commissioners can base a decision. We do not feel at all that a Canadian enlisting in a Canadian unit should have to depend upon the decision of the British Ministry of Pensions, as this section sets out very fully, in respect to which entitlement to gratuity or pension has been conceded under the laws or regulations of the United Kingdom of Great Britain and Northern Ireland. We feel that he, as a Canadian, should be entitled to have his claim decided by the Canadian Pension Commission under the terms of the Canadian Pension Act.

Mr. BOWLER: May I add a word to this?

The CHAIRMAN: Yes.

Mr. BOWLER: I do not want to prolong the discussion, but I do think that this is an important matter. I think that the approach to it is that by virtue of certain agreements, which we are not questioning in any way, a large number of Canadians are going to find themselves involuntarily—that is, not of their own volition—part and parcel of the Imperial forces. They are not worrying about that. They are taking the war as it comes. It is all service as far as they are concerned. But due to certain necessities, agreements have been reached between this country and Great Britain whereby that situation will develop. Men who join in Canada, with no thought of anything but Canadian service, will find themselves eventually in the Imperial service and therefore subject to Imperial pension regulations. It is common knowledge—and we have discussed it here—that the British basis for entitlement to pension is much more stringent than it is in Canada, and the British pension regulations in many respects are considerably less generous than they are under our Canadian Pensions Act.

It was with the idea that the Canadian in such circumstances would not suffer in comparison with other Canadians whose service remained Canadian all the way through that this amendment was brought forward. As I understand it, the purpose of this amendment is that, notwithstanding service under those circumstances in the Imperial forces, the individual concerned will receive all the benefits of the Canadian Pension Act. That is most commendable and nothing more than just. But as Mr. Hale has been trying to point out, from our experience it does fall short in one important respect and that is that before

it applies at all the individual concerned must get an award of entitlement from the British ministry of pensions. In many cases that award, as Mr. Hale has pointed out—cases of deafness or gunshot wound—will be automatic. But we know from experience arising out of the last war that there are going to be a great many cases of a controversial nature just as there are here where we have our own appeal board and so on to deal with them.

Our experience is that men coming back to Canada are at a terrible disadvantage in trying to establish a contentious claim before a tribunal located across the ocean three thousand miles away, with no opportunity for examination of documents or personal interview and that sort of thing. Our reason for bringing that forward is, as Mr. Hale has said, that this thing has been very much on our doorstep. I think that the legion knows more about it than anybody else, because men coming back in those circumstances have had nowhere else to go. The machinery set up by the Canadian government for helping Canadians to establish their claims under the pension legislation does not extend to claims to the British government. The individual can get no help there, and he has to come to us; we have faced that terribly discouraging problem on countless occasions since the last war, of trying to establish attributibility, entitlement to pension under these conditions. As I said, this section has everything to commend it except that one point. We know from experience that there are going to be just as many—and perhaps more, under this empire training scheme—cases of this sort after this war, and we are going to have the same difficulty with them.

I do not know that we have a solution, but we do know that the intention is that they shall be at no disadvantage as compared with Canadians. I think the minister will admit that that is the intention. We are suggesting that, if possible, some way may be designed whereby the consideration for entitlement shall be made under similar circumstances and with similar facilities as in the case of claims against the Canadian Pension Commission.

Mr. REID: I am just wondering what effect it will have on these men if their discharge takes place in this country. For instance, a man joins up in the Canadian active service forces and then is seconded to the R.A.F. I am just wondering if you are not predicating the entire case on the fact that the man may be discharged in Great Britain. As it stands, he is with the Canadian active service force; then when he embarks he immediately comes under the R.A.F., if he belongs to the air force. So long as he is not killed or wounded, no great difficulty arises; but when the time comes to terminate the war, I cannot see where Great Britain will simply say to these men who came from Canada, "Now we are discharging you here". I would rather take it that they will be embarked from Great Britain and sent across here and become our charge before they are discharged from the army. If they were discharged in Canada, I am just of the opinion that it might solve some of the difficulties which you have in mind.

Mr. BOWLER: That might be a solution, if before discharge they could be transferred to Canadian establishment.

Mr. REID: If they were discharged in Canada I think it would clear up the whole difficulty. That is my view.

Mr. GREEN: The minister has already said that there is an agreement that all these pensions are to be paid by the British government.

Hon. Mr. MACKENZIE: Yes.

Mr. REID: That is with regard to paying the pensions. Mr. Hale has drawn this picture to our attention. A man may be in the air force and have no wound at all, but his heart may be seriously injured. He comes back to Canada. What position is he going to be in? I can just visualize that, and when he comes back he may be discharged here.

Mr. HALE: I should like to impress the committee with this, that no man knows at the present time what the effect of all this aerial warfare is going to be on the respiratory or circulatory systems of our men.

Mr. REID: It may be very serious.

Mr. HALE: The late Sir Frederick Banting, as I understand it, was going over there to go into this very matter. Your suggestion that these men should be returned to a Canadian unit for discharge would only solve part of the trouble. They still would have to rely on adjudication of their claim by the British ministry of pensions.

Mr. BOWLER: Wash that out.

Mr. HALE: If that was washed out, to make them Canadian, that would be all right.

Mr. GREEN: May we get that point clear from the minister. Is the agreement between the different parts of the empire such that a man who comes back and then develops disease afterwards which he thinks is as a result of his service, is compelled under the scheme to qualify for a British pension?

Hon. Mr. MACKENZIE: That is my impression—but I must look it up again —of the terms of the agreement. I think it was tabled.

Mr. REID: I can see no great difficulty if the man was discharged in Canada, providing he had enlisted here. Because his heart is bad or he finds himself affected due to his service in Great Britain, on making application they can easily ascertain what service he had given in Great Britain. His enlistment would be noted and his discharge would be noted.

Mr. BOWLER: You are suggesting that prior to discharge he should be transferred back to Canadian establishment so that he would be a member of the forces under the Canadian Pension Act?

Mr. REID: Discharged in the country where he enlisted.

Mr. BOWLER: And transferred back to Canadian establishment?

Mr. REID: Yes.

Mr. BOWLER: So that he would be a member of the forces under the Canadian Pension Act?

Mr. REID: Yes.

The WITNESS: That would solve the problem.

Mr. GREEN: The minister said it would not.

Hon. Mr. MACKENZIE: That is only my opinion, Mr. Green.

Mr. REID: That was for death or injury, I think, during service that the minister was pointing out to you. But we are dealing with cases of men who are neither killed nor wounded, but who find themselves with a heart condition, or something else, due to service in Great Britain.

Mr. BOWLER: If it is part of the agreement—I am not questioning the agreement—that the British government has to pay pensions in those cases, is it not simply a matter of bookkeeping, letting the Canadian Pension Commission adjudicate on them, and bill the British government for them?

Mr. GREEN: But he has got to trace his disability, even if it is an illness, to his service. As I understand it, the agreement says that all pensions will be paid by Great Britain. That means he has got to prove in Great Britain that he has qualified for pension; and the very fact of him going through this period of coming back here and being discharged as a Canadian would not make any difference if the agreement is worded in that way.

Mr. BOWLER: I know, but it seems a fairly simple matter to straighten out.

The CHAIRMAN: The committee will adjourn until Tuesday, April 1, at 11 a.m.

The committee adjourned at 1.05 o'clock p.m. until Tuesday, April 1, at 11 a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

TUESDAY, APRIL 1, 1941

WITNESSES

Mr. J. R. Bowler, General Secretary of the Canadian Legion of the British Empire Service League.

Mr. Richard Hale, Tubercular Veterans' Association and Chief Pension Adviser of the Canadian Legion.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

TUESDAY, April 1, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance met this day at 11.00 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Blanchette, Bruce, Cleaver, Cruickshank, Emmerson, Ferron, Gillis, Gray, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Tucker, Turgeon, Winkler, Wright—26.

Mr. J. R. Bowler, General Secretary, Canadian Legion, British Empire Service League; and Mr. Richard Hale, representing the Tubercular Veterans' Association, and Chief Pension Adviser of the Canadian Legion, were recalled jointly, examined and retired.

General McDonald, Chairman of the Canadian Pension Commission, filed a comparative scale of pensions which was ordered to be printed as an Appendix to this day's evidence.

The Committee adjourned at 1.00 o'clock p.m., to meet again Thursday, April 3rd, at 11.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

ROOM 277,

April 1, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Gentlemen, let us come to order. Mr. Bowler will revert to a subject of discussion at our last meeting, that is to Canadians enlisted in the Imperial units.

Mr. J. R. BOWLER, General Secretary of the Canadian Legion of the British Empire Service League, recalled.

The WITNESS: Mr. Chairman and gentlemen, at the close of the last session Mr. Hale and myself were dealing with the problem likely to arise from the fact that under present procedure in this war, particularly in regard to the Empire Air Training Plan, many Canadians will find themselves involuntarily in the British forces and will become subject to British pension procedure. We went to some length to explain to the committee the difficulties as we know them from experience based on the last war arising from that procedure, and we tried to urge that some method of meeting the situation should be arranged, more particularly that these men, being Canadians, should at all times be under the jurisdiction of the Canadian Pension Commission.

One of the difficulties which we stressed and which was the case as arising from our experience in the last war is that the applicant under such circumstances had to prepare his case here with very limited facilities and then present it to a tribunal or other pension body on the other side of the Atlantic; and we urged that as being a very substantial disadvantage.

I think it my duty now to inform the committee that since we gave our evidence on Friday last the Canadian representative of the British Ministry of Pensions, located in Ottawa, has informed us that he has been given jurisdiction to make awards on entitlement in respect of Imperial cases. He has power to decide questions of entitlement.

By Mr. Reid:

Q. Would he be allowed to open up cases on his own initiative?—A. Perhaps I might come to that in a moment. Now, he tells us that he has had that power for some time past although it has arisen, I understand, out of the new war. It never applied in respect of the old war, and at the time Mr. Hale and myself gave our evidence on Friday last that information had not been brought to our attention. Now, in bringing it to your attention I do so with every confidence in the British ministry representative, who, by the way, is a namesake of mine, and a gentleman for whom I have the greatest admiration. But, Mr. Chairman, I do not feel that the Legion should be in the position of announcing new departures in the policies of the British Ministry of Pensions to this committee and, therefore, if the ministry representative will understand me, I convey the information to you, but without responsibility for it from the Legion standpoint, because it is new to us and we do not know to what extent it will apply. We do know, however, that Mr. Bowler, the ministry representative, is a very fine man and a very sympathetic gentleman,

but how that will work out we cannot tell; and I feel that if the committee are going to accept the information as a basis for any decision that they may come to, then they should have the information officially before them from the person or persons competent to give it on behalf of the British government.

By Mr. Ross (Souris):

Q. Do I understand that he is accorded that power in respect of Imperial veterans of the great war?—A. That is my understanding, that he now has vested in him authority to give decisions on entitlement in respect of any Imperial claims now outstanding or that may arise in the future.

By Mr. Reid:

Q. It might be advisable, if the commission thought fit, to have the chairman ask for a definite statement from the British ministry.—A. I am not questioning Mr. Bowler's word on it, but as far as I know there is nothing, and we have had nothing, in writing; I do not know whether General McDonald has or whether the minister has; but it is an important matter.

Q. Very.—A. In view of the information Mr. Hale and myself gave on Friday last we felt it our duty to bring this further information to your attention.

By Mr. Green:

Q. It does not change the matter. Before an Imperial can apply for a pension he has got to get permission from the British Ministry of Pensions.

Mr. REID: Try and get it.

The WITNESS: I was going to point out that while undoubtedly in the case of an open and shut case, a gunshot wound, it will undoubtedly facilitate matters and make possible more expedition in dealing with these cases, still it has to be borne in mind that the basic principles, the principle of entitlement as laid down in the British Ministry of Pensions, will still apply, and I think as the committee knows or can find out the insurance principle by no means applies, as I understand it, under the British system of adjudication, so our men would first of all have that handicap to contend with. Then, again, there would still be the lack of facilities for preparing cases. Now, in England, I understand that there are local committees and various agencies to assist the applicant in preparing a case, and we know that in Canada we have our very efficient veterans' bureau especially set up for that purpose. These men will have no such facilities, excepting an independent agency such as the Legion, and in addition they will still be faced with the very severe handicap of not being able to get access to their documents before preparing their case. Then, in addition, I think this is correct, that in cases where the local ministry representative in Ottawa does not see fit to make an award then the applicant will be faced with the necessity of an appeal and for appeal purposes all the objections that we pointed out in our previous evidence will still apply: the appeal tribunals are in England and the applicant here will be under the difficulty of adequately preparing and adequately presenting his case to a tribunal on the other side of the Atlantic ocean, a tribunal he has never seen and which has never seen him. Therefore, while undoubtedly this new information is a step in the right direction, I do not think it by any means overcomes the objections that we raised, and we are still very definitely of the opinion that the only way to ensure that bona fide Canadians who serve in the Imperial forces, in the air training plan or otherwise, are treated in the same way as other Canadians who served in the Canadian forces, is to bring them under our own Canadian Pension Act.

The CHAIRMAN: Are there any questions on that point, gentlemen? If not, I will ask Mr. Hale to take the stand.

[Mr. J. R. Bowler.]

Mr. RICHARD HALE, Tubercular Veterans' Association and Chief Pension Adviser of the Canadian Legion, Recalled.

The WITNESS: Mr. Chairman and gentlemen, the next question which we wish to bring before the committee refers to Canadians who may enlist and serve in the allied forces in the present war. The dominion convention of the Legion that was held last year in Montreal asked that the position of Canadians recruited in Canada for the allied forces—Norwegian, Polish, Dutch, Greek, etc.—be established with respect to Canadian pension legislation and other post war benefits. The reason for this is that in the last war in section 46 of the Pension Act it is provided that any person who served in the naval, military or air force of one of His Majesty's allies was provided for in the matter of supplementation of pension. The Legion were wondering whether in the present war you would be prepared to extend at least similar consideration. There are a great many of these men who are enlisting and their domicile and residence is in Canada at the present time, and some of them undoubtedly will lose their lives and will leave dependents whose pensions will probably be inadequate to meet the Canadian standard of living. It is felt that provision should be made so that these classes may be placed in the same position as if they had served in the Canadian forces, as far as possible.

By Mr. Macdonald:

Q. Do you say that that provision prevailed in the last war?—A. Yes, in respect of death claims.

Q. In respect of death claims only?—A. Yes.

By Mr. McLean:

Q. Are they Canadian citizens?—A. Oh, yes. I will not say they are naturalized citizens; they are resident and domiciled in Canada.

Q. But are they nationals of other countries?—A. That may be.

By Mr. Green:

Q. What do you mean?—A. I am referring to men who have been recruited for the allied forces such as Norwegians, Dutch, Greeks, etc., in the present war.

Q. Do you mean even though a man may have been living in Canada only a month? There are a lot of refugees coming here from the continent at the moment or they have come, and some of them have been in Canada only a month and they are enlisting in the Norwegian or other forces. Have you taken into consideration that class, or do you classify them as Canadians?—A. The statute as it referred to the last war simply referred to persons.

Q. This is a different war with different conditions; that is why I asked that question, Mr. Hale.—A. That is something for the committee to take into consideration.

By Mr. McLean:

Q. I think the Legion's representation ought to be clear. I think we ought to know whether the Legion is asking, on the one hand, that Canadian citizens who are serving in the allied forces be given this consideration, and whether the same should apply to nationals of other countries who are domiciled here. —A. Well, there is of course a distinction, naturally, between the man who is naturalized and the man who is not. But the primary requisite here is "domiciled and resident." Of course, there was no qualification of that as far as the last war was concerned; it merely provided that they had to be domiciled and resident in Canada at the beginning of the war.

Mr. GREEN: Yes, but it was a very small question last time; now there are thousands of these men being raised for this war, which brings up an entirely different picture. Their rates of pay, for instance, in the Polish army may not be very high.

By Mr. Quelch:

Q. The Legion would not suggest that we treat men who refuse to take our naturalization papers in this country the same as our men? Personally, I think a man who refuses to take out naturalization papers should not be treated on the same basis.—A. Of course, that is a matter to which the committee will no doubt give a lot of consideration. We are not pressing this unduly. We feel, however, that the principle exists in the Canadian Pension Act in so far as the last war was concerned and it is a matter for you to decide, of course, whether you wish to extend it in view of the changed conditions. You can of course make the qualification that they have to be naturalized Canadians, if you wish.

By Mr. Macdonald:

Q. We want to get the viewpoint of the Legion with regard to this.—A. We are merely asking that the same consideration be extended as was extended for the last war.

Q. Let us know clearly what provision was extended in the last war. Was a man who enlisted in one of the armies of the allied countries given the same rate of pension, provided he was domiciled in Canada?—A. Not in so far as disability was concerned; this only refers to death. Section 46 of the Pension Act governs deaths.

Q. That is what I wanted to make clear. Is it your suggestion now that that same provision apply to those who are resident in Canada and naturalized and who are serving in one of the armies of the allied countries?—A. That is right.

Hon. Mr. MACKENZIE: There were thirty-three widows of French soldiers who are domiciled in Canada who came under Section 46, and there were four in the case of Italy, and one in the case of Belgium.

Mr. GREEN: That is all there were?

Hon. Mr. MACKENZIE: Yes. There were 38 altogether. The total liability amounted to $20,000, odd.

By Mr. Macdonald:

Q. Your suggestion, Mr. Hale, would not affect a refugee who comes to this country and enlists in one of the armies?—A. Oh, no. He has to be domiciled and resident in Canada at the beginning of the war.

By Mr. Cruickshank:

Q. I understand that they are calling them up from Holland and are paying a married man with three children seventy cents a day. Are they to be brought up to this scale?—A. This proposal only affects those who are killed.

Q. At present, as I understand it in Canada, the government of Holland are calling up all their citizens—I know they called one from a farm in my section—and they are paying a married man with three children seventy cents a day. Is he to be brought up?

Mr. MACDONALD: No, he is not to be brought up.

The WITNESS: No.

Mr. MACDONALD: Unless he is killed, and then the widow's pension would be brought up to the same basis.

Mr. CRUICKSHANK: Why does he not take out his papers and join the Canadian army?

Mr. SANDERSON: Mr. Chairman, I do not think this is a matter which should take up too much of our time at present.

The CHAIRMAN: As I understand it, these questions have been asked in order to ascertain the attitude of the Legion towards this problem.

By Mr. Tucker:

Q. Why was it limited to warrant officers and those of higher ranks, in the case of people in the British army?—A. That resulted from the agreements between the two governments, whereby the British government agreed to pay the Canadian rate to those below the rank of warrant officer and thus provide a supplementation to those above.

Q. Under this it says that any person domiciled or resident in Canada who enlisted in the forces of an ally would have paid to his widow or dependants the same pension as would be payable under this Act. By that provision a person who happened to have a high rank in the Dutch or Belgian army would, of course, receive far more than a person enlisting in the Canadian army as a private.—A. Where the pension is paid on the basis of rank. All that this provides is for supplementation to the rate which would be paid had his services been in the Canadian forces.

Q. Then it is based upon rank?—A. Oh, yes.

Q. Then it is another case of people who are not British subjects being treated better than British subjects. I wonder if the Legion is in favour of that. —A. Well, in the last war those who served in the ranks below the rank of warrant officer and served in His Majesty's forces, or in any of His Majesty's allies, who were killed and had their domicile or residence in Canada at the beginning of the war, were given the same consideration as though their service had been in the Canadian forces all the way through. I grant you that if rank comes into the question then naturally the amount of pension is involved. But that is true in our own scheme.

By Mr. Reid:

Q. Would that mean that if a Greek in this country enlisted in the forces of Greece, say, for the sake of argument, the air force, and was killed, his widow in Greece would receive the Canadian rate?—A. It would be supplemented.

Mr. REID: I think that is all wrong.

By Mr. Tucker:

Q. It applies only while she lives in Canada.—A. Under these same qualifications that they were domiciled and resident in Canada at the beginning of the war.

By Mr. McCuaig:

Q. And that she continue living in Canada after the war?—A. Oh, yes.

By Mr. Cruickshank:

Q. Personally, I am absolutely opposed to this. Surely the Legion are not recommending, if this is passed, that pension should only be allowed to those of the rank of warrant officer or higher rank.

Mr. BOWLER: That is what the Pension Act says.

The WITNESS: That is what section 46 of the Pension Act provides now.

By Mr. Green:

Q. Supposing a man enlisted as a private in the Greek army or in the Dutch army and was killed, then what would happen if your recommendation were carried into effect?

Mr. TUCKER: The section refers to persons of the rank of warrant officer or higher rank in the British forces, but in the case of other allies it says "any person".

The CHAIRMAN: We will hear the resolution.

The WITNESS: The resolution that was passed does not make any distinction in so far as rank is concerned. The resolution reads:—

> That the position of Canadians recruited in Canada for the allied forces, Norwegian, Polish, Dutch, Greek, etc., be established with respect to Canadian pension legislation and other post war benefits.

By Mr. McCuaig:

Q. Would that not infer that he would have to be naturalized?—A. One could draw that inference.

Mr. MACDONALD: That is what it says.

Mr. MCLEAN: A Greek national living in Canada is not a Canadian.

By Mr. Ross (Souris):

Q. The Legion does not recommend that we should be responsible for other nationalities serving in the forces?—A. No; we are saying Canadians, and that means of course naturalized Canadians.

By Mr. Tucker:

Q. You are saying the same thing as was said in the last war. It says in the Act "domiciled and resident," and anyone knows that a person who is not a naturalized British subject can easily be domiciled and resident in Canada.—A. That is true in so far as the last war is concerned, but this recommendation for this war is very definitely "that the position of Canadians," etc., which is different to Section 46.

Mr. GRAY: You cannot have two nationalities.

The WITNESS: Of course the statute would have to be amended to suit, if the committee saw fit to accept the proposal.

Mr. TUCKER: I do not think men who are actually British subjects should enlist in the ranks of other forces at all.

Mr. CRUICKSHANK: Hear, hear.

The WITNESS: Of course it is conceivable that a man might have a leaning towards serving with his own nationals even though he may be a naturalized Canadian.

Mr. MACDONALD: At that rate all the Englishmen might want to join the highland regiment.

The WITNESS: That is all we wish to say with regard to that subject.

The other recommendation refers to those who are assessed under the Canadian Pension Act for disability pension at less than 5 per cent. For some years the dominion conventions of our Legion have been considering this matter and at the last convention they made this recommendation; that class 21 of schedule "A" of the Pension Act be abolished. This class 21 provides for a final payment, not exceeding $100, where the disability is assessed at less than 5 per cent. The practice of the pension commission is to pay $100 for 4 per cent; $75 for 3 per cent; $50 for 2 per cent and $25 for 1 per cent. The opinion of the convention was that such microscopic assessments are unsound, and that, if the pensioner has any disability at all, it should be assessed at 5 per cent.

Section 21 of the Pension Act, of course, has been there all the time, and it provides for this final payment for disabilities of less than 5 per cent. We

are of the opinion that that has only a nuisance value. We believe that if a man has any disability at all, 5 per cent is the lowest grading he should receive.

By Mr. Tucker:

Q. What section is that?—A. That is class 21.

Hon. Mr. MACKENZIE: Page 35 of the old Pension Act, schedule "A," class 21.

By Mr. Quelch:

Q. Would there be the danger, if that is adopted, that a man who might be awarded a 2 per cent pension would not get any pension at all if he had to be raised to 5 per cent? Whilst the difference in the amount of the pension might be negligible, nevertheless it might have the effect of barring that man from receiving war veterans' allowance, because it is only awarded if the man has a pension or for a few other reasons.—A. If he served in a theatre of actual war he can qualify for war veterans' allowance.

Q. Yes, but he might not have served in a theatre of actual war.—A. He has to have 5 per cent pension anyway. As a matter of fact, a good many of the objections have arisen because of that fact. It was the opinion of the convention that if this were done the commission would then have to say that there is 5 per cent disability or there is not, and that would settle the question. It is very difficult to explain to a man the difference between, for instance, 4 per cent, 5 per cent or 3 per cent.

By Mr. Isnor:

Q. What is your recommendation?—A. That class 21 be abolished.

By Mr. Green:

Q. If a man had established a 2 or 3 per cent disability, how would his rights to treatment be affected?—A. It would not affect his rights to medical treatment, Mr. Green, because, if he has entitlement to pension, he is entitled to receive treatment under order in council P.C. 91, whether he is receiving any actual money or not.

Q. But if your recommendation were accepted, is there not the danger that it might mean that nobody would get entitlement to pension unless he had at least a 5 per cent disability?—A. I would not go so far as to say that.

Q. No, but would you not leave yourselves open to the Act being construed in that way by the pension commission?—A. I think General McDonald should answer that question; after all, he has to be responsible for making the awards. I must say this, that in all my experience with the pension commission the amount of the award has never entered very much into their calculations. They decide whether the disability is attributable or is a pre-enlistment condition aggravated, and so forth. It is purely on that basis that the decision is made, and the question of how much is involved comes into the picture after the decision has been made in his favour.

Q. Would you not achieve your objective if you had class 21 broadened to run down to 1 per cent rather than go from 9 to 5 per cent? Is that not what you really want?—A. Well, that would be one way of doing it, but it has been considered heretofore that any award of less than 5 per cent is not great enough to warrant monthly payments. That is why the final payment was instituted.

Mr. REID: It would be interesting to know from General McDonald how many have received awards of less than 5 per cent.

The CHAIRMAN: Would General McDonald care to comment on this point?

Mr. BRUCE: I presume that is given on the decision of the medical men.

General McDONALD: On the recommendation of the medical men and on the decision of the commission.

Mr. BRUCE: I think it is getting down to a fine point for any medical man to be able to say that a man is entitled to 1 per cent or 2 per cent. I agree with the recommendation, I must say.

Mr. CRUICKSHANK: Unfortunately the doctors are not all as fair as you are.

Mr. BRUCE: I beg your pardon?

Mr. CRUICKSHANK: Unfortunately the doctors are not all as fair as you are.

Mr. BRUCE: Oh, well, I do not know about that.

Mr. REID: Sometimes the doctors change their views when they are put on the board.

Mr. McCUAIG: Do you mean that if a man is entitled to any pension at all he should be entitled to at least 5 per cent?

Mr. BRUCE: I think so. I think you would be putting a big responsibility on the medical men to decide whether it should be 1 or 2 per cent or 3 per cent.

General McDONALD: I should like to say on the question of these 2, 3 and 4 per cent pensions, which has been laboured to death, that for some time the commission have not made use of those minute divisions of assessment at all. If you will observe, the schedule makes no reference whatever to 1, 2, 3 and 4 per cent; it merely says that under 5 per cent a gratuity not in excess of $100 will be paid. I think, Dr. Bruce, the commission realizes just as keenly as anybody else that it is utterly ridiculous to ask a medical man to distinguish between 1, 2, 3 or 4 per cent cases. There are certain definite disabilities laid down, such as the loss of a small portion of a finger, or something like that, but as far as a medical condition is concerned, it is quite ridiculous; and that method of arriving at things has been abolished by the commission some time ago. Where it is less than 5 per cent there is a gratuity, and it is usually $100 now.

Mr. GREEN: What would be the effect, if the Legion's recommendation were accepted, on this last one?

General McDONALD: I am not quite clear what the Legion's recommendation is.

The WITNESS: To do away with class 21 altogether, General, and if you decided the man had sufficient disability, it would be rated at 5 per cent.

General McDONALD: That would mean that anybody whose disability was rated at less than 5 per cent would have to be rated as negligible and would get nothing.

Mr. TUCKER: In other words, if somebody lost his finger, you would give him $100, but under this he would not get anything.

General McDONALD: No. Personally, if I may be permitted to express an opinion at this time, I think even the assessments of 5 per cent are too small. I mean, it has been our policy and the policy of my medical advisers, so far as possible to avoid making raises or deductions—raises nowadays mostly—on 5 per cent increments, because I think Dr. Bruce will agree with me that even 5 per cent is an almost impossible amount to assess. However, they are in the Act and we try to do it as well as we can. But unless a man is entitled to a reasonable raise, it is almost impossible.

Mr. CRUICKSHANK: If I am not mistaken, Mr. Reid asked a question as to how many would be concerned.

General McDONALD: I am just trying to find out.

Mr. CRUICKSHANK: I do not know whether they would go down to 5 per cent. Surely a doctor would not go down to that. If a man is entitled to

a pension, he is entitled to a pension. Five per cent is nonsense. He is either entitled to a pension or he is not.

Mr. TUCKER: I do not agree with that. A man might lose a finger and he would be entitled to compensation, while there is no pension.

Hon. Mr. MACKENZIE: I think the intention is to make all awards 5 per cent or more. The possible effect might be to injure those who are under 5 per cent.

Mr. CRUICKSHANK: Is it doing that? Is there danger of doing that? I am speaking of the last war, and those under 5 per cent.

General McDONALD: Yes.

Mr. McLEAN: Would it be fair to say that the effect of having this in the Act is to give to men who, in the consideration of the commission really have no disability—those who have some physical disfigurement but no disability —a gratuity? Would it be fair to say that has been the effect of it?

General McDONALD: Yes.

Mr. McLEAN: The ones to whom this gratuity has been given in the opinion of the commission have really no disability?

General McDONALD: That is, I imagine, the purpose of it.

Mr. CRUICKSHANK: If it was abolished, would that prevent anyone with some minor injury from getting hospitalization? In other words, he might have a pension of 3 per cent, which would get him hospitalization. If that is abolished, would it prevent him from getting that?

General McDONALD: No, that would not affect it.

Mr. CRUICKSHANK: It would not affect his hospitalization?

General McDONALD: No.

Mr. GILLIS: I think the intention of the recommendation is to open the provisions of the War Veterans' Allowance Act to quite a large number of cases that I know are in existence at the present time. I do not think there are very many men who served in an actual theatre of war who are assessed below 5 per cent. On the other hand, there is a large number of men who served in Canada who have received gratuities and who are totally disabled, but by virtue of the fact that they have not got a 5 per cent pension they are not in a position to receive the war veterans' allowance. I think what is in the mind of the Legion in that recommendation is to open the way for that classification for war veterans' allowance.

Mr. HALE: That is just one of the purposes.

Mr. GILLIS: Yes. I do not think it would affect men who served in a theatre of war.

Mr. HALE: It does not affect them and does not affect the man's treatment rights; but it is difficult. I have a lot of sympathy with the medical men of the commission who very often have to explain to some of these men how they arrive at the percentage that has been assessed, if it is less than 5 per cent. General McDonald, of course, has introduced into the administration of pensions a humanizing effect and a much more liberal outlook than we had before, and we are very glad to admit that. For instance, in days gone by a man who lost his small finger was compensated usually at 3 per cent. There is one case that I have in mind out in Victoria Island where a man lost his small finger and received 3 per cent. The table of disability says that that is fair compensation for the loss of the small finger. That man is a farmer; and as he gets older, of course, he has difficulty in milking a cow with the loss of the small finger. As far as he is concerned, he claims that it is a much increased disability. I have never milked a cow and I am not in a position to say whether that statement is sound or not.

Mr. McLEAN: I think that is perfectly ridiculous.

Mr. HALE: The commission have had a lot of difficulty in convincing that man that he has not got a 5 per cent disability.

Mr. TUCKER: He would have a lot of difficulty in convincing me that he has.

Mr. CRUICKSHANK: It might affect him just the same. It depends how you milk a cow.

The CHAIRMAN: Mr. Bowler, will you continue?

Mr. BOWLER: May I refer briefly to section 6 of Bill 17 and to the provision that deals with the question of pension in certain circumstances to a man who has served in a theatre of actual war, namely in the case of venereal disease. The provision is now that he is pensionable if the condition pre-existed enlistment and was aggravated to the extent of the disability on discharge, with no subsequent increase. The amendment now proposed under Bill 17 provides that if it appears on examination that the disability has decreased in extent, pension shall be decreased accordingly. The Legion thinks that that is only proper and that that procedure should be followed. But we do not want to go on record as agreeing with the suggestion advanced by members of this committee that if, subsequently, there is an increase in the disability, then pension should be increased accordingly, at least to the point of the extent of the disability as it appeared on discharge.

Mr. MACDONALD: You just say at least to the point of the extent of disability. Would it not be fair to say just to that point?—A. Just to that point; yes, that is correct.

May I refer to section 10 of bill 17 dealing with pension procedure when compensation is recoverable from other sources. Section 10 of bill 17 rewrites section 18 of the Pension Act which provides generally that the commission may require an assignment of any right of action when disability or death, for which a pension is payable under the Pension Act, is caused under circumstances creating a legal liability upon some person to pay damages. I think the general effect of the new provision is that if a pensioner gets an award of compensation under such circumstances, then such award will be set off against the pension—I think generally that is the idea of it.

First, I should like to say that the Legion agrees again with the suggestion that came from members of the committee, that when the award is from some source, such as workmen's compensation, where the employee has paid in contribution, awards of that nature should be exempt from this proposed amendment. Then, too, it appears to us that one of the effects of the amendment now proposed is that the responsibility to prosecute any such action rests with the pensioner and discretion is given to the commission to refuse pension in such cases when, in its opinion, the individual concerned has not taken all reasonable and necessary steps to obtain payment of such damages or compensation. Previously the commission had power to ask that the right of action be assigned to them, and it was in their power to prosecute it if they saw fit. That apparently is now abandoned, and it is the pensioner's responsibility; and if in the opinion of the commission the pensioner unreasonably refuses to prosecute any such claim, then his pension may be declined. In the hands of General McDonald I do not anticipate any trouble under that section, but under a restrictive administration—and no one can tell when that may come about—that section might create difficulty. It is the Legion's opinion that, in the case of claims for damages against private individuals or corporations, the commission ought not to have power to insist that litigation be undertaken, for the reason that litigation is generally costly, is very often protracted and the pensioner may be in no position to undertake the initial cost or the

risk of failure. If the commission is convinced that such proceeding should be taken, then in the Legion's opinion it should relieve the pensioner of all cost and liability in respect thereto and his pension should remain undisturbed pending the outcome.

Mr. TUCKER: Have there been any cases of this at all?

General MCDONALD: Yes.

Mr. TUCKER: It just says here it may possibly be ultra vires. I infer from this that the old section never has been held to be ultra vires.

General MCDONALD: It has never been decided in court, but that is the opinion of the Department of Justice. The old section, from the point of view of the commission, was very much easier to work under because the commission had the power to arrange the claim and settle it.

Mr. TUCKER: It looks to me as though some person in the department has been going over this thing and looking for something he could change. So far as I am concerned there is no adequate reason given for the change. Of course, I would not want to set myself up against the law officers of the crown, but I cannot see for the life of me why that would be ultra vires, and I cannot see why it would be unworkable.

General MCDONALD: I read the opinion of the justice department on the matter, and it is in the minutes.

Mr. TUCKER: Are you satisfied with the opinion that it was ultra vires? Are you satisfied with the opinion of the law officers?

General MCDONALD: Like you, Mr. Tucker, I cannot very well question the opinion of the law officers of the crown.

Mr. GRAY: Could not the present new section 18 be amended so as to still include subsection 2 of the old section? I agree with Mr. Bowler of the Legion that no man should be compelled to take litigation unless the commission is prepared to guarantee his costs. I speak with some knowledge of costs if you lose an action, although I do not lose many. But it would seem to me that the new section 18 could be amended so as to include subsection 2 of the old section which, as the general says, they found unworkable.

Hon. Mr. MACKENZIE: It was previously decided to refer it back to the justice department.

Mr. GRAY: Very well.

General MCDONALD: I am taking that up with them. I myself should very much like it if I could induce them to make it more workable, because there will be difficulty in carrying that out; to give the commission certain discretion, again that is a matter of discretion and it is always difficult to administer. If we could have some arrangement such as you suggest whereby the commission could either proceed or settle the claim, it would be very helpful.

Mr. MACDONALD (*Brantford*): I should like to draw the attention of the justice committee to the provisions of the Workmen's Compensation Act. It occurs to me that it is impossible to assign a cause of action by way of tort. I do not think it can be done. But under the Workmen's Compensation Act there is a similar provision; the person who is damaged commences his action but actually it is done by the commission in the name of the person who is injured. I know that provision is in the Workmen's Compensation Act and it should be brought to the attention of the law committee.

General MCDONALD: I shall be very glad to do that.

The CHAIRMAN: What is your next point, Mr. Bowler?

Mr. BOWLER: I should like to refer briefly, if I may, to sections 22 and 23 of the bill. The effect of these two sections is that the personnel of the appeal

boards of the commission would be reduced to two members, and that in the case of a disagreement the chairman has power to delegate another member of the commission to confer with them and the decision shall be that of the majority of the members of the board and such other member of the commission. I do not want to labour this point. I do want to say—and I think Mr. Hale will bear me out—that by and large we think the whole procedure is working out very satisfactorily; and if this will facilitate the administration, we would not want to appear to oppose it except that I do think there is something to the question that was raised that it might be inviting trouble to have a third member, who never saw the applicant, give what would be considered the final vote. I think the chairman himself suggested as an alternative a re-hearing, and the legion thinks that would be better, as being less likely to have any unfavourable reaction.

Mr. GREEN: Are you in favour of cutting down the appeal boards from 3 to 2?

Mr. BOWLER: We do not mind, as long as it works.

Mr. CRUICKSHANK: Will it work?

Mr. TUCKER: It has worked, more or less, in the past, has it not?

Mr. BOWLER: Of course, it has been 3, as I understand it.

Mr. TUCKER: I know of an occasion when two members of the board sat. I was wondering about that.

The CHAIRMAN: Perhaps the chairman of the commission could tell us about that.

General MCDONALD: Not on appeal. It would have to be 3.

Mr. TUCKER: This was a sitting of the commission about the same thing. I do not see much difference.

General MCDONALD: There are certain cases where a quorum of the commission, which is 2, can hear a claim for assessment; but as regards entitlement, there have to be 3.

Mr. TUCKER: They were holding hearings on entitlement there.

General MCDONALD: I know; quite likely for a certain purpose. There is a certain class of hearing where that is done, but it is not on the question of entitlement to pension. It may be on the rate of pension.

Mr. TUCKER: No, it was on the question of entitlement. I was interested very much in the case, and there were two members of the commission sitting. It was on the question of entitlement.

General MCDONALD: When was that?

Mr. TUCKER: That was last year some time.

General MCDONALD: It never happened to my knowledge.

Mr. TUCKER: I was really surprised about it myself.

General MCDONALD: I should like you to be certain about what class of case they were hearing.

Mr. TUCKER: I will give you the information.

General MCDONALD: I shall be glad to have it.

Mr. MCCUAIG: Is there any objection to reducing it to one? In many courts only one judge sits, even on appeal cases.

Mr. HALE: Mr. Chairman, our reply to that is that experience with one-man boards in past years was disastrous, because the applicant was very dissatisfied; of course, in those days there were provisions whereby the decision could be appealed. Under this system, if it was a one-man board, it is our opinion that it would be unsuccessful. You could never get an ex-service man to accept the decision of one man on such a momentous question as a disability pension, which compels him to go through life with a disability without compensation. That is

really the sum total of our experience of over 20 years. In the old days they used to have one man hearing appeals—part of the Federal Appeal Board—whose decision was subject to appeal by either side, and it just turned the whole thing into a farce; one side or the other appealed.

Mr. CRUICKSHANK: Just as a matter of information, I should like to ask if the legion thinks there are enough boards. Personally, I do not. I understood from General McDonald the other day that there are 500 cases pending. If there are 500 cases pending, I do not see how one board can handle them all. Does the legion think one board is enough? I admit this has nothing to do with the section, but I am merely asking for information.

Mr. HALE: The purpose of the change is evident. The commission are not able to operate three-men boards under their present personnel. That is why they want to reduce it to two.

Mr. CRUICKSHANK: There is something that I should like to get out of the commission, and about which I have not been able to get an answer from them as yet. If this decrease to 3 is made—which I personally do not agree with—are they prepared to put extra boards on? They have not said. I should like to have the legion's opinion on the matter. Personally I think there should be 10 or 20 boards and that the men should not be kept waiting.

An Hon. MEMBER: There are only 500 cases.

Mr. CRUICKSHANK: At the end of this war they will have a job for quite a while. Are you agreeable to put more boards out than just the one?

General MCDONALD: If there is a sufficient accumulation of cases in any one district which warrant a sitting of a week or longer in the larger centres there will be no difficulty about getting another board. There are at present fourteen cases in the lower mainland awaiting hearing from the five appeal courts.

Mr. CRUICKSHANK: Of course, if the Pension Act had done what it should have done there would be a lot more cases in the Fraser valley alone.

General MCDONALD: Years ago we had arrears of nearly 5,000 and they were caught up with. Necessarily, we have to wait until a reasonable number are ready for hearing in a centre like Vancouver before sending a three-man board with a reporter and a men's advocate out there. It is an expensive business to send those men there. As soon as there is an accumulation of cases that would warrant a hearing of a reasonable length of time they will go.

Mr. TUCKER: Those are appeal courts?

General MCDONALD: Every one of those cases which is heard by an appeal court has already been refused twice by the commission.

Mr. REID: I think it is just as well that that should be made clear.

General MCDONALD: This is not a hearing de novo where a man's case gets first consideration.

Mr. TUCKER: Of course, there are no real additional rights given because there is a three-man sitting and two agree on the decision. It does not bind anything anyway. All you are saying is that if two men do agree it is binding without having the third man around; but if the two do not agree I think there should be a re-hearing.

Mr. GREEN: Mr. Chairman, it does seem to me that this business of a rehearing is not facing the issue. The soldiers are entitled to appeal boards and have been for many years.

Hon. Mr. MACKENZIE: May I say that if there is a feeling in that direction, there will be no exception at all.

Mr. GREEN: As a result of that sittings of the special committee in 1936 we provided that these appeal boards would hear the men and hear their witnesses, and that is of vital importance; now there is the suggestion to cut down the

number of men on the board from three to two, and that is certainly going to make the men feel that their rights are being restricted. I am surprised that the Legion would more or less agree to that, because I know the trouble which is going to be caused. I think it is vital that the soldiers of Canada should have the right to have a last hearing or a last chance to be heard by a board of three, and I think it is a backward step to cut that number down to two now. I cannot see any reason for it, and I suggest that the committee should hold out on that. It weakens public confidence in the court of final appeal, and that is a bad thing.

General McDONALD: I think I told you the reason; it was an honest endeavour to try to effect a little economy in strenuous days. It is not a matter of vital interest as the minister has said. We shall be glad to take it out if you wish it.

Mr. McLEAN: Mr. Chairman, personally I am delighted to see that there is one department of government where the officials are showing some regard for the public purse in connection with administration. Now, after all, this commission is an expensive affair; these men are necessarily paid very high salaries, and surely, while we want to show every regard for the interests of the returned soldiers, we have some responsibility in connection with the public purse. Now, these are appeal cases, and if we provide that two men hear the case and that if the men are not satisfied they can have a rehearing by a board of three—

Mr. GREEN: Where is the saving if they have to hear the cases over again?

Mr. McLEAN: The men are not necessarily going to appeal all the cases. If the commission have already heard the case a couple of times and in their judgment the man is not entitled to a pension and then there is an appeal board of two who go to that locality and give the subject a rehearing and they decide that he is not entitled—

Mr. CRUICKSHANK: Supposing they disagree; suppose one is on each side?

Mr. McLEAN: I say a rehearing; but I certainly think we should keep these boards down to a minimum.

Mr. TUCKER: I think they should be commended. Here is a proposed change to save some money and they are willing to try it. If it does not work out we can change back again. All they are doing is saying let us try it. No one is going to make a last ditch stand against a trial. If it does not work it can always be changed. If a soldier comes here on appeal before three judges and if two judges agree on disallowing the appeal, he is before a court anyway just as if two sit and do not agree. He is no worse off than he was before, but if these two disagree then he has a chance of a rehearing.

Mr. CRUICKSHANK: Not before three men.

Mr. TUCKER: He can have a rehearing before three now.

Mr. CRUICKSHANK: No. He cannot.

Mr. TUCKER: The Legion make that suggestion. I am backing up the Legion's suggestion that there should be a rehearing and that it would be by three different men altogether.

Mr. CRUICKSHANK: The Act would have to be changed.

Mr. TUCKER: That is what the Legion suggests, and I think the suggestion is worthy of our support, and I think they should be commended for being willing to try the alteration and not to say: we are going to make a last ditch stand for everything that is in existence whether something else might work or not.

The CHAIRMAN: Gentlemen, we have before us the views of the Legion, and I am sure that this whole question will be discussed carefully and earnestly in the committee. Now, what more do we want from Mr. Bowler?

Mr. GREEN: Mr. Chairman, I do not think discussion should be cut off.

The CHAIRMAN: It is not a question of discussion being cut off, it is a question of getting from the Legion their viewpoint.

Mr. GREEN: They have given their viewpoint on that and I say that we should be allowed to question them and have discussion. Why should we be cut off at this stage?

The CHAIRMAN: For the simple reason that we have to discuss the whole matter after the cases have been received.

By Mr. Cruikshank:

Q. Why do you recommend it, Mr. Bowler?—A. We do not recommend it.
Q. There; the Legion do not recommend it.

Mr. MCLEAN: We should make that clear. As the chairman said we are here to get the views of the Legion on this question. Now, I do not think we have the views of the Legion clearly before us, and I think we ought to have them. I think it is quite proper that we should question the witnesses but not discuss the matter among ourselves.

The CHAIRMAN: I understand that Mr. Bowler stated he had no objection to this section if it would work.

Mr. BOWLER: That is the effect.

Mr. QUELCH: Are we not entitled to point out to the Legion why we think it will not work? In certain cases they have changed their opinion since they have come here in view of statements made by some members of the committee.

The CHAIRMAN: I do not think he has changed his opinion.

Mr. QUELCH: Not in this matter, but in regard to Canadian citizenship.

Mr. MCLEAN: Surely, it is not our duty in connection with this section or any other section to give the Legion arguments why they should change their views.

Mr. GREEN: We have been getting along nicely so far, and I suggest that there be no attempt made to cut out discussion or questions, however the members may wish to set up their ideas. I think if that is done it is going to cause quarrelling in the remaining sittings of this committee. I suggest that we be allowed to go along as we were going before; go into these matters for a few minutes and then get on to something else; but the moment we feel that we are going to be choked off that means trouble.

The CHAIRMAN: Mr. Green, may I say I do not think your language is quite fair? There has been no attempt to curb discussion or choke anybody off. There is an attempt to get from the Legion their point of view with reference to certain points in this bill. It was not our intention that we would enter into argument or discussion at the present time, in regard to the final drafting of these sections.

Mr. MACDONALD: I am afraid that if we enter into discussion too much we will get away from the witnesses. Primarily we are here to hear witnesses. The way we are proceeding now the witnesses are a side issue and we are doing all the discussing.

Mr. TURGEON: I rise to support the chair because we decided some meetings ago that for the present the members of the committee would not debate matters but would listen to the submissions and ask questions for the purpose of securing information. Now, I would like to ask a question of the Legion: the explanatory note to section 22 states: "This provision has been in operation for more than a year. Experience does not show any benefit accrues to the applicant from the three-man board which would not accrue from hearings before a board of two. More cases can be dealt with if hearings by two com-

missioners are restored." Now, my question is: is that experience referred to in the explanatory note the experience of the Legion?

Mr. BOWLER: I tried to cover that in speaking to the section. So far as we know, based on contact with it, the administration machinery for these hearings is working satisfactorily. I should like to have that confirmed by Mr. Hale who has had more personal contact with the matter than I have had.

Mr. HALE: I should like to say that at the present time the three-man board did restore a lot of confidence and is working out apparently to the entire satisfaction of those who seek consideration of their claims. With regard to the Legion, I should like to make this distinction in our attitude: the Legion do not recommend this change but, on the other hand, we do not feel that we should oppose it too violently because of the reasons given here; but if we have our choice we do not recommend it, we do not believe in any change in the present procedure.

Mr. MCCUAIG: When was the change made from two men to three men?

Mr. HALE: 1936.

Mr. GREEN: That is not right. Before that there was an appeal court sitting here in Ottawa of three men and then in 1936 the special committee recommended that the final court here be done away with and that quorums of two—they were the next highest body—that those quorums be changed and increased to three members and be made the final court, and that they should actually hear the evidence. Now, this is the only court that does hear the evidence. The first and second hearings, as you know, are simply the pension commission here in Ottawa going over the papers. There is only one occasion on which the man may have his witnesses produced and can have his argument heard, and that is on this present appeal board of three. Now, for men in the province of Ontario this may not mean so much, but for people out in British Columbia and I dare say in the province of Nova Scotia where they are far away from Ottawa and so completely out of contact with pension headquarters at Ottawa, it is of vital importance that we get the very best—that the soldiers feel they are getting the very best hearing they can get, and that is why I urge so strongly that there be no change made in cutting the board down from three to two. I know that when two men sit the man always has the feeling that they might get their heads together and do him out of a pension and all that kind of thing, but when you have three sitting as an appeal court I know from my contact with the veterans in British Columbia that it makes a great difference. The Legion has said there is no dissatisfaction now. Why knock down the hornet's nest around our heads as well as around the head of the pension commission and cause all kinds of trouble by cutting these boards down from three to two men?

Mr. MCCUAIG: Is it not your experience that when you have three men sitting one man decides?

Mr. GREEN: I would sooner appeal in a law case before three men than before two and every other lawyer here feels exactly the same way about an appeal, I am sure, and that is exactly the way soldiers feel. They feel they have a better chance if their case is heard by three men than by two.

Mr. GRAY: I should like to call attention to section 23 with which I understand Mr. Bowler was dealing. I do not think the impression should go out that that is a rehearing; the word there is "confer".

Hon. Mr. MACKENZIE: There is no suggestion of it.

Mr. GRAY: That has been suggested here.

Hon. Mr. MACKENZIE: I think they were mixing that up.

Mr. BOWLER: We are suggesting that if this change takes place section 23 should be rewritten to provide for a rehearing by three members.

Mr. GREEN: By three members. What is the point? The rehearing would be a fourth hearing when you will have three members, and that is a good way of wasting money.

Mr. TUCKER: It must be in connection with the more difficult cases.

Mr. MACDONALD: I think the discussion which has taken place this morning has shown us that we do not get the viewpoint of the witnesses. We are getting up and discussing these subjects and giving our own views which we can do at any time. We have certain witnesses here to give us their viewpoint. Whether that viewpoint has been given or not we do not know. We have been here for an hour and a quarter and we do not know what the viewpoint of the witness is. I think we should ask and hear the viewpoint of the witnesses and ask questions if we do not agree with them or do not understand them, but I do not think we should take so much time expressing our own views on subjects on which the witnesses have not yet given an opinion.

Mr. CRUICKSHANK: The rest of the committee have been doing that very thing. Now, I am going to ask a particular question: is it entirely on account of economy that two men are suggested? I do not agree that we should bring economy into pensions; let us put it into war contracts but not pensions.

Mr. BOWLER: I was not consulted about it; it was introduced by the pension commission.

Mr. CRUICKSHANK: In the opinion of the witness, is it not an economic measure?

Mr. BOWLER: I have no idea.

Mr. QUELCH: You are definitely opposed to this section, but you feel that, perhaps, for economic reasons the government decided to appoint a two-man board. Now, if they disagree you want a rehearing by three members.

Mr. BOWLER: We would never have brought this proposal up, may I say that definitely; it would never have occurred to the Legion to bring this question up at all. Now that it has been brought up we are asked to comment on it. We would like to make this clear, in view of the discussion, that certainly the Legion will fight to the last ditch and to the last breath against any infringement of the right of an appeal of a pensioner, under this Act, whose case has been turned down. Under the original Pension Act of 1919 there was no appeal, the decision of the pension commission was final; and some of us know and some members of this committee know the fight to get the right of appeal recognized was a long and a hard one and, eventually, after some years, we were successful. Now, having got that, the Legion, under no circumstances, is going to let it go. With regard to the opinion I had expressed, I thought that we might try this out because we want to help the commission to get on with their work, we do not want to retard them, nor do we want to object unreasonably; but if I thought for a minute that the change from three to two was an impairment in principle of the applicant's right to appeal, I would certainly say we would have nothing to do with it.

Mr. Ross (*Souris*): The witness said he had no objection if it worked satisfactorily. I should like to ask him whether in the event of a disagreement, in the opinion of the Legion should the evidence be heard by three members?

Mr. BOWLER: I should think so. Yes, it would be more satisfactory as to the final outcome.

Mr. TUCKER: If there is a disagreement between two commissioners it must be a difficult case which is worth being heard by three.

The CHAIRMAN: Of course, as has been stated neither he nor the members of the commission are wedded to the section. We are trying to get the opinion of the Legion.

Mr. GREEN: May I ask General McDonald this question: the explanatory note in section 23 says that this provision has been in operation for more than

a year. I understood him to say there had been no appeal board sitting that was not composed of three men.

General McDONALD: Not since the inception of this present procedure.

Mr. GREEN: What does that explanatory note mean if this provision has been in operation?

General McDONALD: The old provision of three members.

Mr. GREEN: That explanatory note does not refer to the new section?

General McDONALD: No.

Mr. QUELCH: Does that mean that the three have always been unanimous?

General McDONALD: Not actually so. There have been very few, perhaps five or six cases, in all the thousands we have heard, where one doctor has disagreed with the other two.

Mr. TUCKER: The decision of the two is binding?

General McDONALD: Binding at the present time, yes.

Mr. QUELCH: Unless the three have been unanimous you cannot say that this provision does not alter the case, because you cannot tell which two would be on the board. You would have to have the three unanimous for that provision to reflect the true state of affairs.

Mr. BOWLER: If I have permission, Mr. Chairman, I should like to deal now with the pension procedure in regard to mental, psychopathic or neuropathic disabilities.

Mr. TURGEON: What section is that?

Mr. BOWLER: The remarks I have to make will have a bearing on section 11 (*b*) of the Pension Act; that is, the present Act.

Mr. MACDONALD: Is that referred to in bill 17?

Mr. BOWLER: No; we are bringing this up under the general provisions of the pension bill.

The Legion desires to draw attention to the proposal advanced to the special parliamentary committee of 1936 to the effect that Section 11 (*b*) of the Pension Act be amended so as to provide that those suffering from mental, psychopathic or neuropathic disabilities, even though considered to be of a congenital nature, should be pensioned to the full extent of the disability if there has been service in a theatre of actual war.

Members of the committee will remember that under Section 11 (*b*) if a man served in France he is pensioned for everything he has on discharge, misconduct excepted, even though a portion of it may have been a pre-enlistment condition.

There are exceptions which are stated in Section 11 (*b*), and one of the exceptions is if the condition is congenital. Reference to the printed proceedings of the 1936 committee will show that this question was discussed extensively at that time. The committee finally recommended that the question be referred to a board of psychiatrists and neurologists, to be appointed by the Minister of Pensions and National Health. As no action appears to have been taken in respect to these proposed amendments, it is thought advisable to re-open the matter at this time, particularly in view of the interest displayed by members of the present committee.

The problem very largely arises in respect to cases where service enlistment has been admitted by the pension commission for conditions coming within the scope of this category, that is, mental or nervous conditions, but where subsequently the diagnosis is changed, and sometimes split up under various medical terminology. Cases illustrating this procedure are to be found in the 1936 proceedings and there are others.

A not uncommon result of such changes in diagnosis has been that conditions up to that time fully pensionable have been ruled to be of congenital origin. In other cases, where the diagnosis has been split, a substantial portion of the entire disability has been ruled to be of congenital origin. In both instances, the effect has been to bring about a change in the basis of entitlement usually accompanied by drastic reduction in pension. Under Section 11. (*b*), even though the pensioner has served in a theatre of war, pension can only be paid on the basis of aggravation during service if the condition is congenital.

Mr. MACDONALD: What does "congenital" mean?

Mr. BOWLER: Born with, I would say.

Mr. MACDONALD: Any disease or impairment which was present at the time of birth?

Mr. CRUICKSHANK: I suggest we get an opinion from Dr. Bruce.

Mr. TUCKER: One example of that would be dementia praecox.

Mr. BOWLER: Yes.

Mr. TUCKER: I know of a terrible case of a man who served over in France, who went through great stress there, and after he came out of the army he began suffering from dementia praecox. These people ruled that it did not matter whether he had gone into the army or not; it would have developed anyway. I know there are some doctors who suggest that tremendous strain might bring this condition about in a person who otherwise might have carried on and avoided it; but they ruled this man was not going to get a pension because it was a congenital case. Personally, I agree with the Legion's submission that we should act to change that section.

Mr. MACDONALD: Could we hear from Dr. Bruce on that matter?

Mr. BRUCE: I was just going to answer the question about it being congenital. That simply means a condition with which the individual is born. It means he is born with a certain condition of disability which will persist through life.

It should be possible for the medical examiners at the time to discover any disability of a congenital character. I know that in this war the methods of examination are very much improved over what they were in the last war. We have, for example, the opportunity of using the X-ray method of determining disease, and many conditions that were not possible to diagnose at the beginning of the last war are now recognized. In addition our laboratory facilities are better and there are many newer methods of diagnosing in use now that were not available in the last war. Therefore, I would anticipate that the men entering the service in this war would be checked very much better and that men would not be enlisted who were clearly disqualified from some disability.

As to the point raised by Mr. Tucker, it seems to me that you are going a long way in regard to a man who later on develops a disease such as dementia praecox, when we say that this condition must be regarded as congenital and therefore he is disqualified from pension. It is quite clear that these questions are ones that could only be settled by a board of experts, and even then, when you get a board of experts together, they sometimes disagree. I therefore think that the point raised by the Legion is a good one, and I would feel like accepting it.

The CHAIRMAN: The findings of the last board are available for the committee at any time.

Mr. BRUCE: I beg your pardon, Mr. Chairman.

The CHAIRMAN: The findings of the last board on these cases are available for the committee's perusal and information.

Mr. MACDONALD: May I quote the case of a man who came home from the last war, we will say, with tuberculosis. It is found on going into his history that both his parents had tuberculosis and might have died from it. Would it then be ruled that tuberculosis was congenital with the soldier?

Mr. BRUCE: I would answer that by saying that the best medical opinion is to the effect that tuberculosis is not congenital but is due to infection. The type of tissue which may develop tuberculosis may be inherited. In other words, you may inherit tissues which do not readily resist the tubercular organism, but the disease itself is not an hereditary disease. Does that answer your question?

Mr. MACDONALD: Yes.

Mr. BOWLER: The purpose of the Legion's proposal is that the restriction in the section which excludes congenital conditions should be broadened to the extent that that restriction should not apply in the case of mental or nervous conditions. I am using lay terms to describe the whole class. Our proposal only applies to those who serve in a theatre of actual war. The case which we have in mind—many of them were cited to the parliamentary committee of 1936, and there are others—is the man who having served in a theatre of actual war, being classed as fit, later comes back to Canada and is found to have, shall we say, neurasthenia attributable to service. That is quite a common type. He might get a substantial pension for it, but later, on examination by a specialist, that diagnosis will be changed, or substantially changed, and the whole of it may be said to be, if my memory serves me right in one case, psychopathic personality, pre-enlistment congenital and not aggravated during service. I think Mr. Hale will bear me out that that is an accurate statement. If the whole condition is considered to be psychopathic personality, then off goes the whole pension.

But very often we get others, say a man has been pensioned 60 per cent for neurasthenia. This new diagnosis might say that 50 per cent of that is psychopathic personality, congenital, not aggravated, and that there is a super-imposed neurasthenia of 10 per cent which is due to service. In that case his pension goes down from 60 to 10 per cent. Those are the cases that we are hitting at, and we are saying that the consequences of these mental and nervous cases are so distressing that, in the case of men who serve in a theatre of war, we beg that the new soldiers will not have to go through the same sort of thing that the old soldiers had to experience.

Mr. MACDONALD: Do you not propose changing the Act as it affects front-line soldiers in the last war?

Mr. BOWLER: Both.

Mr. QUELCH: You would very much disagree with the evidence or submission made to this committee some years ago by Dr. Cathcart to the effect that soldiers suffering from a mental form of disability some years after the war were not justified in claiming that that condition arose as a result of being shell-shocked during the war.

Mr. BOWLER: I do not question Dr. Cathcart's sincerity, and I am not qualified to quarrel with him from the point of view of scientific knowledge; but I do say that what he says is absolutely incomprehensible to the Legion and all the laymen with whom I have talked on this subject.

Some Hon. MEMBERS: Hear, hear.

Mr. GREEN: How would you suggest that the section be amended? Have you the wording of the proposed amendment to that section?

Mr. BOWLER: No; I think you would have to get medical advice. It would simply be a case of inserting in Section 11 (*b*) something providing that cases coming within this category shall be excluded in so far as the congenital provision is concerned.

[Mr. Richard Hale.]

Mr. GREEN: You have not thought out the actual wording of that?

Mr. BOWLER: No, I have not attempted to. It could be done quite easily.

Mr. CRUICKSHANK: Is the Legion going to suggest to us what the remedy is? We do not want any more of these praecox Dr. Cathcarts.

Mr. BOWLER: I think you would have to get a medical man to give you a comprehensive definition which would cover every type of case coming within the category of what we have in mind. I call them, for convenience sake, mental or nervous conditions.

Mr. MACDONALD: All other cases which are congenital remain in; you are just excepting mental or nervous conditions?

Mr. BOWLER: That is right.

Mr. GREEN: Would you suggest adding to the end of section 11 (*b*) some such words as "other than mental or nervous cases"?

Mr. BOWLER: Yes. Could you not add a proviso after that, excepting cases coming within certain categories? It is a matter of draughtsmanship.

Mr. QUELCH: I wonder if General McDonald could give us some information on that point. I think he said the other day that the commission had awarded pensions on the ground of shell-shock. On the other hand, does the commission award pension for mental disability on the grounds that that mental disability occurred as a result of the soldier having got some shell-shock during the war?

General MCDONALD: Oh, yes.

Mr. QUELCH: In other words, you are not guided by Dr. Cathcart's evidence in a case of that kind?

General MCDONALD: I do not think you should blame Dr. Cathcart particularly. He is only one of many specialists who have given that opinion. In talking of diseases of the nervous system, there are at present 7,549 pensioners, and the commission are continually awarding pensions for neuropsychopathic disabilities.

Mr. QUELCH: Have they been awarded since the war or were they awarded at the time of discharge?

General MCDONALD: All the time. I do not remember one in the last few days, but I am quite certain—I have not been in the board room very much lately—that there have been recent cases.

Mr. QUELCH: Have they been awarded on compassionate grounds?

General MCDONALD: No; under this section.

Mr. MACDONALD: The only cases rejected would be those that were congenital?

General MCDONALD: At this stage, with a man who had carried on quite well and normally for twenty years and suddenly developed a mental condition, naturally it would be difficult to relate that to service. But there are men coming up all the time, who have never claimed before, with a service history from the end of the war and they are eligible for pension.

Mr. MACDONALD: Providing it is not congenital.

General MCDONALD: I am frank to say that we do not look very carefully into that congenital feature.

Mr. GREEN: The trouble was that Dr. Cathcart and some of the other doctors ruled that nearly all the cases were congenital. That was the main trouble.

General MCDONALD: They referred to a specified number of cases. You are referring to the report of the Board now?

Mr. GREEN: This whole trouble arose owing to the fact that Dr. Cathcart and some of the other doctors were ruling that the majority of these nervous cases were congenital.

General McDONALD: They don't rule; the commission rules.

Mr. CRUICKSHANK: Yes, but they gave that opinion.

General McDONALD: And I may say here that as a result of the report of that board of psychiatrists not one pension to which they referred was reduced in amount.

Mr. QUELCH: Dealing with mental cases, could you say how many applications for pensions have been refused?

General McDONALD: I could not tell you that.

Mr. GREEN: What would you say to an amendment to subsection 11 (*b*) of the type suggested by Major Bowler?

General McDONALD: I am not quite clear what the amendment is going to be.

Mr. GREEN: Of the type suggested, by adding some such words as "other than mental or nervous diseases"?

General McDONALD: Frankly, I do not think it is advisable to give special privileges to any disease.

Mr. GREEN: To give what?

General McDONALD: Special privileges to any disease.

Mr. TUCKER: In the case I mentioned, this was a case on which they had a hearing in Prince Albert. They heard the evidence and were unanimous that it was related to service. But it came down here before the appeal board and they got the doctors in and decided that it was a case of dementia praecox which was congenital, no matter what the witnesses said, and they reversed the decision.

General McDONALD: May I say that if it was heard by an appeal board of the commission, there was no further appeal. Nobody came down here. The decision was given by those three men.

Mr. TUCKER: I know the facts.

Hon. Mr. MACKENZIE: You are speaking of the old procedure, Mr. Tucker?

Mr. TUCKER: Yes, the hearing before the commissioners, and they were unanimous for entitlement. Then there was a ruling of the appeal board based upon the opinion of the doctors of the appeal court that dementia praecox was congenital. No matter what the witnesses said, no matter how much they tied it up with service and showed that the break-down started under service conditions, it was held that it was a congenital condition and could not be proved.

Hon. Mr. MACKENZIE: The appeal court was abolished.

General McDONALD: No doubt that was one of the reasons why the appeal court was abolished.

Mr. TUCKER: I was wondering if you tried those cases over again.

General McDONALD: A man has every right to apply to-day to have a case re-opened before the commission.

Mr. TUCKER: I think I will ask for that.

Mr. CRUICKSHANK: Can a man ask to have a case re-opened?

General McDONALD: What kind of a case?

Mr. CRUICKSHANK: I do not want to get into a local case. That point just came up. There was a case where the department said it was entirely due to war services—

General McDONALD: The department?

Mr. CRUICKSHANK: Yes, your department

General McDONALD: The department has nothing to do with it.

Mr. CRUICKSHANK: The commission, I mean. The commission said it was entirely due to war services and yet turned it down. Can he have that re-opened?

General McDONALD: I will refer you to the section of the Act.

Mr. BOWLER: I should like to conclude my presentation.

General McDONALD: May I finish with this first. The section reads—

Mr. CRUICKSHANK: What section?

General McDONALD: Section 58 (4).

Application based upon an error in such decision—

That is the decision of the appeal board of the commission.

—or in any decision of the court—

That would refere to Mr. Tucker's case.

> —by reason of evidence not having been presented or otherwise, may be entertained by the commission with the leave of an appeal board to be designated by the chairman of the commission from time to time for this purpose, and such appeal board shall have jurisdiction to grant leave in any case in which it appears proper to grant it.

Mr. CRUICKSHANK: I will bring one in to-morrow.

General McDONALD: Have you the authority of the applicant to do that?

Mr. CRUICKSHANK: Yes. And I was turned down by your office over there two weeks ago.

Mr. GILLIS: Mr. Bowler, you mentioned a few minutes ago that in certain cases the commission reduces the percentage of pension because of the fact that the applicant had a psychopathic personality. Would you mind explaining just what that is, for my benefit? What is a psychopathic personality?

Mr. BOWLER: I am not capable of doing that. I confess I do not understand it.

Mr. TUCKER: It is a delicate question before a parliamentary committee.

The CHAIRMAN: Perhaps Dr. Bruce could explain it to you privately.

Mr. GILLIS: I should like it on the record. It sounds ridiculous.

The CHAIRMAN: Would you care to answer that, Dr. Bruce?

Mr. BRUCE: I did not hear what he said, because there is so much noise around here.

Mr. GILLIS: Major Bowler a few minutes ago mentioned the matter.

The CHAIRMAN: We will call a psychiatrist if you wish, and get it on the record.

Mr. GILLIS: I should like to have it discussed.

Hon. Mr. MACKENZIE: Very well.

Mr. BOWLER: I think it is a correct medical term. I did not make it up, Mr. Gillis. I think that pretty well exhausts the discussion. I do want to emphasize again that there is no more unfortunate class of ex-service men than these men who come back with something mentally wrong with them or something wrong with their general nervous make-up. If they have served in a theatre of actual war, then I suggest that if there is any class of case in which the state is going to hold itself bound by its examination on enlistment, that class is the most outstanding, the most deserving of all, and the question as to whether the condition was congenital or not should not enter into the picture. That is really the basis of our submission.

Mr. MACDONALD: I should like to know what other diseases are congenital. We have just heard about mental diseases and nerves. Are there other congenital diseases?

Mr. BOWLER: There are congenital deformities, sometimes.

Mr. MACDONALD: They do not get into the army.

The CHAIRMAN: Perhaps Dr. Bruce could answer that question.

Mr. BRUCE: I did not quite understand your question. Did you ask what other things might there be besides deformities?

Mr. MACDONALD: The evidence which has been given referred to nerves and mental diseases as being congenital. I should like to know if there are other diseases which are congenital.

Mr. BRUCE: There are a number of things that might be considered to be congenital. One of the difficulties, as I see it, is the definition that has been given by certain psychopathic experts. You can specialize rather too extensively, in my opinion. A specialist is a man who knows everything about so small a subject that ultimately he comes to know everything about almost nothing. With the strict medical examination that is now being given to our men entering the services, if the medical men then, with their x-rays, laboratories and all modern appliances, can find nothing wrong with a man, and if as a consequence of service he is later on incapable of carrying on, if it is proven that it is due to service, I think that he is entitled to pension, no matter what his condition was when he was admitted to service. I think we have got to operate on the basis that we will stand behind the medical men who made that examination when he entered the service. I do not see what other attitude we can take.

General MCDONALD: May I interrupt for a moment? Would you suggest that instead of limiting it, the word "congenital" be struck out altogether?

Mr. BRUCE: I think you could modify that in some way. If a gross error is made or shown to have been made in the entrance of this man into the service, such as we unfortunately found in the last war—and I can hardly conceive of it happening this time—

Mr. TUCKER: It is much better managed, Dr. Bruce.

Mr. BRUCE: We will hope it will not happen this time.

General MCDONALD: It has happened in some 10,000 cases already, Dr. Bruce.

Mr. BRUCE: There are frailities even in the medical profession.

Mr. MACKENZIE: (*Neepawa*): I do not think the medical profession is perfect.

Mr. BRUCE: No. I am quite prepared to accept that opinion. Even doctors will make mistakes.

Mr. REID: May I ask a question there. Psychiatry was not in existence in 1918, was it? It is something that has grown up since then?

Mr. BRUCE: Oh, no, it was in existence then.

Mr. REID: It has come more to the front since then?

Mr. BRUCE: It was in existence when I studied medicine in 1892.

Mr. REID: Who examines the psychiatrists? There are some whom I know that I should like to have examined over again.

Mr. BRUCE: I agree with you. I think it would be a very wise precaution to take.

General MCDONALD: May I be permitted to interrupt? If I have been following what you say correctly, you say we should abandon the principle altogether of giving a pension for a pre-enlistment condition aggravated during service?

Mr. BRUCE: Abandon that principle?

General MCDONALD: As at present followed. We have always recognized a pre-enlistment condition and given a pension for aggravation of a pre-enlistment condition.

Mr. BRUCE: I do not quite know what your position is in admitting men into the service now. If you take them in category "A" then surely they have no condition that you need to consider later on.

General McDONALD: As I said, some 10,000 have been discharged from service now after being taken in category "A", with a period of service which could not have brought their disease to the present stage.

Mr. BRUCE: That is due to incompetent medical examination.

General McDONALD: We have to face that situation.

Mr. REID: Is it not a case that many men do not reveal certain disabilities they have or physical defects so that a doctor, not having any information on the man, cannot find out at the moment of the examination what was wrong? I know of many men who joined the services in this war who—I would not say they told an untruth but they did not reveal their physical disabilities, and then later before they went overseas it was discovered.

Mr. BRUCE: It should not be up to them to reveal their physical disabilities. Surely the medical men should discover them. They could not cover them up from a real expert, competent medical board. Such a board should be able to discover any physical disability. It should not be up to the man himself. You should not have to place responsibility upon the man himself of disclosing his disability.

Mr. MACDONALD: Suppose the man gives answers which are not true to the questions which the doctor asks him on examination.

Hon. Mr. MACKENZIE: They are very often discharged for that, Mr. Macdonald.

Mr. BRUCE: If he tells an untruth in regard to illnesses, of course that is a different thing. We were speaking about a physical disability. You are now getting back to a history of the case, i.e. what happened to him in the matter of illness before?

Mr. MACDONALD: Yes.

Mr. BRUCE: I remember in the last war a man with an artificial leg getting into the service and going overseas. You cannot place the responsibility on that poor fellow. It is up to the medical examiner.

Mr. MACDONALD: Was he wounded in that leg?

Mr. McLEAN: Take a man with a gastric ulcer. Suppose he is being examined and he tells the doctor he has never had any stomach trouble, that he is perfectly all right. It is not possible for the doctor to discover that, is it?

Mr. ROSS (*Souris*): What about X-rays?

Mr. BRUCE: X-rays will disclose gastric ulcer unless in a very early, incipient stage.

Mr. CRUICKSHANK: He could not lie then, doctor, could he?

Mr. BRUCE: I take it that X-rays are being made of patients for almost everything now.

Mr. MACDONALD: Suppose he had had rheumatism.

General McDONALD: Would you advocate taking a barium series for every case? That would be the only way of diagnosing.

Mr. BRUCE: I think, in view of what I have learned has happened in this war already, that would be a wise precaution. A large number of men have been returned I understand, with gastric or duodenal ulcer. Is that not so?

General McDONALD: That is correct.

Mr. BRUCE: In view of that fact, for the future I think it should be made compulsory to have gastro-intestinal examinations by X-ray made.

Mr. TUCKER: Are these things more prevalent in this war than they were in the last war? I am speaking of cases of gastric ulcer.

General McDONALD: I think they are, yes; so far as our figures show at the present time.

Mr. TUCKER: It would seem to me that they were. I just wondered if it was so.

General McDONALD: Yes. The British army has had the same experience.

Mr. BRUCE: I think I could answer that question. I think they are much more prevalent.

Mr. GREEN: Mr. Chairman, as this is a special question, it might be well worth while to appoint a small sub-committee to consider it. It would save the big committee a good deal of trouble.

The CHAIRMAN: That is a good suggestion. Dr. Bruce, you apparently agree with President Butler of Columbia University that a specialist is a man who knows more and more about less and less.

Mr. BRUCE: Yes; that is right.

Mr. WINKLER: May I ask if Dr. Bruce or anyone present could give us an outline of the number of mental cases that are being rejected now and what methods are being used in discovering mental disabilities?

General McDONALD: I think Dr. Cathcart would be the best man to do that.

Hon. Mr. MACKENZIE: I think we have a record of the cases that have been discharged as medically unfit. I am not sure whether it was placed on Hansard the other day or not, but I think it was.

Mr. WINKLER: It was as to the discovery of the cases that I was concerned.

Mr. TUCKER: When they were trying to enlist.

Mr. WINKLER: Yes. Dr. Bruce said a man should not or is not apt to reveal his condition. In the case of a mental condition, I suppose he is unaware of it altogether.

Mr. MACDONALD: He would be crazy if he did.

General McDONALD: The general way they are discovered is by their behaviour during the early part of their service. They usually develop a certain number of petty crimes and that kind of thing, and they are what they call "non-adaptable".

Mr. CRUICKSHANK: Yes, but that is not dementia praecox; I think that is the term that was used. Because a man is guilty of petty theft, surely that does not make him insane.

General McDONALD: I am only saying those are apparently the indications that are taken. I am only judging from the records of military service.

Mr. CRUICKSHANK: Have you any record of how many have been discharged from that cause?

General McDONALD: I can give you, the next time the committee meets, if you like, the figures that we have of about 10,000 discharges, and the proportion of the various diseases.

Mr. CRUICKSHANK: Could you give us what examination is made at the time of enlistment for this war in that particular, in order to detect that condition?

General McDONALD: We could only give you the attestation papers and the medical examination. That is entirely a matter for the Department of National Defence.

Mr. CRUICKSHANK: That is quite correct, General McDonald. But I think this has a bearing on the matter. I have been following Dr. Bruce's argument very carefully, and I agree with him. If a man is accepted as A.1., that is entirely up to the doctor. If he is accepted as A.1. therefore he is A.1., as far as the man is concerned. What Mr. Winkler was talking about I think is this. We will presume that a man is accepted as A.1. He has gone through the medical examination. This has a bearing on the pension situation.

General MCDONALD: Quite so.

Mr. CRUICKSHANK: Then what examination was made? As I understand it, there is X-ray for T.B.

General MCDONALD: That is the only thing they X-ray for.

Mr. CRUICKSHANK: What I am trying to get at is this. If a man had some examination with regard to his mental condition, and if we accept him as being mentally sound, through our medical board, what grounds have we for saying afterwards that he is mentally unsound?

General MCDONALD: I agree with you and Dr. Bruce very strongly, that the medical examination should be very much stiffened up, particularly in several special spheres.

Mr. ROSS *(Souris)*: I wonder if I might ask a question of the minister, in view of the many cases being brought back from overseas with gastric ulcers. Are they all X-rayed before they go overseas?

Hon. Mr. MACKENZIE: No.

General MCDONALD: Not for gastric conditions.

Before the committee rises, if I may be permitted to do so I should like to ask for the inclusion in the minutes of a statement of comparative scale of pensions which I have circulated to members of the committee, and which I think might be of assistance to them, as an appendix to my statement the other day in regard to supplementary pensions.

Mr. BOWLER: Mr. Chairman, this concludes the evidence of the legion in regard to the new pension bill, bill 17, and the Pension Act generally. With the permission of the committee we should like to make other representations later in regard to the War Veterans' Allowance Act and other dominion convention resolutions dealing with similar subjects.

Mr. MACDONALD: Do I take it from the statement that General McDonald has filed that the pension paid to a Canadian—that is, a man and wife—is higher than the pension paid to a pensioner of any other country?

General MCDONALD: Yes. Those are the figures I had drawn up to date.

Mr. MACDONALD: Canadian pensions are higher than the pensions paid, I suppose I could say, anywhere else?

General MCDONALD: Yes.

Mr. MACDONALD: That is, to a married man and his wife?

General MCDONALD: In one or two categories, the United States pension is a little higher.

Mr. MACKENZIE *(Neepawa)*: That is for permanent disability.

General MCDONALD: For permanent disability; in the United States a man and wife get $1,320 and ours get $1,200. But we catch up to them in the extra for children.

Mr. TUCKER: In connection with the United States, you have added 10 per cent on?

General MCDONALD: Yes. We give the benefit of the premium.

Mr. TUCKER: Making it equivalent in our money?

General MCDONALD: That is calculated at the rate of exchange on March 25.

Mr. MACDONALD: In actual dollars, the Canadian rate is higher than the United States rate?

Hon. Mr. MACKENZIE: In most cases.

Mr. MACDONALD: Therefore our pensions are the highest in the world?

General McDONALD: The highest disability pensions in the world.

Mr. QUELCH: Are you allowing the same thing as regards depreciated currency? Are you allowing for depreciation of other countries and therefore increasing it?

General McDONALD: It is all there. Those are the rates. In the case of France, we took the franc as it was at the outbreak of war.

Mr. ISNOR: Before we close, I should like to ask General McDonald in regard to that unfortunate happening off Halifax harbour last Wednesday.

The CHAIRMAN: The *Otter?*

Mr. ISNOR: Yes, the *Otter*. I should like to ask whether the widows of those who lost their lives will enjoy the full benefit of the pension?

General McDONALD: Yes. They will come under Order in Council. No, that is the navy. Yes.

Mr. ISNOR: Secondly, I should like to know whether survivors who might be subject to some disability will enjoy a pension as well?

Hon. Mr. MACKENZIE: Yes.

General McDONALD: Most certainly.

The CHAIRMAN: The committee will adjourn until Thursday at 11 o'clock.

The committee adjourned at 1 p.m. to meet again on Thursday, April 3, at 11 a.m.

APPENDIX No. 1

March 25th, 1941.

CANADIAN PENSION COMMISSION

Comparative Scale of Pensions

Annual Rate Awarded to Rank and File Totally Disabled by War Service

Country	Pensioner only	Pensioner and Wife	Pensioner Wife and one child	Pensioner Wife and two Children	Pensioner Wife and three Children	Additional for subsequent Children	Allowance for Helplessness
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Canada	900 00	1,200 00	1,380 00	1,524 00	1,644 00	120 00	Up to 750 00
United States at 10% Premium—							
Temporary Disability	1,056 00	1,188 00	1,254 00	1,320 00	1,320 00	Nil	" 660 00
*Permanent Disability	1,320 00	1,320 00	1,320 00	1,320 00	1,320 00	Nil	" 660 00
United Kingdom at par $4.86⅔—							
Great War	506 13	632 66	727 55	803 47	879 39	75 92	" 253 06
Present War	432 31	537 75	616 82	680 08	743 34	63 26	" 189 80
Australia at $3·5795	390 88	558 40	651 47	721 27	791 07	69 80	" 372 27
New Zealand at $3·5975	374 14	561 21	654 74	748 27	841 80	93 53	" 561 21
South Africa at $4·4585	463 68	579 60	695 52	792 12	879 06	86 94	" 637 57
France	279 24	279 24	319 33	359 42	399 51	40 09	" 487 50

*For certain specified total and permanent disabilities the compensation is double this amount.

March 25th, 1941.

CANADIAN PENSION COMMISSION

Comparative Scale of Pensions

Annual Rate Awarded to Widows of Privates

Country	Widow only	Widow and one Child	Widow and two Children	Widow and three Children	Additional for each subsequent Child
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Canada	720 00	900 00	1,044 00	1,164 00	120 00
United Kingdom at par $4.86⅔—					
Great War	335 80	462 33	557 22	633 14	75 92
Present War	284 69	392 23	471 30	534 56	63 26
Widow not over 40 years and without children	196 12				
Australia at $3·5795	218 71	311 78	381 58	451 38	69 80
New Zealand at $3·5975	280 60	467 67	561 20	654 73	93 53
South Africa at $4·4585	289 80	405 72	512 95	620 18	107 23
France	93 60	132 67	171 74	210 81	39 07
*United States at 10% Premium—					
Under 50 years	501 60	633 60	739 20	844 80	105 60
Over 50 years	594 00				

*When each child reaches 10 years pension increases by $66.00 per annum.
*Total pension payable to widow and children cannot exceed $1,095.60 per annum.

P.R. 11,893.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, APRIL 3, 1941

WITNESSES

The following representatives of the Canadian Soldiers' Non-pensioned Widows' Association:

Mrs. Helen McHugh, Toronto, Ontario, President of the Toronto Branch;

Mrs. Margaret Wainford, Verdun, P.Q., President of the Verdun Branch;

Mrs. Helen Hickey, Past President and Organizer of the Toronto Branch;

Mrs. Jean Johnston, of the Verdun, P.Q. Branch.

Walter H. Kirchner, M.C., D.C.M., Canadian Combat Veterans, British Columbia (Incorporated).

OTTAWA
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1941

MINUTES OF PROCEEDINGS

THURSDAY, April 3, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11.00 o'clock, a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Blanchette, Bruce, Cleaver, Emmerson, Eudes, Ferron, Gillis, Gray, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Tucker, Turgeon, Winkler, Wright—26.

The Chairman, with the approval of the Committee, appointed the following members as a sub-committee to consider neurological cases: Messrs. McLean (*Chairman*), Bruce, Cleaver, Quelch and Ross (*Middlesex East*).

Mr. Roebuck, M.P., introduced representatives of the Canadian Soldier's Non-pensioned Widows' Association.

Mrs. Helen McHugh of Toronto, Ontario, President of the Toronto branch of the above named organization, was called, examined and retired.

Mrs. Margaret Wainford, of Verdun, P.Q., President of the Verdun branch of the same association was called, examined and retired.

Mrs. Helen Hickey, Past President and Organizer of the Toronto branch was called, examined and retired.

Mrs. Jean Johnston of the Verdun, P.Q., branch, was called, examined and retired.

On motion of Mr. Turgeon, the Committee expressed its appreciation of the manner in which the above mentioned ladies made their presentations and Mr. Roebuck, on their behalf, thanked the Committee.

Mr. Walter Kirchner, representing the Canadian Combat Veterans' Association in British Columbia was called, examined and retired.

Mr. Ross (*Middlesex East*) presented a resolution passed by the Tweedsmuir Branch of the Canadian Legion, London, Ontario, protesting against Sections 32A (1) and 32 (2) of the Pension Act. This resolution to be printed as an Appendix to this day's evidence.

The Committee adjourned at 1.00 o'clock, p.m., to meet again on Friday, April 4th, at 11.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

April 3, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order, gentlemen please. I should like the approval of the committee to appoint a subcommittee on neurological cases to be composed of the following gentlemen: Mr. McLean *(Simcoe)*, chairman; Dr. Bruce, Mr. Cleaver, Mr. Quelch, and Mr. Ross *(Middlesex East)*.

Carried.

This morning we are to hear, first, the representatives of the widows' organizations, and I shall ask Mr. Roebuck to say a word of introduction.

Mr. GREEN: Mr. Chairman, before we go on with the taking of evidence, might I ask if it would not be possible for you and the chairman of the special committee on war expenditures to get together and arrange that the two committees might meet at different times. I think there are seven or eight members of this committee who are also on the war expenditures committee. Both committees are holding their meetings at the same time, and it is impossible for a person to carry out his duties on both committees as things are carried on now. We are meeting every day at the same time. I had it in my mind that one committee might meet from, say, 10 o'clock in the morning until 11.30 and the other one from 11.30 to 1, or one might meet in the morning and the other in the afternoon on alternate weeks, or something like that. It is most unfortunate the way the sittings are being held at the present time, and I would ask you if you could get in touch with Mr. Thorson who, incidentally, is a member of this committee also and is chairman of the war expenditures committee, and endeavour to work out some arrangement so that these committees do not meet at the same time.

The CHAIRMAN: Thank you, Mr. Green, for the suggestion. I shall see the chairman of the war expenditures committee at once and see if we cannot work out some better arrangement. Now, Mr. Roebuck.

Mr. ROEBUCK: Mr. Chairman, Mr. Minister, and gentlemen, I have the honour this morning to introduce a delegation from the Canadian Soldiers Non-Pensioned Widows' Association. There are a very large number of them in the Dominion of Canada and they are meritorious in many ways, but they receive nothing from the fact that their husbands served and they themselves are left widows without support. The clause in the Act which allows the commission to recognize meritorious service is given a very narrow interpretation by the board; it is not meritorious service in the ordinary sense of these words but rather a service more meritorious than is given by the run of soldiers who do their duty to the very nth degree; and so there must be some luck or outstanding service as well as ordinary meritorious service before that widow can receive support from the country.

Now, there are a large number of cases, and some of them are in very desperate circumstances. It is not my duty or intention to make their case before you this morning, but I just bring up these points by way of introduction. I have four representatives here, two from the province of Ontario and two from the province of Quebec; and with your permission, Mr. Chairman, I shall call Mrs. Helen McHugh, 125 Lawrence avenue west, Toronto. Mrs. McHugh is the president of the Canadian Soldiers Non-Pensioned Widows' Association of Ontario.

Mrs. HELEN MCHUGH, President of the Canadian Soldiers' Non-Pensioned Widows' Association of Ontario called.

The CHAIRMAN: Before Mrs. McHugh proceeds, I should like to inform the committee that Mrs. Shirley, representing the Calgary branch of this organization, Mrs. Blenman, representing the Hamilton branch and Mrs. Coiner, representing the Winnipeg branch have all written in to the committee stating that they endorse the representations about to be made by Mrs. McHugh and the other delegates.

Mr. REID: Have any representations been made from British Columbia?

The CHAIRMAN: No, Mr. Reid.

Hon. Mr. MACKENZIE: They have not been made to this committee, but I think over the months we have received representations from every province in the Dominion of Canada.

The CHAIRMAN: Will you proceed, Mrs. McHugh?

The WITNESS: Mr. Chairman, Mr. Minister and gentlemen, I come here to represent a group of women who are practically left-overs. Many of our husbands enlisted at the beginning of the last war, they volunteered in the early years of 1914 and 1915, and many of them were back wounded and sick by 1917—many of them, I do not say all, but quite a percentage of them came back and had their treatments here. In this regard to some extent we seem to have our husbands to blame because every man seemed to think that the sooner he got out of the army the better, and when those men went up for their boards they were told they were getting along fine and eventually it came down to the fact that they were small pensioners. Now, some of these men lived only two years after the war. Such cases as men getting a cold and pneumonia did not constitute a war disability; a man could be wounded twice and come back in 1917 and take pneumonia two years after the war and that man was not entitled to a war pension, he had no disability, his death was not attributable to war service; and so on down to the times these men have passed on leaving families. At one time a man had to be 80 per cent disabled before he qualified for a $60 pension. Then the mothers' allowance was brought in, but I will say this with respect to mothers' allowance that it is just inadequate, it is not a living, it is only a help, and the minute your youngest child is sixteen the mothers' allowance is cut off and your living goes with it. The cheque ceases. I wish to say that when a woman's youngest child is sixteen years of age that the mother is then unfit for the labour market. And I wish to point this out too, that we have come through years of depression when our young children were not able to get a living. Some of those children have been burdened with homes, trying to keep homes together. Now, these young people are all of marriageable age—we are the older women to-day—and our families want to get married. Naturally we want them to get married, but they have been handicapped through the depression by looking after mothers and younger children and trying to keep a home together. When a young man marries to-day his wife does not want her mother-in-law thrown in as part of the bargain, and the mother-in-law does not want to be there either. We do not want to sit on our in-laws' doorstep. Our men volunteered and fought in the last war and we feel that there should be some way of compensating us. While we stress the financial point of view, it must not be forgotten that we have lost the companionship of our husbands. In many cases our children never knew their fathers, they have not even a memory to them, but they do know that they have had to take his place in the home, to look after the mother and the younger children, and to-day when these young people are old enough to marry and to set up homes of their own they find themselves still burdened with their mother—the widow is practically on the scrap heap. Nobody wants to give

her work, and she is not able to work. Some of us have been looking after sick men for years and we have looked after the children. Many of our women are standing in the relief line to-day. Some of them are living in rooms for which the city pays, shovelling in bits of coal and giving them a hand-out. We do not think it is fair; we feel as the widows of veterans that we really should have something better in our old age. You know, gentlemen, that even in the case of the youngest of us, assistance to us would not cover a great number of years, and it would certainly be grand to make it easy for us. We are still at war; the war did not cease for us; we still fight, and evidently we will have to continue fighting to the end unless someone comes to our aid.

Now, when the men went overseas the promises made to them were grand; everybody promised them everything—what would be done for them and their dependents—but everybody has fallen short in help to the widows. It looks as though we have outlived our usefulness. Even if our husbands died we have to carry on. We are the women who sent those men; many of them left good jobs and went overseas; we sent them there. We signed the papers and they went overseas, but we did not get back the men that we sent away. Even if that man never was wounded he was not the man we married when he came back. Only the women who have had to live with these men understand what I say. That is the life we have had to put up with for years and years. Many of us have sons overseas at the present time. That is another thing we have to put up with. Many of these widows have sons overseas to-day and still the widow lives on in her poverty in her old age. We are too young—you may think this is strange—we are too young for the old age pension but we are too old to work, and we are too proud to eat off our families because we feel that we are right in asking this government to do something for us.

That is all I can say; that is the only way I can put it; we are in a bad predicament. Many of our women who have no families have been in sick beds all winter or attending the clinics of the Toronto hospitals from day to day and receiving treatment there when they should be in bed with a doctor looking after them. The clinics are full of those women. I called on Mayor Conboy of Toronto three weeks ago when there was a kick-up about so much relief. I asked him to make a record of how many soldiers' widows are on his relief line, to take a look at the war record in connection with the widows of the men who fought for this country and then put them out of the relief line. That is so to-day. They get vouchers handed to them for $1.40 a week and relief fees of $8 a month, and they send you to a room which may be warm or which may be cold and you are there—you do not know how long—until the relief people tell you. That is the condition to-day. Now, the husbands of these widows gave years of service and still these matters haven't been adjusted.

A woman whose husband was killed in the last war said to me: "What did I get out of this war? Only $60 a month." I said, "go home and go down on your knees and thank God for it; we have nursed men for years and what did we get out of it? A family raised on mothers' allowance and a government that turns you down because you are no use to them." Now these women brought up good strong children and sent them to school, and the authorities tell you how many thousand dollars each normal citizen is worth to the country. Now, you have brought up a normal family, a family that is a credit to you and to the country, and that family is said to be worth thousands and thousands of dollars to the country, and the mothers' allowance hands the soldier's wife $40 or $45 a month to raise those good citizens on, and then the minute you are through raising them they say that they are through with you. There is nothing for you. Your cheque stops immediately. Then the mother just digs; she keeps on going. We have now reached the age when we have not it left in us to go on. We are fought out and worked out. Many of our women have been widows for 15, 16, 17—up to 20 years. Their families are fighting

now; their sons are in England to-day. Still those widows are not recognized.

We feel that those men of just 40, 42 or thereabouts, who take a stroke, take cancer, take anything, and drop off, came to premature deaths. That is not something which happens in normal life. While the pension board admits that 10 years was taken off the lives of our soldiers during the war—and they do admit that—it still leaves them an age expectancy of 60 years. Yet they just drop off in their thirties and forties. Immediately the man dies, that pension stops. It is even better with the war veteran's allowance to-day. Under that a woman gets a whole year to adjust herself after her breadwinner is gone. If she was getting $40 a month, she gets a year with that $40 a month in which to get on her feet and prepare to face the world for the rest of her life, with a family, when that breadwinner is taken. Even that is better. That has reference to the burned-out man, which is a case of indirect disability, because many of these burned-out men are men who carried on until old age, together with the effects of war service, made them unfit to work. On the other hand, in the case of the younger man who died in his thirties or thereabouts—say 35, 40 or 42—the day he dies, his pension stops; and that is when it is needed in a home.

Gentlemen, I have done my best to make the situation plain to you. I am not a lawyer. I am just a working widow. I am trying to do what I can because I am one of them myself. I know the situation. I have studied it. I have been in the homes when there were no lunches, and I have been in the homes when the landlord was coming. I have been in the homes when they had gas bills and all that kind of thing. People say "we know all that." They do not. They are not there at the right moment when poverty is staring them in the face and these things come up. The men are not there. They do not know, through actual experience, by going to the homes and contacting these people.

By the Chairman:

Q. Mrs. McHugh, what is the approximate membership of your non-pensioned widows' organization in the province?—A. We have 250 registered members; but we have lots besides that number in Toronto who come to the meetings. But we have 250 registered in Toronto.

Q. That is, in your own branch?—A. In our own branch.

Q. How many are there in the province?—A. I cannot just tell you, because we have been working individually, and every individual association has an approximate number of its own. We ourselves number 250.

The CHAIRMAN: Are there any questions, gentlemen?

By Mr. Green:

Q. Mrs. McHugh, the other day the Legion representatives dealt with this question. As I understand it, their suggestion was that the War Veterans' Allowance Act should be amended to provide that the payment of $20 a month could be made to widows of 55 or over, or to widows who were physically unable to support themselves, and that the payments should be increased to $40 a month where there were children to support. They suggested that that should be based on the assets of the widow; that is, if she had sufficient to get by on she would not get an allowance, but that if she had not, she would be eligible for the allowance. They asked that that be applied to the widows of pensioners; in other words, that would mean to widows of pensioners who were not drawing a 50 per cent pension, and, of course, in cases where a pensioner had not died of his pensionable disability and to widows who received War Veterans' allowance. I think they said also it should apply to widows of men who served in a theatre of war. In other words, it would not apply to the widow of a man who served in England or

Canada only. What would you say as to that suggestion?—A. Well, I would say this. They give $40 a month for a man and wife, when the man is alive; when that man dies they take $20 off. If they took $10 off for the man's board and the man's keep, it would seem more reasonable.

Q. Of course, a single man gets only $20.—A. Yes, a single man himself; but the old age pension pays $20, of course. The $20 hardly seems fair. It is very good, mind you, in lots of ways. But what I mean is that to take $20 off for the man, slice it in two and leave $20, seems unreasonable. Their suggestion is very, very good. I admit that. It is a whole lot to be appreciated.

Q. Do you think that the suggestion of the Legion would cover your problem?—A. At $20 a month?

Q. Do you think that the suggestion, as I have outlined it to you, would cover your problem?—A. It would not cover them all, if I may say so; because we have in our association widows of men who served in England all the time.

Q. Of course, the soldier who served in England cannot get a war veteran's allowance.—A. No. I understand that, because I read that through and I know that is the way it is. But as I say, that does not cover all of our problems to-day. It covers a part of it but it does not cover it all, on account of that only taking in the man who was in an actual theatre of war.

Q. Would you be satisfied if some such provision as this were made? —A. Well, to tell you the truth—and I speak for the women of Ontario—I think we would be satisfied, at the present time, with whatever came along in the way of social security. We need something.

Q. I did not quite catch that?—A. Whatever came along in the way of a grant, allowance, pension or whatever you call it, would be very welcome to-day; because after all, a little bit of your own coming in is very nice. You feel it is not charity, and we do not want that.

Q. I think the Legion also suggested that that provision should be only until such time as the provinces or the dominion passed more advanced social legislation to meet the case?—A. Yes. I do mean that, when those others would be taken care of.

By Mr. Macdonald:

Q. Could you tell us approximately how many war widows there are in Canada whose husbands had seen active service?—A. No, I could not give you the figures. We have tried to get them from different sources, but it seems a rather hard job because we have so many women whose husbands never drew a pension. Many of them fought all during the war, right through it, and came back, but they were never wounded and never had any cause to apply for pension until a later date, until they got a bit older and until they began to fail. They are not registered as pensioners. So that makes it very hard to get those figures. We have tried.

Mr. REID: I wonder if General McDonald has any figures regarding the widows.

Hon. Mr. MACKENZIE: I have only figures up to 1939. Married pensioners who died since the war, 11,500; and of these, widows on pension at that time were 5,000.

Mr. GREEN: 11,500?

Hon. Mr. MACKENZIE: That is only up to 1939. That is not up to date.

Mr. Ross *(Souris)*: That is of pensioners.

Hon. Mr. MACKENZIE: Widows of those who had died and were receiving pensions of that 11,500; pensioners who had died since the Great War, were about 5,000.

Mr. Ross *(Souris)*: You have no record of those who were not pensioned?

Hon. Mr. MACKENZIE: No.

Mr. GREEN: But that figure of those who were pensioned includes those who came in under the amendments that were made to the Act in 1939? In other words, in 1939 a change was made from 80 per cent to 50 per cent.

Hon. Mr. MACKENZIE: The foregoing figures are as of February 20, 1939. Since then approximately 450 widows' pensions have been awarded under the 50 per cent clause, leaving the last preceding figure—that is, non-pensioned widows whose husbands at the time of death were in receipt of more than $20 a month—when this memorandum was prepared, at about the number of 1,500. The first figure was 2,000 and 450 would be deducted from that.

Mr. GREEN: What would that number be if you took the widows of all pensioners where the pensioner received $30 a month or less?

General McDONALD: Let me get your question clear.

Mr. GREEN: I cannot hear you.

General McDONALD: Let me get your question clear.

Mr. GREEN: The minister's figure, or the last figure he gave, as I understood it, referred only to the widows of pensioners who were drawing at least $30 a month.

Hon. Mr. MACKENZIE: $20.

General McDONALD: $20.

Mr. GREEN: What about those who were drawing less than $20 a month?

Hon. Mr. MACKENZIE: The figures that I have are: deceased pensioners with no pensionable disability at the time of death, 1,300; those in receipt of $20 a month or less, 2,800. That is when this was prepared which was about a year ago.

Mr. CLEAVER: That figure is all-inclusive, then?

Mr. GREEN: No. The figure of 1,500 widows without pension is not all-inclusive.

Mr. CLEAVER: I think the total would be all-inclusive. These figures include applications by widows who were receiving no pension and applications by widows who were receiving pension. The total figure would be an all-inclusive figure.

Mr. GREEN: I do not think the figure of 1,500 included that.

General McDONALD: Perhaps these figures will be of some value to you. They were prepared about the same time. Please realize that these figures are necessarily an approximation only. In 1940 there will be about 270,000 surviving veterans who served in a theatre of war. About 17,000 of these will be in receipt of pension below 15 per cent.

Mr. TURGEON: 17,000 did you say?

General McDONALD: Yes. If we take three-quarters of them—which is the same proportion as we have of married pensioners to single pensioners—it gives us a figure of 190,000 potential widows.

Mr. MACDONALD: You say "potential"?

General McDONALD: Yes, potential. But how many of these will survive their husbands is, of course, quite impossible to guess.

Mr. GREEN: That is not a very accurate figure, I would say.

General McDONALD: I did not say it was, Mr. Green. I said it was an approximation, but it is worked out according to the tables of disability.

By Mr. Ross (Middlesex East):

Q. Mrs. McHugh, you have made a very excellent presentation. You mention there were 200 in your organization?—A. 250.

Q. Do they all reside within the Toronto area?—A. Yes.

Q. Just within the Toronto area?—A. They are all in the city.

Q. They are all within the city?—A. That is what we have registered, but we often have more women who come in.

Q. From the outside?—A. Yes, who come in from the outside.

By Mr. Isnor:

Q. Is your organization a branch of a parent body?—A. The lady with me is the past president and she organized it four years ago in Toronto. We started this in Ontario, and since then there are branches we have opened up. We have contacted different towns such as Hamilton, Kitchener and other places and the women there have organized; but these women endorse whatever we do.

Q. What I had in mind was whether or not there was a parent body existing throughout Canada?—A. We started in in Ontario. There is a Quebec branch. I do not just know the difference in the time. I think it was three years last October since we started; and I think there was two months' difference between the Quebec branch starting; but we are all of one body. Quebec and Ontario have worked together and we all stand for the one thing.

Q. We have a branch or an organization in Halifax, Nova Scotia; and I was wondering whether they had any connection with your organization?—A. We have not heard from them; but I do know that they are in Vancouver, because we have had letters from Vancouver.

By Mr. Quelch:

Q. You have no recognized headquarters in the dominion?—A. Not for the dominion so far, only Toronto and Quebec have worked hand in hand since the beginning.

By Mr. Bruce:

Q. There is, then, no dominion-wide organization like yours?—A. No. You see, we have not been long enough or, I suppose, wise enough on the job. We have contacted those other places, Calgary, Winnipeg, Edmonton and Peace River are all branches by themselves. But we correspond, and our correspondence shows that we all endorse Quebec and Ontario. We work together.

By Mr. Reid:

Q. They are all working for the same principle?—A. We are all working together and we are solid.

The CHAIRMAN: I may say that the correspondence suggests that there are several co-operating branches. There is no parent body, as Mr. Isnor suggests; they all have, apparently, the same ideals and same objectives.

The WITNESS: Yes.

Mr. MACDONALD: Are they all of the same name?

The CHAIRMAN: Yes.

Mr. MACDONALD: What is the name?

The CHAIRMAN: Some of them are known as Ex-Service Men's Widows Association and others as Non-Pensioned Veterans' Widows Associations; but the meaning of the title is the same.

By Mr. McLean:

Q. Am I correct in taking it that your organization refers to widows of all soldiers, and that you make a request on behalf of all returned soldiers irrespective of whether they served in France, in England or in Canada?—A. We have taken it that way. That was our own way. Of course, when we started, this was all new to us, and we had many different types of case. But as we came along, we found, as we talked to different members and different people who

understand this thing, that the man from the actual theatre of war is the man they favour. Of course, when we think of the matter, they are poor widows too, whether or not the men went to England or not. To begin with, we did think there would be something to cover them all.

Mr. CLEAVER: May I ask a question of General McDonald, Mr. Chairman?

The CHAIRMAN: Yes.

Mr. CLEAVER: General McDonald, where a widow applicant can satisfy the commission that the death of her husband was related to his war services, does she receive a pension even though he was not pensioned during his lifetime?

General MCDONALD: Yes.

By Mr. Macdonald:

Q. Mrs. McHugh mentioned two classes of widows of soldiers. She mentioned the class of widow whose husband died in receipt of too small a pension to give a pension to the widow, and we had certain figures on that. She also mentioned the widows of men who had been in receipt of the War Veterans' Allowance. Could General McDonald tell us the number of married men who were in receipt of War Veterans' Allowance and who have died?

General MCDONALD: No, sir. I have not those figures at all. The Chairman of the War Veterans' Allowance Board could tell us.

Mr. QUELCH: General McDonald, the number of pensions awarded in the category described by Mr. Cleaver would be very small, would it not? I am speaking of soldiers' widows who are able to prove that their husbands died as a result of war services.

Mr. GREEN: Where the husband received no pension.

Mr. QUELCH: Yes, where the husband received no pension.

General MCDONALD: Yes, it would not be very large.

Mr. CLEAVER: General McDonald, in regard to the widows of ex-service men who were receiving war veterans' allowance during their lifetime, have you any suggestion to make as to what would be the best way for that allowance to be carried on to the widows if the committee should decide to continue it? Would you suggest a form of means pension under the Act, or would you suggest an amendment to the War Veterans' Allowance Act?

Mr. MCLEAN: For our future guidance, Mr. Chairman, I do not think that that is the sort of question we ought to ask a member of the commission. Those are the things we have to decide, I should think, and I am just asking this for future guidance.

The CHAIRMAN: Yes, I think you are quite right. We are trying to get opinions from Mrs. McHugh, and, in the light of these opinions, we can discuss at a later stage between ourselves the possibility of granting her request or limiting it or refusing it.

Mr. GREEN: Mr. Chairman, we are considering now the question of pensions to widows, and the methods by which some divisions should be made are of the utmost importance. I submit that there is no reason why General McDonald should not be asked that question. If it happens to clear the whole matter in our minds, now is the time to do it rather than when we come back in six weeks' time.

The CHAIRMAN: The only reason that I can see is that we want to get the complete picture from the delegates who are present; then in the light of that picture we can question General McDonald.

Mr. GREEN: But it helps us so much.

The CHAIRMAN: It is a matter for the committee to decide. We will have these questions answered.

[Mrs. Helen McHugh.]

Mr. GRAY: In regard to the question of war veterans' allowance, Mr. Chairman, I think we should have the chairman of that board before us to answer such questions. I do not think it is fair to put General McDonald in the position of answering questions relative to war veterans' allowance.

The CHAIRMAN: We will hear from him later on, Mr. Gray.

Mr. CLEAVER: Mr. Chairman, Mr. McLean's point is quite well taken and I am not going to press my question now, but as to Mr. Gray's point, I do not agree. General McDonald has had a great fund of experience, and I think this committee is certainly entitled to his opinion as to the best means of setting up pensions for widows of ex-service men who were in receipt of war veterans' allowance, if this committee should decide that those windows should receive such pensions.

The CHAIRMAN: General McDonald will doubtless give us that opinion in due course.

Mr. TURGEON: Mr. Chairman, I want to leave one thought with the committee. This matter has been discussed on other occasions. There are four ladies here, as I understand it, asking to give evidence, and every member of this committee is anxious to hear just what these ladies wish to tell us. I am sure that if we continue cross-questioning others than the witnesses, like the chairman of the commission or the chairman of the War Veterans' Allowance Board, we will confuse the issue and will not receive so clear a statement from the ladies themselves as we would if we allowed them to give us the picture. Mrs. McHugh has told us an excellent tale of their situation; it was clear and with a touch of feeling, and I do not think we should depart from her story from time to time and go to cold realistic facts which, after all, are the only things we can receive from the chairman of the commission. We cannot receive anything from him but cold facts, which we require. But I do not think we should mix them up with the story given to us by the four ladies who have come here to give evidence, and I do not suppose that they can stay for ever. They want to tell their story to us and make whatever arrangements may be necessary for them to get home. I really think in justice to the cases of widows that we should hear those who are giving this testimony to us and then proceed in our own way afterwards.

The CHAIRMAN: Mrs. McHugh will answer any further questions, if there are any; if not, perhaps Mr. Roebuck would introduce the next witness.

Mr. ROEBUCK: Perhaps that is all Mrs. McHugh can say. She has made a very splendid statement.

Some Hon. MEMBERS: Hear, hear.

Mr. ROEBUCK: It seems to me, Mr. Chairman, that perhaps the best way to proceed would be to call the president of the Quebec association, Mrs. Margaret Wainford, 142 Second Avenue, Verdun, Quebec.

Mrs. MARGARET WAINFORD, called.

The WITNESS: Mr. Chairman and gentlemen, I do not know just how I I am going to place this before you, but I am going to do the best I can because I might not get the same opportunity again.

I come before you representing the non-pensioned veterans' widows of the province of Quebec, and I do so with one thought in mind; that we are all one over the Dominion of Canada. Since our inception we have been in constant communication with several different organizations. There is one thing in particular which I should like the members to take into consideration, and that is that we have taken up the question relating to widows of the last war, and we are not including their dependants. We cannot ask a pension for widows with dependants under the circumstances in which we come before this committee. We

come before you as widows who have undergone years of struggling to keep ourselves and our families and who now find that after years of hardship and depression,—being unfit for the labour market—we cannot obtain a livelihood by working, because we had to look after our sick husbands in years gone by, some of whom died between 1920 and 1941. At the age of fifty, when we go to look for a position, we are told that we are too old. There are 245 women in our group, and the average is between fifty-five and sixty-nine. A widow at fifty-five, in many cases, might have a small job from which she could earn $7 a week.

I come now to the question of dependants. In most of the cases with which I have dealt, we are beyond having families dependent on us; most of the children have attained the age of sixteen. Some widows, whose husbands may have died, we will say, in the last five years, might happen to have children around the age of eight or nine or up to fourteen years of age. Fortunately, in the province of Quebec, these children would be covered by the mothers' allowance. That is why at the present time we cannot ask for pensions for dependants, because even in Ontario these children are covered by the mothers 'allowance. It is directly for the widow that we are asking compensation, the widow who is in dependent circumstances. A great many of us are in dependent circumstances. There may be the odd one who has a job at the present time, perhaps earning $15 a week. But are those widows going to be able to carry on all their lifetime? If we could get this committee to grant us a pension or an allowance it would be nice for the widows who are still carrying on their work to know that when they are unable to work they would automatically come under the allowance or pension.

Some reference was made to the Canadian Legion. I have here a copy of the War Veterans' Allowance Act to which Major Bowler made reference on Friday about the allowance of $20. I myself was to have spoken at the Canadian Legion convention last year in the presence of 500 men. I am a Canadian Legion member and have been since its inception, and although I know that the Canadian Legion has done wonderful work, we have been the forgotten group of women.

In many cases, women like our president from Toronto, have had to stand in the relief lines. I do not know if I am in order to say it at the present time, but I am going to say it; I have had to stand in the relief lines, and my husband served four years and four months in the last war.

I wanted to ascertain from the chairman if I might ask General McDonald or the Minister of Pensions and National Health just one question?

The CHAIRMAN: Yes.

The WITNESS: In the case of a veteran who was pensionad and this veteran died prior to 1928, if that veteran had been living in 1928 when the new pension commission was formed he would have had the privilege of appealing to the appeal board, would he not, because he had commuted his pension? In 1928 the new commission was formed. At that time all those who wanted to go before the board had the privilege of going before the board for another examination. I am referring to the veterans who had commuted their pensions and those who had slipped off the pension roll, men who had 5, 10 or 15 per cent disabilities. That was done in the first years of the war, was it not, General McDonald?

General MCDONALD: I do not quite follow your question. Pensioners up to 15 per cent had the right at one time of accepting a lump sum payment.

The WITNESS: Yes; when they commuted their pension.

General MCDONALD: They accepted payment by agreement, and they were subsequently given the right to have that pension reinstated provided their disability had not decreased.

Mr. MACDONALD: What year was that?

The WITNESS: In 1928 they had the privilege of being called in to be reinstated.

General MCDONALD: I think it was 1931.

[Mrs. Margaret Wainford.]

The WITNESS: I will tell you why I say it was 1928. I have to mention my own case, although I did not want to bring that to the attention of the members. Rest assured I am not speaking of my own case. But my own case was in 1928. My husband died in that year, and that is the year they were allowing the men to appeal to the board to have their pensions reinstated.

General McDONALD: Yes.

The WITNESS: Many of the widows whose husbands unfortunately died prior to 1928, with the pensions commuted, were left out.

General McDONALD: You mean that nobody received a pension for which the man could have applied?

The WITNESS: They could not take up their case to the pension board.

General McDONALD: Oh, yes, they could. The widow could always apply for widow's pension.

The WITNESS: Yes, but they could not take it up on that certain paragraph or section.

General McDONALD: You mean they could not apply for the portion of their husband's pension which he might have got?

The WITNESS: No.

General McDONALD: You are right.

The WITNESS: The widow had to prove 100 per cent that her husband had died from a war disability.

General McDONALD: That is for her own pension?

The WITNESS: Yes.

General McDONALD: Yes.

The WITNESS: She could not use the commuted pension to try to re-establish her case?

General McDONALD: No.

Mr. CLEAVER: May I clear up a doubt in my own mind? If the pensioner commuted a pension, the equivalent of the excess of 50 per cent—

General McDONALD: A pensioner could never commute his pension above 15 per cent.

Mr. CLEAVER: So that it necessarily follows that even though the pensioner did die, that is, a pensioner who had received the commuted pension, before this special legislation came into force, unless there had been some drastic change in the percentage of his pension entitlement no rights would have been lost on account of that?

General McDONALD: No, not under Section 32.

The WITNESS: We are asking for a pension for widows. I am making the appeal to the committee because of age at the present time. I think out of our membership of 245 there may be about four who are able to go out and work and make anywhere from $7 to $9 a week. These women are more or less all charwomen.

In our organization, I can say that out of our total membership of 245, 200 of our husbands actually went to France, and I would say that approximately 175 actually had pensions ranging from 15 to 45 per cent.

We are asking that pensions be given to all veterans' widows as a matter of necessity. After all, when these men enlisted, they enlisted not knowing whether they were going to stay in England or go to New Zealand or anywhere in the country; they enlisted for service to their King and country, and if they did not get over to France that was not their fault—they were quite willing to go there.

Mr. CLEAVER: What amount do you suggest for this monthly means pension?

The WITNESS: We have always asked that a pension of $40 per month be given. A widow from the last war, in the case of death on the battle ground, gets $60 per month. In the case of a father and mother who had a son killed in the last war, and where the father was unemployed, they would receive $30 a month.

Mr. GREEN: Is that not discretionary with the commission, the amount that is payable to a mother or father on account of a soldier who is killed?

General MCDONALD: Up to the maximum.

Mr. GREEN: What is the maximum?

General MCDONALD: The same as the widow would get.

Mr. GREEN: Up to $60?

General MCDONALD: Yes.

Mr. GREEN: The figure could be anything up to $60?

General MCDONALD: I think we discussed that very thoroughly in connection with that particular section the other day.

The WITNESS: We are not old enough to get the old age pension nor to bring in the burnt-out pension under the war veterans' allowance. We think we should get $1 per day, which would be $30 per month.

Should this committee decide to grant us $20 a month, I would ask that these women be allowed to work and that the amount they make should not exceed $365 per year, because $20 per mnoth is only a pittance. $20 per month is splendid as an old age pension, because, after all, when a person in our category gets to be seventy years of age, well, we do not want an extra pair of shoes or a hat—a hat can do us for four or five years. After all, when you want to keep up your morale you have to put a little extra clothing on your back which $20 would not provide.

I am going to put the position to you, gentlemen, in this way. We all find ourselves in the position where our daughters and sons have to provide for us. In the case of one of our women who has one daughter, in the past seven or eight years this woman has had to accept relief. She has fortunately kept going, and her daughter now has a position paying $15 or $16 a week. This daughter is now about eighteen or twenty years of age and is just at the stage where she wants to get married. Is the son-in-law going to have to provide for that woman? She cannot get employment because she is too old, yet she is too young for an old age pension. The son-in-law might be willing to take her in, and she might be in three months and then be thrown out with no place to go. If we had a little bit coming in we could go to our daughters and sons-in-law and feel that we were not going to be a burden on them. Our children have not had the advantages they might have had, because our children were born after 1919 when many of the men started to die off, up until 1928. In fact, I think more war veterans died in 1928, ten years after the war, than at any other time. In fact, the government did say—I will not say what gentleman said it—that the average veteran would not live much beyond ten years after the war. I think I have that statement in a newspaper cutting.

Mr. MACDONALD: Some of us fooled them.

The WITNESS: Yes, a lot of them did; you are very lucky.

Mr. GREEN: Perhaps, we are not lucky, perhaps our wives are unlucky.

The WITNESS: The thing is to-day that there are wives that are lucky, there are a lot of wives who are drawing a little pension. Had our husbands been living after 1928 we might have been reinstated and we would also have had their companionship. After all, we cannot live on bread alone, we need somebody's companionship. There are a lot of things that soldiers' widows have to do to-day which do not help them; they have to put up stovepipes

and paper walls and do things like that because they are in such straightened circumstances. If you are a widow and you bring a young man into the house it is just too bad.

I do not know whether there are any questions members of the committee would like to ask me. I think the subject has been pretty well covered, but I would still insist that we emphasize before this committee the amount of $40, if the board does not see fit to do it, in cases where there are dependent children. If the board sees fit and only gives us $30 we suggest that these widows be allowed—provided they are unemployed and not covered by the legislation relating to the mothers' allowance—I think they should be allowed to do a little bit of work to make up that amount of money.

By Mr. Macdonald:

Q. The reduction was $20 a month?—A. At no time have the non-pensioned veterans' widows in submitting anything to the minister of pensions or to this parliament asked for $20.

Q. Under the War Veterans' Allowance Act an unmarried man gets $20 and he is allowed to make an additional $10 a month which would make $30 in all; would you say that would be sufficient for the widows?—A. I was speaking for the whole of the Dominion of Canada, but if the women got $1 a day, that would be $30 a month or $31 a month depending upon the number of days in the month.

Q. That might be better?—A. We would still have our $1 a day, and I think the women on the whole would think, if I might put it this way, that they are just as good as the queen of England, if they had that $30 a month coming in.

Q. They would not be allowed to work.—A. Yes, they would not be allowed to work, only providing they had dependent children and you people saw fit to cover those dependent children. I say that we are not asking for provision for dependent children, because we widows of the last war are in the position that after twenty years there may be just an odd one who has a dependent child, and if there is one she is covered by the province in which they live by the mothers' allowance.

Q. Are you speaking for all the widows of all veterans whether or not the veteran was in receipt of a pension or whether or not he died from any disability?—A. I am speaking for all widows.

Q. Then it is your suggestion that the widow of any ex-service man should get a pension?—A. Providing she is in dependent circumstances.

Mr. GREEN: In needy circumstances.

The WITNESS: Yes, in needy circumstances.

By Mr. Macdonald:

Q. In your opinion it does not make any difference whether the man was in receipt of a pension before his death or not?—A. Decidedly not, because many of those men although they did not actually come before a commission or a board with a disability, nevertheless we feel that their health was depreciated by war service and we feel that at the time of their discharge had they gone before a proper board and had a proper medical examination they would have been entitled to a pension. The whole thing is the fault of the veteran himself; he was in such a hurry to get home and to get out of khaki.

Q. Did you have an age limit? Should the widow be 55 before she gets a pension?—A. We have no age limit, because we figure to-day—in fact I applied for a position here two weeks ago in a munitions plant and I was told that 43 years was the limit. I happen to be 50. Of course, there are many women of 50 who are able to work, but I happen to be one who is unable and I have got medical certificates to that effect. I know of one case of a

woman 69 years of age who was trying to get a job in a munitions plant. We are willing to work providing we are able to work. Supposing we got a position and only lasted a week and then were thrown out, it would not do us any good.

Q. I am asking these questions for information. Another question: do you suggest that the soldier should of necessity have served in France for his widow to get a pension? Supposing that soldier had just served in Canada, do you think the widow should still get a pension?—A. Yes, because we believe that that man when he joined did so for the purpose of serving in any part of the empire where his king and country called upon him to go, and it was just unfortunate that he did not leave these shores. That was not the fault of the individual. I understand that many of these men who never left the shores of Canada are drawing big pensions, so that if our men went overseas and went to France and came back and not have a pension, where did the man get his pension, if he never left the shores of Canada? He got a cold guarding the locks or the canals or was subject to bronchial conditions and from there T.B. developed. Now, some men went to France and lay around in the mud and the slime and the filth for six months or two years and they came back and did not go before a board. I cannot see the difference.

By Mr. McLean:

Q. Might I ask if this organization is asking for pensions for widows who were the wives of soldiers while the men were serving, or would it also include widows—in other words would there by any limitation as to the date on which they were married?—A. Yes, I understand that question. I have studied that. I do not think I should answer that because there are many ways in which that question could be answered.

Q. If the committee were considering recommendations and recommending pensions that would be something that would have to be dealt with.—A. The average veteran himself knew that up to, I think, June 19, 1933—General McDonald, am I right; was it the year 1933 when the legislation was made?—the widow could apply for a pension if she applied that year?

Mr. GREEN: 1930.

The WITNESS: I think the veterans themselves more or less are educated to know that if they married in 1931 and if they died their widows could not be eligible for a pension. For myself, if I were in that class I would know perfectly well that if I married a man after that who was not eligible for a pension I would not feel I had any claim. I am speaking now as an individual.

The CHAIRMAN: Any further questions?

Mr. BLANCHETTE: As a member for the province of Quebec may I extend my appreciation of the able manner in which Mrs. Wainford has presented her case. I believe that this testimony and this information is of great utility to the members of this committee and will provide a gauge as to whether the intentions which we have in making recommendations and whether the legislation of parliament really carries out the scope that both the committee and parliament itself have in mind when legislation is adopted.

Witness retired.

Mr. ROEBUCK: Now, gentlemen, the next witness I would like to call is the past president and the organizer of the association in Ontario, Mrs. Helen Hickey of 119 Woodbine avenue, Toronto.

[Mrs. Margaret Wainford.]

Mrs. HELEN HICKEY, Past President and Organizer of the Association, Called.

The WITNESS: Mr. Chairman, ladies and gentlemen, I have often wanted an opportunity of this kind, but at the moment there is not so much for me to say because the ladies who have preceded me have done a wonderful job. Now, I suppose you all want to know how this matter came about. Well, I will tell you. In conjunction with the other ladies who have preceded me, we knew that nothing could be done, but it was for us to educate you gentlemen to what we in our hearts knew we were entitled to. We are not blaming you gentlemen, we are not blaming the governments, we admire the governments. After all, when this matter was brought to the attention of governments in a proper manner legislation was brought in which improved the situation, and I thank you gentlemen who were responsible for that. Had you not been educated in that regard or had we not come to you in a proper manner you would never have known the difficulties we had to contend with. You would never have known our difficulties or whether we had a sufficient income for the wife to work with and for the children to be educated with because we were struggling and never complained. We never complained, but we trudged on from day to day. The savings and the gratuity that was put into a home was snatched away from us because the man who came back was not able to keep up his end. The woman had to keep her head raised and she had to raise her children too. She had to be a credit to all parents and to the government because, after all, gentlemen, if you have not good citizens with broad minds your country is not worth much.

Now, these men came back ruined in body and spirit and it was up to the women to take up the torch and carry on. That is why this association was formed: so that we could come to you gentlemen; so that some legislation might be brought in to allow that we be taken care of. That has been made clear to you by our president and by the president of the province of Quebec who has worked unfailingly. We had our difficulties; we could not get a dollar to come up to Ottawa or to go to the different associations. Everything had to be done by correspondence by women who had to work and then go home and write these letters. They have been in communication with people in many parts of Canada. It is rather difficult for one who is struggling to keep up her home also to keep up correspondence in an association or an organization of this kind, and this thing grew very rapidly. I remember the first time this matter came up, we did not even have it on paper; we just came up because we knew that our cause was just and that we were sincere and had to do the best we could; and thank God, we did our best. Now, there is nothing more that I can say, Mr. Chairman, unless there are some questions some gentlemen would like to ask.

By Mr. Turgeon:

Q. Are you the organizer for all of Canada?—A. Well, I believe the movement did start in Toronto, sir, and Mrs. Wainford took up the torch in Quebec and she has never let it burn out.

By. Mr. Macdonald:

Q. Do you represent the widows of men who served only in the Canadian forces or also the widows of men who served also in the Imperial forces?—A. No, we have never had anything to do with the Imperials. When they came to me, I advised them to start an organization of their own, because we were thinking only about the Canadian soldier.

The CHAIRMAN: Thank you, Mrs. Hickey.

Mr. ROEBUCK: Now, we have just one more witness, Mrs. Jean Johnson. So far we have had two Scotch ladies and one Irish lady and I am taking the privilege of calling another Scotch lady. Mrs. Johnson lives at 713 Godin avenue, Verdun, Quebec.

Mrs. JEAN JOHNSON, Verdun, Quebec, called.

The WITNESS: Mr. Chairman, hon. gentlemen, as a representative of the non-pensioned widows of Quebec I really do not need to take up much of your time because the previous speakers have given you in detail as much information as you should need to understand our case.

There is one point I might bring up which was referred to by Mr. Macdonald, the member for Brantford. Mr. Macdonald mentioned the Imperials. I happen to be an Imperial soldier's widow, and we have many members in our association who are Imperial widows, but we have not done very much in that regard other than to write to the British government, and we have usually received the answer that nothing can be done for the Imperial non-pensioned veteran's widow. However, we are keeping in touch with the situation, and if the Canadian women are successful in their efforts immediately afterwards we mean to take up this matter with the British Minister of Pensions.

Mr. MACDONALD: Up to the present time your representations are in relation to Canadians?

The WITNESS: Yes. I am vice-president of the Canadian veteran's widows of the province of Quebec. There is nothing much more for me to say; but before I sit down I should like to endorse all that has been said by previous speakers and to appeal to you gentlemen for all the consideration you can give us, especially for the needful cases. I heartily thank you gentlemen for the privilege which has been accorded us in coming here and for the fine hearing you have given us. All the information which has been given you by the ladies who have preceded me has been well authenticated. We will lose no opportunity of getting in contact with anybody that we should get in contact with. Many of you gentlemen know that from the correspondence you have had from us. I thank you very much.

Witness retired.

Mr. TURGEON: I should like to place on record a motion of appreciation on the clear and concise and courteous manner in which these four ladies have presented their case to us. As a result of the presentations which have been made to the committee I am sure every member is in a better position to argue and to pass judgment on the subject than he was previously.

Mr. MACDONALD: May I have the privilege of seconding that motion? The ladies have, indeed, as Mr. Turgeon has said, presented their case very clearly and very concisely. They answered the questions that were put to them very clearly; and as he says, we have a better idea of what they have in mind after hearing them this morning. I join with him in this motion and crave the honour of seconding it.

The CHAIRMAN: You have heard the motion of Mr. Turgeon, seconded by Mr. Macdonald, gentlemen. What is your pleasure?

Some Hon. MEMBERS: Carried.

The CHAIRMAN: May I convey to the delegates, before they withdraw, the sincere appreciation of the committee for the excellence of their representations and for the very illuminating information they have given. May I assure them that their representations will receive the very earnest consideration of the committee.

Mr. ROEBUCK: Mr. Chairman, may I, on behalf of the delegation, express their gratitude and appreciation for the very kindly and most excellent hearing that has been given to these four splendid women. I feel that they have made a very powerful case. They have shown need as well as right. I know that this committee will consider their plea to the very limit of its sympathetic consideration.

The CHAIRMAN: Thank you, Mr. Roebuck. The next case will be presented by Mr. Walter Kirchner, on behalf of the Canadian Combat Veterans' Association.

WALTER H. KIRCHNER, M.C., D.C.M., 50th Bn., C.E.F., representing the Canadian Combat Veterans, in B.C. (Inc.), called.

By the Chairman:

Q. Mr. Kirchner, you represent the Canadian Combat Veterans' Association of British Columbia?—A. Yes.

Q. What is the approximate membership of your organization?—A. There are several hundred; I think between 400 and 500 actually.

Q. When was the association organized?—A. It was organized, roughly, some three and a half years ago.

Q. Will you proceed with your presentation?—A. There is a characteristic of the combat veterans organization which I wish to mention. The organization is confined solely to men who saw service in the Canadian Expeditionary Forces of 1914-18 and also men who served in the naval forces of Canada. Men who served only in Canada or England during the great war are not eligible. Our idea of an organization of that character is this. In the years that have passed, the former minister, I think it was, said that it would be better for us and would make it clearer for the government to understand the veterans' problems if it were possible for an organization of that character to be established. So that when representations were made dealing with our problems they would understand that what they were receiving was an expression of the viewpoint of men who could be properly classified as combatants or as front line soldiers. So if our membership is not particularly large, if it does not go into the thousands, nevertheless each man is a man of that type. Therefore our representations are made from that angle.

Before proceeding with my evidence, Mr. Chairman, on behalf of the Canadian Combat Veterans' Association, I wish to extend to you and through you to this committee my deep appreciation of the privilege of appearing before you to contribute, if possible, some ray of light on the complex and baffling issues which have confronted succeeding governments of Canada seeking a just and tangible solution to the aftermath problems of the first great war.

This committee, composed almost in its entirety of soldier parliamentarians distinguished in all walks of life, should, by its combined intelligence and obvious sincerity of purpose, to which I gladly bear testimony, be in a position to remove anomalies in our legislation which tend to perpetuate injustices and consequently cause great suffering and hardship among many thousands of our former comrades-in-arms as well as penalizing their dependents.

If, therefore, from the deliberations of this committee, a concrete assurance reaches the ex-servicemen of this Dominion their legitimate rights are your trusteeship, that would enkindle once again into a flame the comradeship of the war years, which must be invoked as a beacon light to unify Canada in the present ruthless world struggle.

Furthermore, such a message would be an added assurance to the new Canadian forces they were fighting for a democracy in fact as well as in name.

In 1914-18 we, as members of the great Canadian Corps of imperishable memory, history records were the veritable spearhead of the Allied army of liberty in France and Flanders. Our destiny now is, I think, to become the vanguard of the new brotherhood in Canada.

Concluding these few remarks which, I believe, express the sentiments of our former comrades-in-arms, I would pass on to this committee the magnifi-

cent appeal to the universal brotherhood of arms made on behalf of the compassionate classes of war in the year 1934 by the Rt. Hon. Winston Churchill, the incomparable leader of our race in its march to a greater destiny:—

"Our generation," he said, "can hand down to our young men and to the new age which has arisen around us all the splendour of the past and all the hopes of the future undiminished. We have preserved and we can bequeath to our children the inheritance which we received from our forbears, of which we have been the faithful and successful trustees.

But let us not forget those to whom we owe our position, to whom we owe the position we still hold and the men without whom we could not have succeeded. That, indeed, would be the worst of lessons to teach the new generation. The main army can gain its battles; its campaigns have been successful; it has rolled on victorious; but there is a rearguard which has lagged far behind which is still suffering worse than the horrors of the war—a rearguard whose distress mocks our achievements.

We must go back to-night and bring the rearguard in; we must go back in strength and power and rescue them from the morass into which they have fallen and take some of the burden off their shoulders to our own and help them along the stormy road, and, as far as lies in human power we must try to bring them safely home."

I think, myself, that the real work of this committee and the purpose of our legislation is to try to blaze a trail for this rearguard who are the casualties of war, to try to bring them safely home. I think that is the purpose of your deliberations and the purpose of the legislation of Canada, to blaze that trail so that these men may find the path not too hard and thorny.

I addressed a letter to various members of this committee or to as many as I could reach, with regard to bill 17, section 7, paragraph 2. I might just read it, in case members here may not have received it. I said:—

> The enclosed memorandum embraces authoritative opinion in Canada and throughout the civilized world dealing with the necessary recognition of the *time factor* governing the latest manifestation of war diseases, of both mind and body, constituting the unprecedented aftermath phenomonon arising out of the great war of 1914-1918.
>
> These excerpts, reflecting unanimous world opinion of former war belligerents, are brought to your attention to indicate that the passage of section 7, par. 2 of bill 17 into law would seriously prejudice the war disability claims, honoured and unhonoured, of the 1914-1918 veterans as well as, by inference, tending to perpetuate gross injustice on those who may survive the present conflict.
>
> The governing principle of post-war disability claims of the first great war embraces a period far in excess of seven years from discharge to exposit war injuries as the citations enclosed will amply testify.

As I endeavoured to point out at this stage or during the last 10 years, the basis of all war disability claims are actually dependent upon the recognition of the time factor; that is to say, the later manifestation of disease of body and mind. So that if you establish an arbitrary limit, if you set up a definite 7 year limit to apply to applications of that character, automatically I think you wipe out the complete superstructure upon which these claims are made; and of course, it would have an indirect effect upon the soldiers of the new generation.

I am now going to read from this statement which is headed "Bulletin of the Disabled Veterans' Association in B.C., Inc."

[Walter H. Kirchner.]

"The following bulletin, issued in recent years (1938) by the provincial command of the Disabled Veterans' Association in B.C. implies that in its practical operations the Canadian Pension Act, by eliminating the time factor governing the insidious development of numerous classifications of disability, *assumes* that outside of visible disabilities, such as loss of limbs, sight, etc., impaired health in the veteran must be attributed to causes other than war service. The bulletin reads:—

> Even at this date, and with all its comprehensive sections, the Pension Act (distinct from the War Veterans' Allowance Act) is by no means the impeccable measure it should be. Compensation for war injury is not commensurate with the modern industrial handicap implied, nor, indeed, is it considered from that angle. If it was, the recent amendment to schedule A, providing automatic increases for men assessed at 50 per cent for gunshot wounds on attaining the age of 55, would be given *a more general bearing.*
>
> Briefly, and at present, the latter admits the principle whereby decline and the atrophy of age increase a handicap, but *restricts the application.*
>
> It is still considered also that deafness, chest diseases, and arthritic conditions arising from gunshot wounds and other attributable causes, are not considered the subject of sufficient consideration, and consequently, from the modern industrial viewpoint, are not justly assessed.
>
> . . . Now his (the veteran's) choice lies once more between the War Veterans' Allowance and the Relief Roster.

The above quoted excerpts from the D.V.A. Official Bulletin merely emphasize the fact that pensions in the lower categories of assessment have largely been arbitrarily stabilized. This factor in the distressing aftermath situation is apparent as evidenced by a growing army of war widows and dependents deprived of state support because the veteran was not assessed according to the extent of his disability but restricted to a basis less than 50 per cent, which is the minimum percentage of disability for the state to unreservedly recognize its obligations on the demise of the pensioner."

The value of a statement—that is to say, whether or not that statement is authoritative in character—depends upon the individual who is making it. The secretary of the Disabled Veterans' Association, who is responsible for this statement, is a man who has been dealing with pension claims for the last 20 years. If he makes a direct statement that to-day the war veteran has not a ghost of a chance of proving his disability claim and that all that faces him to-day is either veterans' allowance or relief, that man is making a statement which I think it would be very difficult to refute.

I should like to illustrate exactly how it is that pension assessments have been stabilized in the lower categories. It is of no use, of course, to make a statement unless one is in a position to back it up by concrete evidence. I am going to refer briefly to some correspondence from a former member of this committee with one of the organizations in Vancouver which I think will illustrate this situation. It is a letter from the former member for Vancouver North, Mr. Grant MacNeil. I shall read briefly what he says dealing with this question of stabilizing pensions in the lower categories of assessment. In a letter dated February 25, 1938, to the secretary of the Disabled Veterans' Association, West Vancouver, he says:—

> Numerous inquiries have been received regarding the recent pensions regulations, automatically increasing amputation and gunshot wound pensions over 50 per cent after the pensioner reaches the age of 55 years. A copy of this regulation is enclosed. Many contend that this regulation should be made applicable to pensioners in all classes below 50 per cent as well. No doubt this phase of the question will receive consideration by your organization.

> It cannot be denied that discrimination has been shown against those in disability classifications below 50 per cent. On the other hand, those with the more serious disabilities suffer greater handicaps relatively by reason of increasing age. The commission holds that the line had to be drawn at some definite point at the outset.
>
> It should be noted that those with disabilities resulting from disease secure increased assessment of disabilities as it progresses, whether such progress is due to increasing age or not. The representatives of some organizations consider that it would be advisable to permit the application of this regulation without protest at this time. Later, steps might be taken to secure wider application when the principle involved has been definitely confirmed in practice and evidence has been secured as to the nature of any discrimination.

That organization took exception to the statement that automatic increases were given to the men in the lower categories of assessment who were suffering from all diseases of both body and mind outside of amputation cases and gunshot wounds. Referring to the automatic increase he said:—

> We wish to register our protest that though this step has been taken, it is in the right direction, but it does not go far enough. It shows discrimination against those suffering from other causes and does not affect those in the lower percentage categories. That this same percentage of increase should be allowed to those in the under 50 per cent classes as well as to those classes not mentioned as gunshot wounds or amputation cases, that is, neurotics, gas, stomach trouble, etc.

He says:—

> I further wish to draw attention to the last paragraph of your letter. That has reference to the automatic increases.
>
> Quite a negative discussion took place on this paragraph, many voicing protest that as the government has stabilized the pensions in the lower categories, pensions have not been increased as disability from disease increases and progresses. As a matter of fact, those in this class have a very hard row to hoe and an uphill fight with the pension department to retain any claim at all, let alone securing an increased assessment of disabilities as the disease progresses, as stated in your paragraph. The pensioner in this class risks losing all when he applies for a pension board. I had mine cut 60 per cent, I know, and there are other cases that can be cited.

That is what happened to that man when he went before the board. He had his assessment cut 60 per cent. I have other cases in this file of men who went to the pensions medical examiner to secure an increase in assessment, and this is what was told one man. He, the medical examiner, said: "Do you realize also that when you come before this board your assessment may be reduced as well?" As a matter of fact, it is generally understood by veterans in British Columbia that that is the actual situation; that if a man goes to secure an increase in his assessment, that is, a man who is not suffering from a visible disability or gunshot wound, he takes a tremendous risk in losing practically everything he has. I think that is a very bad situation. It does not bear out the statement or understanding that the assessment will be automatically increased as the disability becomes worse.

By Mr. Green:

Q. Are you suggesting that the automatic increase provisions which, as I understand them, apply only to gunshot wounds at the moment, and to men of fifty-five years of age or over, should be extended to cover cases of disease?—A. Well, yes, whether disease of the body or mind.

Q. That is your submission?—A. Yes.

Q. That the automatic increase provisions should be extended?—A. Yes. Why should there be discrimination against one particular class of men?

General McDONALD: I think the figures for the fiscal year ending March, 1940, indicate very clearly without any comment whatsoever, the action which resulted in regard to increases of assessment on medical examination. The figures show that 3,217 were increased and 106 were decreased.

Mr. GREEN: How many of those increases were due to the automatic increase provision?

General McDONALD: Very few.

Mr. GREEN: Which only came into effect a couple of years ago?

General McDONALD: Very few.

Mr. Ross *(Middlesex East)*: What was the number decreased?

General McDONALD: 106.

Mr. GREEN: Why would they be decreased?

General McDONALD: Because their condition had improved.

The CHAIRMAN: Will you proceed, Mr. Kirchner?

The WITNESS: Just illustrating the question of pensions being stabilized in the lower categories of assessment, as is pointed out in this bulletin, that is one reason for the growing army of war widows and dependants. Usually, a cross section will illustrate what has taken place on a wide scale, and this is actually what has taken place with regard to the situation of men in these lower categories. This will be found in *Hansard* of 1940, page 2487. Mr. MacNicol was making representations on behalf of the Canadian Soldiers' Non-pensioned Widows' Association. He handed to the Minister of Pensions and National Health particulars of some eighty-four cases. That is a fair cross section. He cited as typical of the eighty-four the case of Mrs. Teresa Shanks, whose deposition read:—

> My husband enlisted with the 20th Battalion March 1, 1915, and was discharged medically unfit May 15, 1916. He again offered his services giving up a good position, and was accepted for the forestry corps April 27, 1917.
>
> He was discharged July 15, 1919, and suffered with bronchitis and asthma until he died at the age of forty-two years. He could only work at intervals and I worked for years to keep things going.

Mr. MacNicol stated:—

> That is a soldier's widow and the other 83 soldiers' widows whose submissions I have heard are all on the same level. Their husbands received a pension while living but apparently not of sufficient amount to entitle each widow to a pension after her husband died. I appeal to the minister to look into these cases during the recess and see if something cannot be done for these poor deserving widows.
>
> In addition to these cases from Ontario, I have a submission from the Canadian Soldiers' Non-Pensioned Widows' Association of Quebec, and I presume the minister has received submissions from branches in other provinces. I promised to bring this matter to the attention of the house and now I have done so.

Speaking at the same time, Mr. Ross, M.P. for St. Paul's had this to say:—

> Several years ago I spoke in the house on behalf of these war widows and gradually we have been getting a little more justice for them. Last year the amount of the pension was lowered to 50 per cent. These widows are getting older all the time and are having more difficulty in getting along. I know the minister has been very busy, but I think it might

be a good idea if he would consider lowering it to 30 per cent next year. The total amount involved would not make very much difference to the Dominion of Canada.

I think that throws a very strong light on the reason why to-day there is an ever growing army of war widows of men who have passed on and who have been left pensionless.

The fact that these men passed on between the ages of forty and fifty I think indicates that they were not receiving at that time sufficient pension, let us say, not receiving their proper assessment. Actually, I would say, these men were practically full disabilities. If they were not, why was it they passed out at such an early age? I think that illustrates our argument that pensions have been arbitrarily stabilized in the lower categories of assessment. General McDonald, I think, mentioned certain figures of men who had been given automatic increases.

General McDONALD: Not automatic.

The WITNESS: Not automatic?

General McDONALD: No.

The WITNESS: But who have been given increases?

General McDONALD: On medical examination.

Mr. GREEN: Some of them were automatic?

General McDONALD: A few.

Mr. GREEN: Just the ones with gunshot wounds?

General McDONALD: Yes.

Mr. GREEN: How many would there be?

General McDONALD: I could not say exactly, Mr. Green, but it is a very small group.

The WITNESS: I should like now to refer to the address of welcome by the Right Hon. W. L. MacKenzie King to the 1936 Neurological and Psychiatric conference held in Ottawa. This message is an important one and is practically an acknowledgment by the government of Canada as to the aftermath situation in its entirety. The address is taken from the report of the 1936 Neurological and Psychiatric Conference. It is a document which I think should be in the hands of every member of this committee, particularly the physicians of this committee, because it is a document which I think has had a very profound effect upon the aftermath situation. My contention is that this document, in conjunction with section 2(b) of the Act, is responsible largely for the elimination or the practical elimination of the time principle. I am going to refer, if I have time, to certain instructions in this document to members of the departments in which they practically hi-jack the time principle.

By Mr. Green:

Q. Do you mean Section 11 (1b) of the Act; you said Section 2 (b)?—A. Well, the one referring to congenital defects.

Q. That is Section 11.—A. Under bill 17?

Q. No; it is Section 11, subsection 1, paragraph (b), in the Act. That is the one referred to, is it not? That is the section that ends with the words "congenital defects"?—A. That is right.

Q. That is the section you are referring to?—A. Yes. I am familiar with the old section. That is why I referred to Section 2 (b). This is the Prime Minister's message of welcome to the physicians at the conference. There were twenty-three physicians there representing the leading specialists in Canada dealing with neurological or psychiatric disabilities. He said:—

I have followed, over the years, with the deepest interest, the deliberations and recommendations of the various parliamentary committees which have investigated the problems of the returned soldier. Not the least important of these committees was the one which met during the last session of parliament. It dealt, not only with those aspects of disability, which are the direct result of action on the field of battle, but with those less tangible and more baffling phases which are now arising in increasing number, as well as the broader question of the effects of present-day economic conditions upon the ex-service man, and the possibilities of his more satisfactory readjustment in civil life.

In an attempt to deal with the complexities of returned soldier disabilities scarcely contemplated at the close of the war, the Minister of Pensions and National Health established a consultant commission to investigate the neuro-psychiatric problems appearing among war veterans. On behalf of the government, I have pleasure in extending to this conference, which has been brought together to consider the findings of the commission, a most cordial welcome to Ottawa. My colleagues and I are deeply appreciative of the generous assistance which, as the leading specialists in Canada, you are giving to the study of this all-important problem. We wish you every success in your deliberations. We are confident they will serve to bring a substantial measure of relief to those who sacrificed in war health of body and mind alike, and that, in time, they will prove of even wider benefit to the nation and to mankind as a whole.

That was the Premier's message to the physicians at that conference. While the Premier was addressing 23 leading physicians of Canada, his message apparently only reached the chief of the neuro-psychiatric service of Canada, and that is our friend, Dr. J. P. S. Cathcart, because, as I am going to show you a little later on, while the Premier frankly admitted the situation as some of you I know understand it in all its complexities and in all its ramifications, his message was defeated by Dr. Cathcart, who has largely thwarted the findings of the parliament of Canada in respect to men who to-day are suffering from the latent effects of war diseases.

Now, I make that statement and make it unreservedly, because I am going to indicate to you later on exactly how that has been accomplished by the head of one of the medical departments.

By the Chairman:

Q. Dr. Cathcart was one of twenty-three, is that true?—A. Yes, one of twenty-three.

I should now like to quote an address by the Right Hon. Winston Churchill having a very important bearing on the time factor made on behalf of the Ex-services Welfare Society of Great Britain, March 19, 1934. That society was founded in 1916 for the severer forms of neurasthenia and war neurosis. This was his message:—

It is melancholy and alarming to reflect that there were 2,500 ex-service men in our mental hospitals and asylums in 1919; that there are nearly 6,000 there to-day, and this 30,000 borderline cases is more formidable and impressive still.

We have to deal with what Sir Philip Gibbs so poignantly described as "wounded souls." Men who have lost a limb or an eye have been obtaining provision from the State, and their plight can be more easily seen than that of these men who have been mentally afflicted; and yet the suffering of the mind is far worse and far more difficult to help

> than the sufferings of bodily injury, grave though they may be . . . The cases with which we are dealing to-night are mental cases which follow upon shell-shock and other strange horrors of Armageddon; and these are the cases which are most difficult to deal with by any public agency, however, extensive.
>
> Ladies and gentlemen, the full consequences of the war to individuals are, in some cases, *only now making themselves apparent in their after-effects on the mind.*

That was sixteen years after the war. Right Hon. Winston Churchill made this statement in the year 1934, and before he could make such a statement from the evidence at hand, sixteen years had to elapse before medical science could adequately assess war injuries of this character as cumulative disabling factors.

I should like to make one comment on the statement of the Right Hon. Winston Churchill. It is just this: that if he was a man who could not frankly admit that the after-effects of war must be such as he described there in respect to men who had suffered injuries of body and mind, if he had not made that plain, in my estimation to-day he would not be the logical leader to guide the empire out of the present world crisis into a better and more humane social order. Although we may have our own individual ways of expressing the meaning of the present conflict, I think this fact becomes uppermost, that it consists of a materialistic challenge to the foundation principles of our civilization, and Winston Churchill recognized that fact, that a materialistic challenge of that character can only be made by men who glorify war as a means to an end. While we have to turn back this challenge, we do not glorify war. We admit the effects of war. There must be devastation, there must be human wreckage; and therefore any individual to-day who tries to belittle the after-effects—I refer to the propaganda of men like Dr. Cathcart who comes out in the public press and flatly says that there are no such things as after-effects of war, that there are no mental diseases, no ill effects, that men do not become ill, that they do not suffer from diseases which are generally classified as mental and psychiatric diseases—that propaganda, I think, is on a par with the propaganda of the German Reich that war can be glorified as a means to an end. That type of propaganda is negative also and is merely aiding and abetting what the nazi regime are trying to do, to prove that war is something to be glorified as an ideal for rational men.

Mr. Ross *(Middlesex East):* Mr. Chairman, with respect to the subject matter of pensions for widows which has been before the committee this morning, I received a resolution from the Tweedsmuir club of the Canadian Legion in the city of London which I should like to have placed on the record and given further consideration. I should like to read two paragraphs of the accompanying letter addressed to myself. The resolution was proposed by comrade R. H. Berry and seconded by comrade T. D. Patterson; and the two paragraphs of the letter are as follows:

> The enclosed resolution was originally passed by the Tweedsmuir branch of the Legion at London, Ontario. It was intended that it should in turn be passed by the Legion in convention, but owing to the multiplicity of resolutions it was snowed under.
>
> One certain fact should be clearly kept in mind, and that is that the provisions of these sections actually and definitely favour some pensioners and penalize others, a most unjust condition and one greatly to be deplored.

Perhaps the Legion representative now in Ottawa will be good enough to see that every member of the committee has an opportunity to read the prepared resolution. I might say in conclusion that a copy of this resolution was, I think, sent to Mr. Macdonald of Brantford and also to Mr. Blanchette of Compton, Quebec. I shall turn it over to the committee for inclusion in to-day's record.

The CHAIRMAN: With the approval of the committee the resolution will be placed on the record.

The committee will now adjourn until 11 o'clock Friday morning when the minister will make a statement.

The committee adjourned at 1 o'clock to meet Friday, April 4, at 11 o'clock.

APPENDIX No. 1

RE PENSION ACT

Proposed by Comrade R. H. Berry.

Seconded by Comrade T. D. Patterson.

Whereas Section 32 (2) of the Pension Act provides that the widow of a member of the forces who was at the time of his death in receipt of a pension in any of classes one to eleven inclusive, shall be entitled to a pension as if he had died on service provided that she was married to him prior to the first day of January, 1930.

And whereas Section 32A (1) of the Pension Act provides that the widow of a member of the forces whose death results from an injury or disease or aggravation thereof which was attributable to or was incurred during his military service shall be entitled to pension if she was married to such member of the forces either before he was granted a pension in respect of such injury or disease or before the first day of January, 1930.

And whereas such sections are, in limiting the eligibility of widows to those married prior to the first day of January, 1930, the cause of great worry and anxiety to pensioners of high disability and of several years standing who either have for the first time married since that date or were married prior to disability, have lost their first wives through death and have married again subsequent to the first January, 1930.

And whereas such pensioners being practically—maybe definitely—invalids, require the devoted care and attention such as only a wife can give.

And whereas those who have married a second time having received such care and attention previous to their first wife's death, had, subsequent to such death, no alternative but to marry again or suffer considerably from lack of care and attention.

And whereas such limitation is unjustly discriminatory inasmuch as it admits the eligibility of a widow married before 1930 but denies the eligibility of a widow married after that date *although her husband may have been a pensioner of long standing.*

And whereas such limitation is also unjust in that it has the effect of penalizing a pensioner for exercising his perfect right to marry when and as he pleases.

And whereas a pensioner having only just sufficient income to keep him decently, leaving nothing for savings, and quite possibly, having been refused Insurance—even Soldier Insurance—is quite unable to make any provision for his widow's future.

And whereas Section 32A (1) creates an anomaly inasmuch as under its provisions a man married *to-day,* may be awarded a pension to-morrow and leave his widow eligible for pension, while the widow of a pensioner of long standing, who was married before pension award, lost his wife through death, and remarried after 1929, is excluded entirely.

Therefore, be it resolved that the Parliament of Canada be requested to amend Section 32 (2) of the Pension Act by omitting the words " provided that she was married to him prior to the first day of January One thousand nine hundred and thirty " and Section 32A (1) by omitting the words " or before the first day of January One thousand nine hundred and thirty " and inserting the words " or is the second or subsequent wife of a pensioner whose first wife was married to him before he was granted a pension."

Carried unanimously.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

FRIDAY, APRIL 4, 1941

WITNESSES

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

FRIDAY, April 4, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Abbott, Black (*Yukon*), Bruce, Cleaver, Emmerson, Eudes, Gillis, Gray, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Quelch, Reid, Ross (*Middlesex East*), *Ross* (*Souris*), Tucker, Turgeon, Winkler, Wright —25.

Hon. Mr. Mackenzie, Minister of Pensions and National Health, gave the Committee the history of rehabilitation and the Government's policy in relation thereto, and was questioned thereon.

General H. F. McDonald, Chairman of the Canadian Pensions Commission, was recalled and gave the history of the General Advisory Committee on Demobilization and Rehabilitation. He filed an interim report of said Committee which was ordered printed as Appendix No. 1 to this day's evidence.

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health, was called. He gave evidence respecting returned soldiers' preference.

The question of ascertaining the reason for the discharge of such a large number of enlisted men from the army, navy and air force was referred to the sub-committee on neurological cases for consideration and report.

Mr. W. H. Kirchner, representing the Canadian Combat Veterans, British Columbia, requested and was granted permission to have his brief printed as Appendix No. 2 to this day's evidence.

The Committee adjourned at 1 o'clock p.m., to meet again on Tuesday, April 8, at 11 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 227,

APRIL 4, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: This morning, gentlemen, we are to have the honour and the privilege of hearing the Minister of Pensions and National Health.

Hon. Mr. MACKENZIE: Mr. Chairman and gentlemen, I should like to deal with the general question of rehabilitation, laying a foundation or basis for further presentations which will be made by the chairman of the general advisory committee and by the chairmen of the various sub-committees, later on.

Before outlining rehabilitation measures adopted recently, it may not be inappropriate to summarize briefly the main features of the demobilization and rehabilitation period after the last war. Reference to the various conditions and policies of the post-war years will make clear that there is little similarity between the economic and social conditions of two decades ago and those of to-day. Indeed, an examination of the main factors of the problem existing from 1917, say, until 1923, reveals that the most basic assumption of our problem this time is that the variable factors will have increased enormously—the whole setup of the question will be different. We shall deceive ourselves greatly if we accept the hypothesis that the conditions, methods and policies adopted after the last war can be duplicated after this year. Everything is changed—the type of war, the character of our combatant force, the economy of the dominion, the directives of our society, and the world in which we live. The phenomena, therefore, of the post-war period last time are useful by way of contrast, suggestion, perhaps even warning.

The Canadian Expeditionary Force in the last war was in the main a land army, and there was not the variety of employment in the armed services such as we are familiar with to-day, on the sea and in the air as well as in mechanized units on land. There was little cousinship between the skills used by the front line soldier in France and Flanders in those days and the skills required in civil life. To-day one has the impression that training in the servicing of all the complicated machinery of modern war may have some transfer value when men return to civil life.

The men serving this time in Canada's armed forces, in the navy, in the army, and in the air have been born and brought up in Canada. In the Canadian Expeditionary Force in the Great War, half of the 600,000 enlistments were immigrant-born; 156,000 born in England; 47,000 in Scotland; 19,000 in Ireland; 35,000 in the United States and 23,000 in other countries. The majority of these men had not lived in Canada for long periods. They had hardly had time to assimilate themselves to the pattern of Canadian life. Many thousands of them had married while overseas, and they were bringing back families to this country. At the time of the Armistice in 1918, some 17,000 dependants had been returned, but there were still approximately 38,000 dependants to be brought back to Canada.

On the 11th of November, 1918, we had, therefore, this situation: 60,000 of the force overseas had given their lives with consequent loss of the bread-winner in many homes; 168,000 had been discharged prior to this date, and were somewhat insecurely re-established in civil life; 282,000 of our men were

still overseas in Britain and on the continent. In addition there were 25,000 ex-members of the British forces, many of whom had served in the Royal Air Force, to be returned to Canada. In short, Canada, with a population of about eight million at that time, was to receive back in less than a year 350,000 from overseas in addition to demobilizing 73,000 men in Canada. Over 500,000 men were to be fitted into post-war life in Canada, and over half of these were really making a second beginning in their immigrant life in their adopted country. Those who had served overseas had spent three or four years under conditions of frightful warfare and boredom, and casualties had been heavy. They were familiar with Canada as a land of opportunity; they knew nothing of unemployment, were not afraid of unemployment, and had the habit of spending money freely, confident of securing a job at any time. Sixty per cent of those returning were over twenty-five years of age; half of them were between the ages of twenty-four and thirty-five, in the prime of life, relatively unskilled, and accustomed to work in a pre-war economy with swiftly developing opportunity tending to short term employment by choice rather than long service, seniority and slow gains.

A survey showed thirty-two per cent of those serving overseas at the end of the last war (87,000) wished to take up agriculture, and of these the majority had been engaged in agricultural pursuits before enlistment. Farm life and opportunity not only appealed then but a large proportion of the Canadian Expeditionary Force were closer to rural life than those now serving. Indeed, some sample surveys of units of our present armed forces would indicate that those engaged in agriculture prior to this war may prove to be less than 10 per cent when returns from our occupational survey are available. It is significant of the change that has come over our economy in Canada when we realize the small numbers in the Canadian Expeditionary Force overseas who showed themselves as being engaged in manufacturing, mining and in commercial pursuits—5 per cent in manufacturing, 2·2 per cent in mining, 4 per cent in commercial pursuits. Building, construction and transportation, as one would expect in those days, accounted for 15 per cent of the declared occupations of the force overseas.

Mr. GREEN: Are those percentages of the present forces?

Hon. Mr. MACKENZIE: No; the last war.

Mr. GREEN: There are no percentages for this war except the 10 per cent for agriculture.

Hon. Mr. MACKENZIE: That is right.

They had come from the homestead, from the laying of new railroad track, from the building of new towns, from new wheat lands, and from an economy in which an expanding agriculture played a prominent part, and in which the new industries of Central Canada were important.

Forty per cent declared themselves as wishing to return to the province of Ontario. All of them wished to return to civilian life as quickly as possible. Demonstrations in this sense by serving soldiers compelled the acceleration of the demobilization program, making absorption more difficult. The speed of return to Canada of the Canadian Expeditionary Force was only limited by the availability of shipping. Little use could be made of the occupational group categorization that had been attempted, and it was the spirit of the time that sentimental considerations tended to guide domobilization procedure. This may be seen in at least three points:—

(*a*) The wishes of discharged men in the matter of selection of place of discharge were freely acceded to. Warrants were often issued to destinations stated by the soldier, irrespective of place of enlistment or bona fide residence, aggravating certain urban difficulties by aggregations of migrant ex-soldiers.

(*b*) Disbandment of units was effected in such a way as to enable local regiments to receive a welcome home with consequent demobilization of whole units at one centre at one time.

(*c*) Families were reunited and sent back together from overseas so that the family had to find shelter and readjust themselves without the head of the family being given an opportunity of scouting out the situation.

In five months, March to July, 1919, in response to the urgent demand of the men, 70 per cent of the overseas force was demobilized in Canada; with the result that in March, 1919, 47,139 men were demobilized, succeeded in April by 31,019, and in May by 51,796. Demobilization thus exceeded disproportionately the speed of enlistment, and a force which had taken years to recruit and assemble was returned to civil life in a few months. As a physical achievement, demobilization in the matter of transportation and arrangements was remarkable, but it led to an extremely heavy burden upon the department responsible for civil re-establishment.

War service gratuity payments were generous enough to avoid difficulty in the early months, but it is probable they encouraged undue periods of idleness and minimized rather than maximized the desire to become re-established. On the other hand, if these payments had not been made, it would have been quite impossible for the rehabilitation administration of those days to handle adequately by advice or direction the tens of thousands being discharged. The general machinery for the reception and civil re-establishment and after-care of ex-service men was directed under a cabinet committee known as the repatriation committee which had been set up by Order in Council in November, 1918. Returned soldier commissions were formed by each provincial government, and local organizations were set up in urban centres throughout the dominion. The actual work of demobilization was in the hands of the Department of Militia and Defence, whilst the Department of Immigration and Colonization did a great deal to assist in this work, and also took charge of the transport of soldiers' dependents. Employment offices were created under the Department of Labour, and under the Department of the Interior the Soldier Settlement Board had begun to function. The Department of Public Information conducted a publicity campaign to encourage a welcome and the re-employment of returned men. The Y.M.C.A., the Y.W.C.A., the Knights of Columbus, the Canadian Red Cross Society, the Salvation Army, the Canadian Patriotic Fund, and a large number of voluntary organizations turned from the war work to deal with the ex-soldier problems.

The Board of Pension Commission Commissioners organized in 1916 and the various changes in its set-up are described in a memorandum already submitted to the committee.

The Department of Soldiers' Civil Re-establishment was formed in February, 1918, taking over the work of the military hospitals commission, and all matters affecting the rehabilitation of ex-service men. This continued until December 1928 when it was amalgamated with the Department of Health and the name changed to the Department of Pensions and National Health.

The work of the Department of Solders' Civil Re-establishment, particularly in the early years had been very fully described in the various reports of commissions which have been established to consider ex-soldier problems throughout the years, and need not be duplicated here. It is worth noting, however, that the department in its early years pioneered in a great many new fields in meeting its problems—occupational therapy, vocational training, land settlement, returned soldiers' insurance, treatment facilities, orthopaedic and surgical appliances, and in policies of preferences in public service.

The main items of post-war re-establishment expenditures were as follows:—

POST-WAR REHABILITATION EXPENDITURES

(Excluding pensions and administration expenditures and loss of interest charges to March, 1927).

War service gratuities			$ 164 Mn.
Civilian clothing allowance			20 "
Vocational training and training allowances			43 "
Medical care, hospital care, treatment, surgical appliances and treatment pay and allowances			84 "
Land settlement (Soldier Settlement Act)—			
Original capital advances		$ 108 Mn.	
Subsequent capital advances		11 "	
Total		$ 119 Mn.	
Less cash recovery	$ 62 Mn.		
Estimated recovery	35 "		
Total	$ 97 Mn.	$ 97 Mn.	
Net loss		22 "	22 "
Dependents' transportation			3 Mn.
Information service employment and sheltered employment			2 Mn.
Total			$ 338 Mn.

The dominion government also expended 120 million dollars in federal works projects in 1920, and 25 million dollars on housing, in addition to the above. Indeed a conservative estimate would indicate that upwards of half a billion dollars was expended in various ways to effect the rehabilitation of the demobilized armed forces after the last war, apart from our national bill for pensions which in a few years will have reached the billion mark.

The work carried out as a result of this expenditure was one of large dimensions. From May 1, 1919 to June 30, 1924, 1,336,000 clinical treatments were given; 147,000 men were granted hospital treatment in the same period; 42,000 completed vocational training; employment was found for 175,000, and over 1,000,000 inquiries were dealt with; 58,000 handicapped men were placed after being vocationally trained; 38,000 were given employment in the civil service, including 12,600 permanent postions; 23,000 were dealt with through the soldier settlement policy; and 49,000 dependents were brought home to Canada.

The question arises—how far this effort was successful. It is not without significance that despite the heavy gratuity payments in the spring and summer of 1919 it became necessary in November and December of that year to set aside federal moneys for relief of necessitous ex-service men. In 1920-21 $842,000 was spent on such relief. This was doubled in 1921-22.

Mr. GREEN: May I ask, is that spent for pensioners?

Hon. Mr. MACKENZIE: No, on relief.

Mr. GREEN: General relief?

Hon. Mr. MACKENZIE: And unemployment assistance.

Mr. REID: To ex-service men.

Hon. Mr. MACKENZIE: Yes.

Mr. GREEN: At the present time relief is only available to pensioners, is it not?

Hon. Mr. MACKENZIE: Yes.

Mr. GREEN: At that time it was available to the whole soldier body?

Hon. Mr. MACKENZIE: I am just going to give you that in the next sentence.

Unemployment assistance since the war has amounted to over twenty-six millions, and the relief has been particularly heavy in the period of the depression. In September, 1939, the number of veterans on relief had diminished to 10,369, a reduction of 12,650 in three years, but it should be noted that meantime 14,847

veterans had been granted war veterans' allowance during the three-year period. The total number of veterans in receipt of war veterans' allowance last year stood at over 23,000; so that it may be taken that throughout the years of the depression the figure of veterans who have needed various forms of assistance has moved around the thirty-thousand level.

Mr. GREEN: I think I would not want to have those figures go on the record just in that way without a certain amount of explanation. As I understand it, that does not cover the soldier who is not a pensioner.

Hon. Mr. MACKENZIE: Mr. Green, it is the intention to bring the various sub-committee chairmen to deal with all these things specifically.

Mr. GREEN: That gives a wrong impression; that there were only that number of soldiers on relief. As I understand it the great body of soldiers who had to go on relief would not come under this departmental relief; in other words, they are not included in the figures the minister is giving. Is that correct?

Hon. Mr. MACKENZIE: That is correct. This refers to unemployment assistance.

Mr. GREEN: By the department?

Hon. Mr. MACKENZIE: Yes.

Mr. GREEN: It is what is called departmental relief?

Hon. Mr. MACKENZIE: Absolutely, yes.

The Veterans' Assistance Commission, on April 1, 1937, had upwards of 34,000 veterans listed as unemployed, but there has been substantial improvement in this situation, and a tribute must be paid to the way in which the War Veterans' Allowance Act has met the cases of the aged veteran, and also of the veteran suffering from pre-aging as a result of his experience in a theatre of war. Set against the large enlisted force of 600,000—it therefore means that Canada's generous policy of re-establishment has succeeded in the main except with the narrow percentage ranging from three to five per cent of the whole force.

There has been much criticism of the measure adopted throughout the two decades, but it is pleasant to record that whatever party has been in power, the question of aid to veterans has been treated in a non-partisan way. In the main this large body of men have been re-absorbed into the life of Canada, and the great majority of them have found, if not great prosperity, at least a reasonable competence. The ex-service man of the last war has been the most loyal of Canada's citizens. It is rare to find ex-service men espousing extremist doctrines such as Communism and Fascism. During the royal visit an opportunity was given to see many of these veterans on parade, and after twenty years of varying hardships they were still, in every degree, a credit to this dominion. One would have liked to have seen many more of these men become leaders in professional, executive, and administrative life. It is difficult to overcome the handicap of three or four years lost in war, such as the last one, but the ex-service man in Canada has justified the confidence of the country in his industry and loyalty and the small percentage of those requiring relief is a tribute, not only to the ex-service men, but to the policies of this dominion. Had Canada failed to do the ex-service man of the last war justice, the results might have been quite otherwise, for the period succeeding the last war was an extremely difficult one. Coincident with demobilization was the change-over from war industry, and unseen economic forces were at work; railway difficulties were becoming apparent; there were the arrested results of the pre-war real estate collapse; the beginning of wheat marketing difficulties; the deflection of east and west traffic by the Panama Canal; the inflated price level with the retail index at double the pre-war level while an incipient depression was on the way.

It still would have been impossible to predict in 1919 that in 1937 the Veterans' Assistance Commission would have had to restart some of the ventures of the civil re-establishment of the immediate post-war years; workshops, probational training, tools and equipment loans, corps of commissionaires, small holdings, and a vigorous campaign for employment.

A review of the period would seem to suggest that combined with the undue speed of demobilization there was some inability to push vocational training to a more effective conclusion, assuring demobilized men of permanent skills. The emphasis upon monetary grants without corresponding responsibility for use of the leisure afforded by such grants can now be seen to have had doubtful value as a long-run policy. It remains for us to profit by our experience and approach a new and probably more difficult task with open-minded determination, and if we can, with more scientific planning.

As already pointed out, the members of our armed forces now have been educated, in the main, in Canadian schools; the level of academic standing is somewhat higher, and the range of occupations and of skills more varied than was the case with members of the C.E.F. Training in the navy, army and air force is more technical in character, and the avenue of educational opportunity has been opened up more widely. It is encouraging to note the interest which the Canadian Legion, by the promotion of educational service, and by making use of modern educational methods, is showing. This is a great step forward and the Department of National Defence and the Canadian Legion are to be congratulated on thus making available educational opportunity.

The rehabilitation committee (that is, the present one) are now endeavouring, by means of an occupational history form, to document their committees with the necessary statistics as to the occupational background of the men in the forces. Meantime our information in this regard is scanty. A check of occupations of 9,000 pension applications shows 1,100 engaged in transportation (car or truck) and a very small number engaged in agriculture. The range of occupation is very wide, and it may be assumed that 1,771 described as labourers means that there is a large group relatively unskilled. There will be fewer wishing to engage in agriculture but on the other hand the force is representative of most racial groups to be found in our population. Many are French-Canadian and of non-Anglo-Saxon stock who derive from rural communities traditionally associated with the land, and opportunity for such must be given consideration. But emphasis may have to be laid on the technological drift of our economy as it affects occupational opportunity, the greater increase in professional and specialized occupations required by modern life, and the need for more technical training. The moving assembly line from service in the forces through vocational guidance and training to suitable employment must be planned for and set up, and it may be that it may prove advisable to develop criteria for the selection of talent and to provide facilities for the training of that talent. Undoubtedly a system of priorities and perhaps some deliberate retardation may have to be established to govern the demobilization machinery. In any case, looking forward to the future we may predict that the only guarantee for ultimate preference in employment for a veteran of this war will be a permanent skill. Grants, allowances, pensions, depending upon a money economy, will fluctuate and change, but if regarded as means by which men secure unrivalled ability to run the various parts of our economy, whatever form it may take, their employment and their place in society are more secure.

We may be obliged to plan for the absorption of more of these men into urban life than before, whatever doubts we may have as to increasing centralization and urbanization. The elaborate differentiation, the complex social conditions of a thronging population provide steeper obstacles and heavier handicaps. While it may be desirable to retard the process of demobilization, we must expect that industry will meet the obligation laid upon it to employ as rapidly

as possible, even at some inconvenience, those who are ready to take up civil life. It would be a counsel of despair if at the end of hostilities we were obliged to keep a huge standing army, restless if not resentful of the higher rewards and freedom of civil life.

With these general considerations in mind it may be useful to itemize the general picture as affecting rehabilitation as it stands to-day, seen from the angle of the work of the general advisory committee on demobilization and rehabilitation which has already been described in speech to the house on December 6th, 1940.

It will be recalled that the cabinet committee was set up under P.C. 4068½ and a further P.C. 5421 set up an interdepartmental advisory committee reporting to the cabinet committee the work of the sub-committees as already outlined. As seen, therefore, from the angle of the committee, the following represents the main picture to date: —

A. Encouragement of constructive measures in the services.

Provision of educational services: —

(*a*) Remedial secondary education and informal education under the Canadian Legion war services. It is useful to have the legion sponsor this activity for their own sakes as well as for the men.

(*b*) Trade training within the armed forces themselves and in co-operation with the technical education branches of the provincial departments of education.

(*c*) Deferred pay and compulsory saving now only effective overseas and in respect of single men. The matter is being studied by the post discharge pay and employment sub-committees jointly. It is obviously desirable that some policy of encouragement of the saving habit be adopted.

B. Special measures for discharged men.

Pensions to various groups; hospitalization and treatment facilities; rehabilitation grant; preferences in employment and in war emergency trade training, and such like measures.

C. Strengthening of administrative machinery.

(*a*) Employment Service of Canada to give specialized attention.

(*b*) Veterans' Welfare Division of the Department of Pensions and National Health being formed.

(*c*) Local rehabilitation committees being formed.

(*d*) Co-operation being arranged with provincial governments.

(*e*) Co-operation being arranged with voluntary social welfare organizations.

(*f*) Gradual allocation to government agencies of various aspects of the program.

D. Preparation of rehabilitation policies and measures.

Studies are now being made, based on past policies and on documentation secured from the various departments. Those with the 1941 census and the completed occupational history forms of service men will give the committees the constituencies to be served and the background of past and continuing policies in respect of ex-service men. As the studies stand at the moment, it may be noted that each committee is endeavouring not only to seek the rehabilitation of the ex-service men, but to relate this to the interest of the state and to progressive policies of the Dominion. A few of the larger items being discussed are:—

(1) Re-employment of ex-service men.

(2) Interrupted education. How far state aid may be used to assist service men to complete academic and professional training.

(3) Vocational and technical training of those who would profit from such training.

(4) Retraining of special casualties.

(5) Land settlement.

(6) Preferences in public and private employment.

Arising out of these items here are a few of the points that need careful investigation:—

(*a*) The application or otherwise of the Unemployment Insurance Act to service men. Should some plan be adopted to effect parity between civilian employees and service men returning to civil employment on demobilization?

(*b*) Should there be obligatory re-employment of ex-service men by their former employers by statutory enactment?

(*c*) What are the limits of financial aid to vocational training, and can a link be made between such training, vocational guidance and employment?

(*d*) The extremely difficult problem of state aid to men desiring to engage in agriculture.

It can at once be said that no comprehensive answer has yet been found which could be embodied in legislation in regard to these matters, but when the chairman of the general advisory committee on demobilization and rehabilitation, and the chairman of the various sub-committees present their reports upon the state which they have reached in their study, it will be clear that much progress has been made.

It is obvious that the work of the general advisory committee on demobilization and rehabilitation makes certain very important assumptions which are unavoidable if any planning is to be done at all. They are that Great Britain and her allies will win this war in the not too remote future; public acceptance of a preferred position for men who serve in the economic structure and in the economic directives of Canadian life; no revolutionary changes in regional specialization or any group bargaining methods; no undue monetary inflation. This will suggest to the minds of all that if there is precipitate social change as a result of war, resulting in political instability, no one can predict consequences.

Brief mention of Orders in Council covering questions related to rehabilitation will show that a beginning has been made in carrying out recommendations from time to time.

The various Orders in Council relating to pensions, now embodied in the pension amendments, have already been discussed.

Reference has been made in the speech delivered in the House of Commons on December 6, 1940, to Order in Council P.C. 204/6613 dated November 18, 1940, relating to treatment allowances while in hospital. This has been amended by P.C. 1/7324 equating amounts paid to conform to scale of the Department of Pensions and National Health in this regard.

A rehabilitation grant has been arranged for under P.C. 7521. This provides for payment of thirty days' pay and dependants' allowance to officers and men honourably discharged after 183 days' continuous service, with certain minor qualifications.

P.C. 890 is an amendment to P.C. 7521. The words "or appointment" inserted after the word "rank" in paragraph (*e*) of (ii).

P.C. 1022 and P.C. 6808 refer to war service badging of men who have been honourably discharged after three months' service, for medical reasons.

Another Order in Council was passed on the suggestion of the Department of National Defence, P.C. 7520, setting up a committee consisting of J. M. Macdonnell, Esquire, His Honour Leonce Plante, R. Watson Sellar, Esquire, and Captain H. A. Dyde, Secretary, to report upon the custodianship, auditing, investment and control of canteen and other funds. The sub-committee on the administration of special funds has made a report to this committee with suggestions as to the future control of such funds, which may be discussed.

The Veterans' Welfare Division, set up under P.C. 6282, is being organized under Mr. Walter Woods whose appointment as Associate Deputy Minister of Pensions and National Health has already been announced to the committee. The importance of this division may be appreciated by noting the duties set out in the Order in Council—read to the house on the 6th of December last.

In addition to the various Orders in Council, administrative steps have been taken to secure specialized attention to ex-service men by the Employment Service of Canada which is rapidly being organized under the Unemployment Insurance Commission.

Meantime the district offices of the Department of Pensions and National Health are carrying on the work of the Veterans' Welfare Division until organized. Co-operation is being arranged between the Veterans' Welfare Division and the Employment Service of Canada, and it is anticipated that they will be housed in the same or neighbouring offices, and a close working arrangement will be made.

Rehabilitation committees have been formed in all the large centres, and are now in contact with the Veterans' Welfare Division.

The premiers of all the provinces have indicated their willingness to co-operate in the matter of giving preferences, and in the planning of rehabilitation measures, and in many cases have already established committees with whom the department may deal.

The Departments of National Defence, Public Works and Munitions and Supply, and the Civil Service Commission are co-operating in the securing of employment for ex-service men. The Department of Munitions and Supply has taken the precaution of showing clearly to all contractors, by means of a sticker, the importance of carrying out clause 35 in all contracts, stipulating that a reasonable quota of ex-service men be employed.

The interest of all branches of the government, and of the public, in the matter of post-war reconstruction and in the rehabilitation of ex-service men is gratifying. For example at the joint national conference of the construction industry of Canada, under the auspices of the National Labour Supply Council, constructive suggestions have been made as to post-war planning and rehabilitation. All of us must continue to urge that the task ahead will depend upon the goodwill and support of every citizen of the Dominion. The Dominion government may guide, encourage, assist and plan activities, but unless communities and individuals realize their responsibilities in this regard, we cannot hope for full success.

Such measures as the retardation of demobilization to assist the re-absorption in employment of ex-service men, the postponement and scheduling of public works, the encouragement of enterprise, and the maintenance or relaxation of war time controls involving considerable state interference, planning and control suggest the underlying question—how far such planning can be fitted into the democratic pattern, and what areas of freedom can be maintained in the post-war period. It has been found that all the bodies, official and unofficial, which have been giving consideration to the question of rehabilitation of our ex-service men have become concerned about the question of post-war reconstruction. It must be clear that this matter of reconstruction is much wider than

that of the rehabilitation of our serving soldiers, sailors and airmen. So great indeed are the implications—so wide the variety of problems—and so significant for the future of our whole Dominion—that the study of the question should be begun now; and obviously it cannot be confined to any one group of men or department, but must be the concern of every branch of the public service, and of every provincial and municipal authority in Canada. Such being the case, the difficulty arises as to where a start can be made. The general advisory committee has at many points touched this problem, and as it is representative of many departments of the government, its co-operation in any study of the matter is essential. It seemed wise that a small committee should undertake a survey of the whole field and look on the problem in a broad way. In consequence P.C. 1218 amending P.C. 4068½ empowers the special committee of cabinet to examine and discuss the general question of post-war reconstruction, and to make recommendation as to what government facilities should be established to deal with this question.

It will be observed that the cabinet committee is not, under this additional term of reference, instructed to submit a program for post-war reconstruction; it is asked to reconsider the whole problem, and to make recommendation as to what facilities the government should establish to deal with the question. It was therefore thought wise that a small group of able and distinguished citizens who are not already under pressure of departmental war work in the public service, should be charged with the study of this work and asked to report to the cabinet committee. This committee will assemble information from various bodies now engaged in a study of the aspects of economic, social and international trends during war time, and the probable direction of trade and development subsequent to the war. Through the Department of External Affairs, our high commissioners and legations abroad are sending us details of plans being made in Great Britain and the sister dominions, and an effort will be made to secure as complete documentation as possible upon the whole problem. The forecast of a possible international system and the principles of social security which may be basic in a reconstruction program, technological change, regional specialization in relation to probable new methods and type of international trade will have to be taken into account when consideration is given to planning of our post-war economy. This suggests at once a whole series of very difficult questions. What war-time controls now imposed upon industry and agriculture should be relinquished or maintained, either partially or wholly? How can transfer of war-time industry for peace-time purposes be achieved? How can such transfer and new equipment be financed? What will be the relation of our regional economies resting on raw material export to world trade? Can unskilled labour be absorbed by the subsidizing of public works or by the use of public credit or funds? What measures of physical reconstruction are necessary for the improvement of housing and health? Questions of social policy as well as economic policy will be involved.

It is not the intention that complete studies should be made at this time. Indeed it might be completely impracticable to make useful forecasts or to treat profoundly many of the complicated questions involved, but it is felt that a preliminary study of this kind of the question of facilities only will greatly assist the government in its estimate of the factors involved and the probable direction of economic opportunity and limitation as a result of the present great struggle. Only by an appreciation of the whole picture can any useful opinion be arrived at as to what would be the administrative set-up which will be charged eventually with the planning and carrying out of whatever reconstruction policy may be decided upon from time to time by the government of Canada.

This presentation, Mr. Chairman, is merely an introduction to other reports by the chairman of the general advisory committee and the chairman of the

various sub-committees. I therefore suggest the discussion on the details might well be deferred until these reports are presented.

Mr. GREEN: Would the minister tell us what steps have been taken by the government to give a preference in government employment to the men who have been discharged from the fighting forces of the present war? We all know there is such a preference in existence for the men who served in the last war, and that it sets an example to the provincial governments, the municipal governments and to all industries. I think it has meant a great deal in placing the men of the last war in employment. What is the position at the present time in respect to the ex-service men of this war? Is that preference in existence for the fighting forces of the present war?

Hon. Mr. MACKENZIE: Definitely, yes. There is a sub-committee dealing specifically with that question. I could give you the general picture but I would much rather have the exact details. Perhaps this can be presented by the sub-committee.

Mr. GREEN: There has not been any amendment to the Civil Service Act?

Hon. Mr. MACKENZIE: No, not yet.

Mr. GREEN: Which, of course, gives preference to the men of the last war?

Hon. Mr. MACKENZIE: Yes.

Mr. GREEN: Has there been an Order in Council passed giving that preference to the men of the present war?

Hon. Mr. MACKENZIE: Not in the civil service, no, not yet.

Mr. GREEN: Then it means there is legally no preference in existence for the men of the present war.

Hon. Mr. MACKENZIE: Not legally, but the chairman of the Civil Service Commission is actively acting on that matter at the present time.

Mr. GREEN: The present war has been underway for a year and a half.

Hon. Mr. MACKENZIE: I think he is carrying out the purport of our recommendations.

Mr. GREEN: Twenty thousand men have been discharged from the forces and the position is that the Dominion government have no provision to give preference to these men.

Hon. Mr. MACKENZIE: Look at the red sticker you have in front of you.

Mr. GREEN: That has nothing to do with the civil service. Why has preference not been legally extended to the men of the present war? It seems to me that is a vital question on this whole policy of handling the returned men of the present war.

Mr. REID: If the Dominion government is going to deal with that by Order in Council I for one believe it will only lead to a lot of conflict of opinion, because under the present regulations of the civil service when two returned men apply for a job and one has a pension and the other has not, the one with the pension or disability receives an added preference over the other man. If there is any change in the present civil service regulations I for one want to see all returned men placed on an equal basis.

Mr. GREEN: That is only—

Mr. REID: I am just answering you. If the Dominion government passes an Order in Council conflict will arise, because many of the men who have been discharged from the present war have no pensionable disability, and if the regulations which are now in force which apply to the last war are made applicable by Order in Council to this one it will mean that the men from the last war who have a disability will have an added preference over the men from this war. I think personally that the whole matter should be delayed until we go into that on general argumentation.

Mr. GREEN: I did not ask for an answer from the member from New Westminster, I asked for an answer from the Minister of Pensions and National Health. I think we are entitled to know why—

Hon. Mr. MACKENZIE: I am telling you the government has taken most definite steps, and war preferences have already been secured for ex-service men of the present war and steps are being taken to see that the preference is given, maintained and increased for the men of the last war and the present war.

Mr. GREEN: I am dealing with the civil service preference, which is a preference distinct from any others. Why has not the Dominion government extended that civil service preference to the fighting forces of the present war?

Hon. Mr. MACKENZIE: As I told you, the question has been taken up. So far we have not had the recommendation carried out by the Civil Service Commission. I think it is actively in effect being carried out but not legally.

Mr. GREEN: How could it be in effect?

Hon. Mr. MACKENZIE: I would much rather you asked that question of the sub-committee which is actively dealing with it and the chairman of the Civil Service Commission who is working in connection with it.

The CHAIRMAN: This is a question on which the committee has had advice. We have had the answer. The Civil Service Act has not been amended. I think any further discussion should be deferred until after the sub-committee has dealt with it.

Mr. GREEN: Mr. Chairman, I should like to ask the minister a question in connection with the employment of the men in the present war by different contractors who contract to do government work. Is there any way in which a check-up is made to see whether these contracting firms are complying with the Order in Council.

Hon. Mr. MACKENZIE: Yes, that is being done now. Mr. Woods will explain how that is being done.

Mr. GREEN: What is that check-up?

Hon. Mr. MACKENZIE: Mr. Woods will tell you, I cannot give you the details on it.

Mr. GREEN: It seems to me the minister should know what method is used in checking up on these contracting firms.

Hon. Mr. MACKENZIE: I can tell my friend I am advised by the deputy minister that a check-up is being made and the details will be given to this committee later on.

Mr. GREEN: I think we should know that now, because the minister could find out from Mr. Woods, who is present in the room.

Hon. Mr. MACKENZIE: If you want to call Mr. Woods now you are perfectly at liberty to do so.

Mr. ISNOR: Mr. Woods is going to give evidence?

The CHAIRMAN: Yes.

Mr. GREEN: This is a vital question. How these men are to be employed by contracting firms is an important question. I do not think we should have to wait until May to find out what check there is made to see whether or not they are complying with the Order in Council.

Hon. Mr. MACKENZIE: Perhaps Mr. Woods can answer the question.

Mr. GREEN: If Mr. Woods comes forward now that will be all right.

Mr. GRAY: Before Mr. Woods is called may I make this remark? I think if any more of these stickers are to be printed the words "present war" should be in the same large type as the war of 1914-18. I read this sticker through once without seeing the words " present war." The " present war " is in very small type.

Hon. Mr. MACKENZIE: I will see that change is made.

Mr. W. S. Woods, Associate Deputy Minister of Pensions and National Health, called:

The Witness: Mr. Chairman and gentlemen, as I understand Mr. Green's question it is as to what steps are being taken to see whatever preference is extended in government contracts is enforced. The members probably realize, Mr. Chairman, that the welfare division that is being set up within the department is now in the process of organization. The Civil Service Commission will make the appointments of the welfare officers at each large centre. I purpose going to western Canada next week to sit in with the Civil Service Board to assist them in making those selections. It will be the function of these welfare officers to see whatever preferences are extended are observed. They will be stationed in the new Dominion government employment offices and one of the functions of the welfare officer will be to see that the preference that is extended in contracts is properly extended. At the present time, pending the appointment of these welfare officers, this is being done by departmental officers who are assuming the role of welfare officers until the welfare officers are appointed. This preference and this sticker to which the Minister has referred has only recently been issued, in the matter of the last few weeks, and there has hardly been time yet to get any repercussion from the men who are representing the veterans and watch their interests. It will be, I can assure Mr. Green, the function of these welfare officers who are stationed at different places to see that the returned man gets his preference when help is supplied to these various contractors.

Mr. Green: How extensive will the authority of this welfare officer be to go into a factory to see and check up to find out what proportion of ex-service men are being employed?

The Witness: The welfare officer is not empowered to take any action, Mr. Chairman. As a matter of fact the clause in the contract itself only provides for reasonable preference.

Mr. Green: Which, of course, might mean much or nothing.

The Witness: It might mean much or little. It will be fulfilled, I am quite sure, to the extent that properly trained and qualified ex-service men are available.

Mr. Green: I bring this up because in the Committee on War Expenditures we asked the Deputy Minister of Munitions and Supply, Mr. Sheils, what provision they had for seeing that the terms of this Order in Council were complied with and he said, as I understood it, they relied on the Legion to see that it was carried out.

Hon. Mr. Mackenzie: In one or two cases I got complaints that this provision was not being observed by certain contractors. I immediately took it up to see that this preference was enforced. I know of two cases where I got complaints.

Mr. Reid: May I ask Mr. Woods if there is any provision laid down with regard to percentages? Why I ask that question is this. Complaints were made with regard to this provision in connection with three air projects in New Westminster. On investigating this matter I found in each instance the contractors had 33 per cent returned men on the job. The question arose as to whether a reasonable percentage of returned men was employed. The returned men themselves thought 33 per cent was a very fair percentage of employment on all three projects in my constituency.

The Witness: It must be obvious it would be impracticable to put in all government contracts that 33 per cent of those employed must be ex-service men, because it may so happen that that percentage of properly trained and qualified men is not available. The question as to whether a specific percentage

should be placed in contracts or not has received a lot of consideration. For instance, if you were to place the percentage low enough, for example, after examination of the question you arrived at the conclusion that only 10 per cent of ex-service men were available and if you inserted 10 per cent in your government contracts you would hurt the ex-service men in the constituency to which Mr. Reid makes reference, where they have employed as high as 33 per cent.

Mr. BLACK: You could put that in as a minimum. If you did that you would not prevent the contractor employing 30 per cent or 40 per cent or 50 per cent by that.

The WITNESS: Quite frankly I am of opinion that when the new dominion government employment offices are functioning and there is an officer stationed there representing the veterans' welfare division to see that returned men get their just dues, I do not anticipate any difficulty at all in placing ex-service men discharged at the present time who are able to work. It is, of course, a matter of government policy, but I have not yet been persuaded that it would be in the interests of the ex-service men to put in a specific percentage.

Some Hon. MEMBERS: Hear, hear.

Mr. Ross (Souris): I do not think that the returned men of the last war are being given the consideration they might be given at this time. Let me give you a concrete example of a case in my own province. We had two very reliable chaps who applied for a small job as mail carrier. They were both well recommended by their local Legion as well as by some of the most substantial citizens in the community. Notwithstanding this, the appointment was given to a young fellow who already had a very remunerative position in the community, yet he nor any of his relatives had ever made any contribution to the last war effort or to our present war effort. But he received the position, and I am very sorry to say that in connection with this matter I have a letter from the Postmaster General pointing out that there was no preference in his department to take care of the matter in so far as returned soldiers were concerned. That certainly did not augur well for the wholehearted contribution to our war effort which we should have, and I think we should be more careful about this sort of thing. I cite that one concrete example, and I think it does not augur well for the welfare of the returned men from the last war or the men of this war.

Mr. MCLEAN: Was that a civil service appointment?

Mr. Ross (*Souris*): No, I think not. A mail carrier does not come under that.

Mr. MCLEAN: Mr. Chairman, does Mr. Ross mean a letter-carrier? I should like to get this straight, Mr. Chairman: does he refer to a letter-carrier appointment in a town, or to a contract let by tender? Letter-carriers are appointed by the Civil Service Commission, and they definitely come under the civil service preference.

Mr. GREEN: Not the new men.

Mr. Ross (*Souris*): My understanding is that it does not come under the Civil Service Commission. All I am pointing out is that the proper officials are not giving the lead they might give to the matter. This is outside the Civil Service Commssion, as I understand it.

Mr. MCLEAN: What was the position, a letter-carrier?

Mr. Ross (*Souris*): No; it was a matter of delivering the mail from the station to the post office, back and forth.

Mr. MCLEAN: That is let by tender.

The CHAIRMAN: Order, please. We are getting away from the point at issue.

By Mr. Wright:

Q. Mr. Chairman, I should like to ask Mr. Woods if one of these welfare officers will be appointed to every employment office set up under the new Act.—A. At the present time there will not be a welfare officer in every employment office, but the service will be extended as the circumstances and the demands of ex-service men require it.

By Mr. Tucker:

Q. If there were a number of returned soldiers in one part of the country who could not get work, will anything be done towards transferring them to other parts of Canada where there may be a great deal of work, and giving them a little bit of consideration over the civilian population in that part of the country where there is plenty of work?—A. There is no special provision for the transfer of ex-service men from one point in the dominion to another. I understand that as a matter of policy under the new employment service that provision will be made so that labour can be transferred from one place to another.

The CHAIRMAN: Mr. Woods will appear later before the committee, and I think questions on these matters should be deferred. We will now hear from General McDonald.

Mr. GREEN: Mr. Chairman, we have had a statement from the minister about what is being done and we should now have the right to check into that and find out whether these things have been done or not to help the ex-service men.

The CHAIRMAN: There will be another meeting—

Mr. GREEN: But there is no reason why we should be stood off until May to find out this information.

The CHAIRMAN: Mr. Woods will appear on Tuesday.

Mr. GREEN: I submit we are entitled to have this brought out to-day when the minister's statement has been brought out and not be closed off at this time.

Mr. REID: I think if we are going to carry on this discussion the record should be kept straight. I for one would not like the statement made by Mr. Ross to go unchallenged, that no consideration is given to returned men as mail carriers. According to the information we have, tenders are called for mail-carrier routes, and I do not think anyone is going to suggest that anyone but the lowest tenderer will receive the contract. Where the department has given a preference to civilians, I do not think there is any question but that the prices in the contract given have been the same. I would not like the impression to go abroad that such has not been the case.

By Mr. Green:

Q. With regard to a letter-carrier applying for a position in the city, that is not a matter of contract. Is it not a fact that the man who serves in the present war, is discharged and applies for that position has no preference whatever?—A. The question of preference under the Civil Service Act is at the present time under consideration, and I think it is more a question of the terms of the preference that should be extended to them. One of the members has taken exception to the form of the preference already enjoyed in the civil service by ex-service men. Perhaps that is one of the reasons why it is so necessary to give very careful consideration to what form of preference should be extended.

Q. Yes, but there is no provision at the present time?—A. At the present time there is no statutory provision in the Civil Service Act for men in the present war.

Q. For example, on the staff of the house here there have been men hired within the last two months. These men were not ex-service men. Some of them

were young men. Where is the protection to the men of the fighting forces when that can be done right under our noses in the House of Commons?

The CHAIRMAN: I do not think that is a fair question to put to Mr. Woods; he is not employing these men. We can discuss the principles.

Mr. GREEN: Mr. Woods is in charge of the—

The CHAIRMAN: The veterans' Welfare Division.

Mr. GREEN: Somebody somewhere in the government service should see to these things. There have been men hired here on the protective staff of the House of Commons within the last three months who certainly are not ex-service men, and no preference has been shown to the ex-service men in connection with these appointments. Who has the checking on things like that?

Mr. TUCKER: Mr. Chairman, I do not think it is fair to say that no preference has been given to ex-service men, because how does Mr. Green know that these men are not ex-service men? I have seen all kinds of ribbons worn by men on the protective service around here. How does he know?

Mr. GREEN: Well, you check up the recent appointments.

Mr. TUCKER: It is a statement the truth of which he cannot possibly know, and I do not think statements of that kind should be made.

Mr. CLEAVER: We have had quite a little criticism of the present system. I come from a highly industrialized area, and I think it is only fair to those who are in charge of developing the present system that I should inform the committee that I have had considerable dealings with the unemployment service in Hamilton. We find in our part of the country that this voluntary system of taking care of the ex-service men is working out very satisfactorily. Mr. Selkirk's approach to the problem was this. He keeps the names of his ex-service men in a separate list. These lists are furnished to the employers of labour, and until that list is exhausted in the different classes of men who are skilled or fitted for different jobs—until that ex-service men's list is exhausted, nobody else gets a job. It has worked out very satisfactorily.

As to the suggestion of Mr. Black that we should set a compulsory minimum for employment for ex-service men—

Mr. BLACK: I did not make any such suggestion.

Mr. CLEAVER: I am sorry if I misunderstood you.

Mr. BLACK: Mr. Woods suggested it might be 10 per cent. He suggested there might be a minimum, but you might go to 90 per cent or 100 per cent notwithstanding the minimum. I do not think there should be a percentage at all.

Mr. CLEAVER: This suggestion of a minimum, I feel, would be highly dangerous, because in practice it might work out that the contractor would feel that once he had employed the minimum then his duty was at an end with respect to ex-service men. And, obviously, in order to make it work, the minimum would have to be so low that it certainly would not be practical in parts of the country where we have the most ex-service men available.

The CHAIRMAN: We shall now hear from General McDonald.

Mr. GREEN: Chairman, I should like to ask one more question of the witness.

The CHAIRMAN: Yes, Mr. Green.

By Mr. Green:

Q. With regard to training in industry, which I think the minister described as war emergency training, what setup is there in the Department of Pensions and National Health to make sure that as many of these returned men as possible get that training?—A. When the government's war emergency training program was announced providing for the training of 100,000 Canadians, the arrange-

ment was that preference would be given to ex-service men. On behalf of our welfare division, I wrote to the temporary departmental officers, to whom I referred, in all centres and told them this concession had been granted and instructed them to get in touch at once with the youth-training facilities in each province. It is through the medium of the youth-training facilities that these people are furnished to the technical schools for training, and they have been instructed to get in touch with these people. They have held meetings at every centre between the superintendent of the technical school, our representatives and the youth training representatives to see in what way we could facilitate this preference that has been given to ex-service men. And I have no hesitation in saying, Mr. Chairman, that although this policy was adopted fairly recently of giving preference to ex-service men already it has had remarkable results, and I think you will find in new classes set up that ex-service men will certainly get a definite preference.

In the case of one prairie province more than 50 per cent of the new classes are ex-service men, and it is working out that way.

Q. There are also training classes set up in industries quite apart from the training classes under the youth training plan?—A. Yes.

Q. What steps are being taken to see that ex-service men get into these industries?—A. There is no statutory preference for the men who are being trained in private industry; we have to rely on the goodwill of the industrialist himself. I can assure you that will be explored. We will see if we cannot get them to adopt a policy similar to the policy adopted for the government's own emergency training program.

Mr. GREEN: Mr. Chairman, I would not like anything that I have said to be taken as a criticism of Mr. Woods, because he has only been appointed to this position recently, and I do not think there has been anyone in the civil service with greater vision and more understanding of this position than has Mr. Woods. I should not want him to take what I said as criticism of himself.

Mr. QUELCH: Could the minister say whether or not the provisions of the Soldiers' Settlement Act have been made available to the soldiers discharged in this war?

Hon. Mr. MACKENZIE: We will present a very exhaustive report on the studies which have been made recently on that matter.

Mr. ISNOR: Before the minister leaves his statement, I wonder if he could enlarge on the two terms he used, one in reference to retarded demobilization, and the other in regard to deferred pay?

Hon. Mr. MACKENZIE: There is a special sub-committee to deal with that phase of the matter and its recommendations will be placed before this committee. The purpose in presenting these reports is purely to meet the idea of this committee as to what may be necessary.

Mr. ISNOR: To me it is very important and I thought it should be enlarged.

Hon. Mr. MACKENZIE: It will be dealt with later on. It will be fully covered in our subsequent discussion.

The CHAIRMAN: General McDonald, please.

Brigadier General H. F. McDONALD, Chairman, Canadian Pension Commission, recalled:

The WITNESS: Mr. Chairman and gentlemen: In view of the statement which is being made by the minister relative to the Orders in Council setting up the general advisory committee on demobilization and rehabilitation, perhaps I as chairman might just review briefly the terms of reference of the committee, and give you an idea of the structure of the committee and of its sub-committees.

First of all, in December 1939 under P.C. 4068½ a special committee of the cabinet was set up consisting of the Minister of Pensions and National Health, convenor; the Minister of Public Works; the Minister of National Defence; tthe Minister of Agriculture; the Minister of Labour, and at that time, the Honourable J. A. MacKinnon, Minister without Portfolio, whose duties are best described by reading to you the Order in Council mentioned.

"The committee of the Privy Council have had before them a report, dated December 7th, 1939, from the Right Honourable W. L. Mackenzie King, the Prime Minister, representing, with the concurrence of the Ministers of Pensions and National Health and National Defence, that it is expedient that early and thorough consideration be given to questions which will arise from demobilization and the discharge from time to time during and after the conclusion of the present war of members of the forces.

The committee, therefore, on the recommendation of the Prime Minister, advise that there be hereby constituted a special committee of the cabinet composed of the following members, namely:—

The Minister of Pensions and National Health (Convenor)
The Minister of Public Works,
The Minister of National Defence,
The Minister of Agriculture,
The Minister of Labour,
The Honourable J. A. MacKinnon,

and that the duties of such committee shall be to procure information respecting and give full consideration to and report regarding the problems which will arise from the demobilization and the discharge from time to time of members of the forces during and after the conclusion of the present war, and the rehabilitation of such members into civil life, and in that connection, but without in any way restricting the generality of the foregoing

(*a*) to consider the adequacy, adaptability and full utilization of the existing governmental machinery which is available to deal with such problems either separately or in conjunction with other activities, and particularly the Department of Pensions and National Health, the Department of Labour, the Canadian Pension Commission, the War Veterans' Allowance Board, and the Civil Service Commission;

(*b*) to consider the necessity or advisability of any expansions or additions or readjustments which may seem to be advisable in connection with any of the activities of such departments or agencies;

(*c*) to appoint advisory committees selected from the personnel of government departments or agencies;

(*d*) to consult from time to time provincial and municipal governments and public service organizations and Canadian citizens interested in such problems;

(*e*) to make recommendations as to the organization and composition of representative national and local committees to co-operate with the governement in meeting the problems of rehabilitation and re-establishment;

(*f*) generally to procure information respecting and give full consideration to the problems above mentioned and the formulation of preparatory plans in connection therewith; and

(*g*) to submit from time to time to the Governor in Council such reports respecting the information received and consideration given and the plans formulated as may seem to the committee advisable to keep the Governor in Council informed in respect thereto.

[Brigadier-General H. F. McDonald.]

The committee further advise that, for the aforementioned purposes, the said committee of the cabinet shall, subject to the approval of the Governor-General in Council, have power to engage and remunerate such officers, clerks and employees as may in their view be necessary, and that all expenditures incurred by the committee be charged to funds provided under the War Appropriation Act.

It became clear, early in 1940, and particularly during the tragic and difficult days of April and May of last year, that some form of inter-departmental committee would have to be created to assist the cabinet committee which at that time was very loaded with war duties. As a result of this I was invited by the cabinet committee to undertake this organization as chairman, and I had associated with me as vice-chairman, Mr. Walter Woods, at that time chairman of the War Veterans' Allowance Board. We consulted a number of departmental heads concerned with the problem, and gradually there took form an inter-departmental committee consisting of those heads of departments most directly affected in matters relating to postwar rehabilitation of ex-service men. We then took up the whole subject, and a number of sub-committees were struck off dealing with the following topics: post-discharge pay and war service gratuity; employment; vocational and technical training; retraining of special casualties; land settlement; preference in the public service; administration of special funds.

When we began to assemble information and an attempt was made to document these committees, it was clear that we should have to have some kind of link between the committees, and that some form of secretariat was needed. The committee was fortunate in securing the services as executive secretary of Mr. Robert England, M.C. Mr. England's distinguished service in the last war, his experience overseas in this war in the direction of the Canadian Legion Educational Services, and his wide knowledge of the economic and social conditions throughout Canada have proved of inestimable service in the work which we were striving to do. I cannot let this opportunity pass without placing on record the gratitude of my associates and myself for the inestimable help and loyal assistance which Mr. England has given. It was very largely due to his executive work and careful planning that the committees have achieved as much as they have.

It was at once clear that it was best to regularize the work of the inter-departmental committee, and there was constituted the general advisory committee on demobilization and rehabilitation by P.C. 5421 of the 8th of October, 1940, the main items of which are as follow:—

After reciting the terms of reference already given to the committee, the Order in Council proceeds to state the membership.

CHAIRMAN—Chairman of the Canadian Pension Commission.

VICE-CHAIRMAN—Chairman of the War Veterans' Allowance Board.

MEMBERS:—

Chairman of the Civil Service Commission.

Deputy Minister of Labour and two other members nominated by the Minister of Labour.

Deputy Minister of Public Works, and one other member nominated by the Minister of Public Works.

Director of Auxiliary Services, Department of National Defence, and two other members nominated by the Ministers of National Defence.

Two members nominated by the Minister of Agriculture.

Deputy Minister of Pensions and National Health, and two other members nominated by the Minister of Pensions and National Health.

Two members nominated by the Minister of Finance.

One member nominated by the Minister of Trade and Commerce.

The committee, on the same recommendation, further advise,—

1. That the duties of the general advisory committee shall be to take into consideration those matters assigned to the special committee of the cabinet under Order in Council P.C. 4068½, and from time to time submit to the aforesaid special committee of the cabinet such reports and recommendations respecting information received and consideration given, and the plans formulated as may seem to the general advisory committee necessary to keep the special committee of the cabinet informed in respect thereto.

2. That the general advisory committee be hereby empowered to appoint various sub-committees which may be selected from the personnel of government departments or agencies.

3. That the general advisory committee be hereby empowered to appoint as members of the sub-committees named in paragraph 2 above, recognized experts outside the service.

4. That the general advisory committee be hereby empowered to invite to appear before the sub-committees persons specially qualified to deal with any matter coming within the terms of reference.

5. That persons called in consulation under paragraphs 3 and 4, above, by the general advisory committee pursuant to the directions contained in paragraph (*d*) of Order in Council P.C. 4068½, dated 8th December, 1939, shall be entitled to receive the actual and necessary out-of-pocket expenses incurred by them while they are absent from their places of residence for the purposes of such consultation; and that the calling of persons into consultation must receive the approval of the chairman of the general advisory committee, and their expenses as provided for in this section must be submitted through him.

6. That all departments or agencies of the government and all officers and employees thereof shall afford to the general advisory committee all available information in regard to any of the matters falling within the scope and power of the general advisory committee, and shall co-operate with the general advisory committee in the performance of such duties and the exercise of such powers whenever required by the general advisory committee to do so, and shall make available to the general advisory committee all such relevant records, documents and papers as existing regulations permit.

With regard to the terms of reference of each sub-committee and an indication of the type of membership, I should be glad to file with the committee summaries of minutes and reports which have come to us from the various sub-committees, and a full list of the names of the members of the sub-committees.

Before dealing with the various recommendations which have been considered by the general advisory committee, and transmitted to the cabinet committee and in many cases become subject of Order in Council, I think I ought to make clear that last year we had the feeling that we had a reasonable amount of time in which to plan carefully the rehabilitation projects which should be undertaken, but last fall we were confronted with an unexpected and serious situation. For reasons which I need not elaborate upon here, it became apparent that an unexpectedly large number of men were being discharged, particularly from the army, with in most cases a very brief period of service, and for various reasons. I will quote the official figures as at the 15th of February, 1941, which show that at that time 18,109 men had been discharged from the army. Of these 17,200 had not got out of Canada; 909 had been returned from overseas; of the total, 14,149 had seen less than six months' service. 10,829 had been

discharged as medically unfit according to existing military standards; 4,067 as not likely to become efficient soldiers, and the remainder for other reasons.

By Mr. Green:

Q. Have you the figures for a later date than that?—A. Those are up to the middle of February, sir.

Q. You have no figures more recent than that?—A. I haven't received any. I am told this moring by the Director of Records that discharges from the army at the present time are running at the rate of approximately 1,800 a month.

Q. 1,800 a month?—A. Yes.

At the same period from the navy there had been discharged 492 men, and from the Royal Canadian Air Force, 725.

It will be readily understood that the sudden return to civil life of this large number of men unexpectedly created an immediate and serious problem not primarily related to the general problem of post-war rehabilitation. The committee therefore had to, in some measure, interrupt its long range studies to make immediate recommendations to deal with this situation. Let me summarize very briefly the steps taken to meet this problem.

(1) Every encouragement was given to organizations in the larger urban centres to set up voluntary committees to help in placement and assistance and the vice-chairman made a trip across Canada to get in contact with these organizations and assist them in their plans.

(2) The veterans' assistance committees and officers of the Department of Pensions and National Health were given instructions to co-operate with these committees and to do whatever was possible to look after these ex-service men. I am glad to say that until the Department of Pensions and National Health was able to take over this work that the auxiliary service of the Department of National Defence for a short period last year had been actively helping.

(3) The Departments of Munitions and Supply, Public Works, and National Defence co-operated by a campaign of encouragement of employment in connection with contracts given, and here I am glad to say that the Post Office Department in the Christmas rush took on a considerable number of these men.

(4) As a result of recommendations from the employment sub-committee, approved by the general advisory committee and the cabinet committee, and of a committee set up by the Department of National Defence, the services arranged to make a rehabilitation grant of thirty days' pay and dependents allowances to those men honourably discharged who had served more than 183 days, continuously.

(5) The youth training under the Department of Labour began to take ex-service men into their courses, and in January the war emergency training program for 1941 was announced which definitely established preference for ex-service men in their selection of trainees. I am glad to say that this preference is being exercised progressively more efficiently as the program expands.

(6) The Chairman of the sub-committee on Employement, who is chief employment officer of the Unemployment Insurance Commission, has taken a personal interest in the matter of placement of ex-service men. Furthermore we received the assurance of the Minister of Labour that specialized attention would be given to ex-service men in the new employment service of Canada. The sub-committee on employment had under consideration for some time the necessity of securing accurate statistics as to occupation, education, and background of the men now serving who will have to be re-established in civil life. It is obvious that for planning to be effective there must be documentation as to the occupations of the men now serving. In connection with the rehabilitation grant it was arranged with the Department of National Defence that an occupational history form had to be completed by each applicant before being paid the

grand, and in future this will be available in respect of every man before discharge.

(7) Contact was estabilised with the various provinces with regard to the matter, and in January a meeting was held with the relief officers of these provinces to discuss the position. The questions of residence qualification and employment were discussed, and provincial governments are becoming actively interested.

(8) It became clear to the committee that it would be necessary to set up a special organization to deal with the problems of ex-service men both of the last war and of this war, and form a co-ordinating medium with all governmental and social agencies whose assistance could be made available. This action had been taken by order in council P.C. 6282, and the scope of the duties and of the constituency to be served by this organization is best described by the Order in Council in question. I believe that the duties have already been read in the house, but for purposes of consideration of your committee, perhaps it is well for me to read them here, with your permission, Mr. Chairman.

> (*a*) To establish sub-divisions at such points throughout Canada at which the Department of Pensions and National Health maintains offices and/or where the establishment of such sub-divisions is deemed to be advisable;
>
> (*b*) to interview, advise and assist former members of the forces;
>
> (*c*) to become conversant with all the regulations relating to pensions, allowances, medical treatment, employment, training, social welfare, aids, housing scheme, land settlement, and all policies that may be of assistance to such former members of the forces;
>
> (*d*) to make a study of all occupational opportunities in the several areas at which sub-divisions may be established pursuant to the provisions of sub-paragraph (*a*); to encourage employers to re-employ persons who, previous to their enlistment, were in their service; to endeavour to secure preferences in employment for former members of the forces, to co-operate and keep in constant touch with the Employment Service of Canada in regard to available employment;
>
> (*e*) to secure information through the Department of National Defence with respect to members of the forces arriving in the several areas for discharge, and to arrange for notification to be sent to their families and to encourage voluntary local committees to welcome them on arrival;
>
> (*f*) to maintain contact with veterans' organizations for the purpose of fostering interest in the rehabilitation of former members of the forces, and to keep in touch with educational activities of the Canadian Legion war services and other bodies designed to assist members of the forces.
>
> (*g*) to develop good public relations by the maintenance of contact with the press regarding the civil re-establishment of former members of the forces;
>
> (*h*) to report to the general advisory committee on the activities and requirements in each district and on the results attendant upon the operation of such policies as may be planned or operated for the purpose of re-establishing former members of the forces in civil life."

It was clear that it would take some time to organize this and it was a source of satisfaction to the general advisory committee when its vice-chairman was invited by his minister to undertake the organization of this division. As to the steps which have been taken to carry out the Order in Council and the stage which the organization has reached, this is best left to Mr. Woods who will inform you.

[Brigadier-General H. F. McDonald.]

It is not my purpose at this time to review in any detail the work and study of the various sub-committees. The interim reports appear in the summary being submitted. It should be borne in mind that in a great measure these committees are still studying the problems before them and have not yet come to the point of final recommendation or conclusion.

The chairmen of the various sub-committees are available for calling before you to give any further information which you may wish covering their particular spheres.

Broadly speaking, the committees have approached their studies with a view to the avoidance of duplication of machinery and clashes of jurisdiction on the one hand, and gaps in administration on the other. The minister has already referred to the changed conditions which have grown up in this country since the last war, and particularly the great increase in social agencies and legislation which has been created. The committees have kept constantly before them the importance of utilizing the maximum of such governmental or other agencies, and the importance of avoiding, wherever possible, the creation of new machinery of a specialized character. As the studies go on, it becomes increasingly apparent that the rehabilitation of the discharged soldier, sailor or airman is but a phase, albeit an important phase, of the general economic and social reconstruction which must come at the conclusion of the war. It also becomes increasingly apparent that governmental agencies or efforts alone cannot adequately solve the future problem; they can guide, assist and stimulate, but in the final analysis, the work becomes a community problem down to the very smallest village or settlement in the country.

By Mr. Reid:

Q. You mentioned something about 1,800 discharges monthly. That seems a rather large number.—A. I just got that verbally this morning from the Director of Records. You will see it in the definite figures which I have quoted and which will be incorporated in more detail in the summary I am submitting. (*See Appendix 1 to this day's evidence*). But that 18,000 is a definite number.

By Mr. Green:

Q. That is only from the army?—A. Yes. If you remember, I gave the figures for the air force and the navy as well.

Q. What is the average number of monthly discharges from the air force?—A. Up until February 15, from the beginning of the war, 725.

Q. With the army discharging men at the rate of 1,800 a month, that works out at 21,600 a year, without any fighting being done at all?—A. I could not question your arithmetic, Mr. Green.

Q. There is something wrong somewhere, general.

Mr. BRUCE: Mr. Chairman, in view of the statement made by Gen. McDonald in regard to the very large number of men discharged who had not yet left Canada, it seems to me that it would be very important to have a statement prepared showing the exact reasons for the discharge of these various men. In view of the large amount of money that will be involved in the way of pensions later on I think we could, with advantage, make a study now and try to arrive, if possible, at some reason why such a large proportion or so many of these men were not able to go overseas. It may be that some defect in the method of medical examination will be found. I think it surely is a problem that should be taken up by this committee. I would therefore suggest that Gen. McDonald should look into the matter and have prepared for us a detailed statement of the character that I have mentioned, which will enable us to analyse carefully the reasons why men to this large number have been discharged at this very early period and without having left Canada.

The WITNESS: You mean that you would like to have them more specifically divided than merely as "medically unfit"?

Mr. BRUCE: Yes. I should like to know, if they are medically unfit, what the medical cause was.

Hon. Mr. MACKENZIE: I think I placed that on Hansard during the discussion in the house, but I am not sure. I think I did. We have that information.

Mr. BRUCE: You have that information?

Hon. Mr. MACKENZIE: Yes.

Mr. BRUCE: I do not recollect having heard you give that.

The WITNESS: If I may, I should like to say this. In the statement which I am asking permission to file—it is very long, and I am afraid you would not listen to it if I began to read it—you will find an analysis of 8,285 cases of "medically unfit".

By Mr. Bruce:

Q. Is that the total out of the 18,000?—A. If I may explain, the figures which I quoted here are figures given by the Department of National Defence; that is, the 18,000. Naturally I wish the committee to have them right up to date. In analysing the cause of medical unfitness, I could only give that to you on the cases which have come to the commission. There would necessarily be a gap of 1,000 or maybe 2,000. Every medically unfit discharge is referred to the Canadian Pension Commission for the purpose of inspecting the records and ascertaining whether the man is entitled to a pension. Of those, I could give you in very great detail the cause of medical discharge, if you wish.

Q. I think that would be very useful.—A. That would cover the situation as a picture, while it might not necessarily be right up to date.

Q. If, after studying that, we thought it would be of advantage to have a larger number given to us, then we could so advise you.

Mr. GREEN: If men who are being discharged received convalescent treatment at the present time, is it possible that they would again become fit for service?

Hon. Mr. MACKENZIE: Would you ask the question again. I did not catch it.

Mr. GREEN: Is it possible that if men who are being discharged received convalescent treatment at the present time, they would again become fit for service?

The WITNESS: I could not say that, Mr. Green. I could not give information on that. That is a medical question and would involve the examination of every man.

Mr. GREEN: Is it possible that men are being discharged too quickly—that is, that they become ill and are discharged,—whereas, if they had convalescent treatment, they might again be fit for service?

Hon. Mr. MACKENZIE: A case came to my attention yesterday where a man who had been discharged rejoined the army.

Mr. TUCKER: Have we any comparative statement with regard to the last war? One of the things which struck me was in connection with a case that came to my personal attention. A man who was in fairly good health joined the army. He had trouble with his stomach in the army,—gastric trouble. He is let out of the army. He is very anxious to stay in the army but there is some trouble there. He is discharged. As soon as he gets back home he is quite all right again. I have heard it suggested over and over again that there is far more gastric trouble in the army this time than there ever was in the

last war, and yet we are told that they are planning the diet so much more scientifically. If we have any comparative figures that show that there is far more gastric trouble this time than there was in the last war, then it is something that should be looked into. I do not think there is any doubt about that.

The WITNESS: I should not like to give a medical opinion on that. But Dr. Bruce will correct me if I am wrong in saying that in the general civil population there has also been a very great increase in gastro-intestinal complaints. Is that not correct, Dr. Bruce?

Mr. BRUCE: Yes. I think that is perhaps true. You are speaking, of course, of men who had been overseas?

Mr. TUCKER: No, I was speaking of one who served in this country.

Mr. BRUCE: Overseas I think they found that this condition has increased, and they have attributed the increase to nervous strain owing to the raids in which the men have been subjected; but of course that would not apply in this country. I do not know that we can produce statistics to show that gastric trouble is more prevalent now than it has been.

Mr. QUELCH: Would the type of training have anything to do with it?

Mr. TUCKER: Is it right that there has been a surprisingly large number of discharges in this war owing to gastric trouble?

Hon. Mr. MACKENZIE: Yes.

The WITNESS: Yes, that is correct. Out of those 8,285 cases which I referred to a moment ago, diseases of the digestive system were 1,191, excepting cancer. Cancer is not included in that.

Mr. TUCKER: That is about 1 in 10.

Mr. BRUCE: 10 per cent.

The WITNESS: No. It is almost 1 in 7.

By Mr. Green:

Q. Is it possible to get figures as to the men who have been discharged as medically unfit and who subsequently have rejoined one of the fighting forces?—A. That is for the Department of National Defence.

Hon. Mr. MACKENZIE: Very few indeed.

The WITNESS: In my experience it is not very practicable, because they very often conceal their previous enlistment and it is some time before it comes to light.

Mr. MCCUAIG: I assume that this comes within the scope of this committee. I think it is one of the most serious questions we have had to deal with for some time. If it does come within the scope of the committee, I feel that some committee should be set up to look into the matter and report to the department of government with reference to it. I think we are fortunate in having Dr. Bruce on this committee.

The CHAIRMAN: Mr. McCuaig, there is a committee appointed to deal with neurological cases. If it is the wish of the committee, this question can be referred to that sub-committee.

Mr. MCCUAIG: Dr. Bruce is on that committee, is he?

The CHAIRMAN: Yes. Mr. McLean is chairman of that sub-committee.

Mr. MACDONALD: Did I understand Gen. McDonald to say that there had been 15,800 men discharged from the army at the present time?

Hon. Mr. MACKENZIE: 18,000.

Mr. MACDONALD: How many, exactly, and to what date?

The WITNESS: Wait till I get my figures. Up to the 15th of February, there were 18,109 discharged from the army.

By Mr. Macdonald:

Q. Then did I understand you to say, General, that every man who is discharged as medically unfit is considered for a pension?—A. Yes.

Q. And you have, I understood you to say, already examined 8,285?—A. More than that. I will get you the exact figures, if you like.

Q. I shall tell you the point I am getting at. It seems to me to be a gigantic task which is now before the pension commission. Could you tell me how many men have been discharged whose files have not been considered with regard to their right to pension?—A. Perhaps I had better recite the procedure in regard to the discharges, and the process of those records reaching the commission. A man is discharged at his depot or wherever he may be. The military documents are assembled and are forwarded to Ottawa; they reach the Director of Records of the Department of National Defence, whose office is on the floor below the Canadian Pension Commission in the same building. Those documents are then forwarded to the commission, examined and précised by our medical advisers and then submitted to the commission for consideration. The average period between the date of discharge and the documents reaching the commission is slightly over thirty days, so that there is always a considerable number in transit. As to the ones which have reached the commission, I cannot give you exactly how many we have not considered; but I would not say, offhand, that we have in our offices now more than 400 or 500 awaiting going through; that is, we are that much behind on the ones as they reach us. Of course, we have no control over the rapidity with which the Department of National Defence forwards them to us.

Q. You are only approximately 400 cases behind?—A. That is just a rough estimate. To-morrow I will have the files that are in the office counted, if you like.

Q. The other day we were questioning you with regard to the number of claims for pension, I believe, as the matter affected men in the last war, that is, as to the number of claims which were under consideration. Do you recall how many applications for pension of men who served in the last war are now under consideration?—A. That is, you mean those that are awaiting decision in the commission's office?

Q. Yes.—A. On first and second hearing, practically none. We are up-to-date. We can keep up-to-date on those as they come forward.

Q. With the present number of commissioners and with the great increase in applications, is it your opinion that you can continue to keep approximately up-to-date?—A. I am very doubtful, sir; it has been quite a strain on the commissioners in the last six or eight months. It has meant unremitting work, and if there is any substantial increase in the number of discharges it will be very difficult for the present personnnel to keep up-to-date.

Q. That is the way it occurred to me. I think the commission has done an excellent job up to the present in keeping as near up-to-date as it has.—A. I may say, sir, that the idea of our undertaking this really very gigantic piece of work, reviewing of those files, is the result of my review of the situation as it arose after the last war and the situation which has developed in succeeding years when we find men making application for pension years afterward and go back and find their medical record and other documents on discharge were woefully inadequate. Really what I am triyng to do under this procedure is to see now while we have got the man and can reach him that the true situation as presented and at the present time is recorded on our files in the event of further claims coming in later so we can deal with them fairly and justly and have sound information on which to act.

Q. I think you, as a commissioner, must be highly commended for the work you have done.—A. It is very kind of you to say so, but it was done very largely from the point of view of saving myself and my successors trouble in the future.

By Mr. Black:

Q. Can you give the committee any idea of the percentage of that 18,109 men who have been discharged from the army up to February 15 have been in action; that is, in conflict with the enemy?—A. I can only say of that number 909 were men who were returned from overseas; in other words, from all places outside of Canada. The great majority of these 909 came from England, of course.

Q. The others received disability in Canada?—A. Seventeen thousand two hundred of that eighteen thousand did not get outside Canada.

By Mr. Tucker:

Q. What portion of that number are now applicants for pension?—A. All applicants for pension.

Hon. Mr. MACKENZIE: It is automatic.

By Mr. Tucker:

Q. I mean by that everybody who is discharged from the army does not apply for a pension?—A. No, but we deal with them. You mean actually made a specific application themselves?

Q. Yes.—A. Very, very few.

My Mr. Macdonald:

Q. All of the 18,109 are not eligible for pension?—A. Oh, no. They are just discharged as being medically unfit, but they receive a pension ruling.

Q. You do not mean that they were all discharged as being medically unfit?—A. No, 10,829 were discharged as being medically unfit.

By Mr. MacKenzie (Neepawa):

Q. General McDonald, you said over 14,000 had less than six months' service?—A. Yes.

Q. Of that 14,000 or over some of them would have less than five months' service?—A. Two thousand—

Q. Some less than four?—A. Two thousand and fifty-nine had less than thirty days' service.

Mr. MACKENZIE (*Neepawa*): I should like to make a statement about gastric ulcers. In the battalion camp at Shilo the cook was changed three times in less than a month last summer. The food supplied was of the very best, but the cooks were very much below par.

By Mr. Tucker:

Q. General McDonald, I should like to ask you a question. You say everyone is considered as an applicant for pension. Does the individual know that his file is being fixed up, as it were?—A. No, not until he receives notice.

Q. Does he ever receive notice?—A. He receives notice of the ruling of the committee.

Mr. REID: Automatically.

By Mr. Tucker:

Q. After you look over the file you give him notice of the ruling of the commission?—A. Yes.

Q. There may be lots of people, the same as in the last war, who would prefer to get along if they could without pension. Under your system you might rule some of these people were eligible for pension and invite them to apply? Is that the idea.—A. No; we rule that they are eligible for pension and immediately advise them and tell them they can come up for examination.

Q. Don't you think that is an invitation to people to apply for pension who otherwise may not apply for ten or fifteen years?—A. There is no obligation upon them to receive pension.

Q. They are told in your opinion they are eligible for pension. You are putting quite a strain on human nature if you think they will not apply. That is the thought that occurs to me. I am sure you could save thousands of dollars, as happened in the last war, by people not applying because they felt they could get along without a pension.

Mr. GREEN: Mr. Chairman, surely if they are entitled they are entitled to receive their pension.

Mr. TUCKER: There is no obligation on the government to invite people to make application for a pension.

The WITNESS: My view is there is an obligation upon the Pension Commission immediately to tell the ex-service man if he is entitled to a pension as soon as they themselves decide.

Mr. Ross (Souris): I think that is a very fine attitude that your commission has assumed. It is only proper these people should be invited. I think it is a very forward step and the commission should be congratulated upon having taken the step.

By Mr. Macdonald:

Q. There is no change from the last war in that regard?—A. No, they were reviewed.

Q. In the last war a man who was discharged on account of being medically unfit was examined; his file was examined; is that correct, General?—A. I think so. I was not there then. Some of the decisions were made on very slim evidence, I think.

Q. I do not want to take credit away from the present board.—A. I really am satisfied that we are putting the records in a condition that will help a man if he has a legitimate claim later on. I do not think we are giving any more pensions now than we gave before.

By Mr. Green:

Q. What happens in the case of a man whose claim is ruled upon adversely? I understood the General to say he is given notice he is not entitled to pension. —A. He does not get a pension.

Q. Is he also notified that he has the right of a second hearing?—A. Yes.

Q. If he does not apply for a second hearing he is out for all time, not only for the present but for the future?—A. No.

Q. Under our present laws?—A. No, the commission has full power to extend that time; we never refuse to extend the time.

By Mr. Reid:

Q. You could not very well apply that rule to him because he has not applied.—A. We never refuse to extend the time to give a man a second hearing.

By Mr. Green:

Q. Suppose he applied in five years' time, would you hear his application for a second hearing then?—A. If I am chairman of the Pension Commission, most certainly.

Q. How many pensions have been granted out of this number of 10,829?—A. I think I gave those figures the other day, Mr. Green; I have not got them with me now.

Hon. Mr. MACKENZIE: I placed the list on Hansard.

By Mr. Green:

Q. You do not remember the approximate number?—A. No, and I would not like to guess.

Hon. Mr. BRUCE: I was very interested in hearing General McDonald say that he had reviewed some of the histories of records of last war and found them to be very inaccurate. I want to commend him for having done that because I can confirm from the experience I had and the opportunity I had of examining these records that they were most inadequate and unsatisfactory. I hope that through the efforts of General McDonald in making this information known in the right quarters that there will be some effort made to see that it is corrected in this war. It is something that needs to be constantly under advisement. In fact, it is very difficult even in civil life to get medical men to keep histories of their cases up to date. If it is difficult in civil life you can understand how much more difficult it may be under conditions of war to keep adequate histories. It is upon these histories to a large extent that pensions are based; and while we are most anxious that all men who are entitled to pension should receive adequate pension, if the department and the government is to avoid giving pensions for conditions that are not clear because of medical records, then it is highly desirable that those responsible for the records are urged to see that these records are adequate and proper to avoid difficulties that have been mentioned to-day.

The WITNESS: If I may say a word following what Dr. Bruce has said, I took the opportunity of sending to members of the committee a little booklet entitled "Information on War Pensions." These were printed and they set out in very simple language and very briefly the basic need of records, and those were furnished to the director general of medical services with a view to its being put into the hands of every medical officer in the service.

By Mr. Quelch:

Q. Mr. McDonald, is it not a change in the method of handling discharges that have taken place? I think we should remember at the end of the last war many men upon their discharge did not get any medical examination at all. The men were all anxious to get discharged and they were asked if they felt O.K. or A1, and they said yes. In that case the man was turned adrift without any examination at all. I believe every man should receive a thorough overhauling before discharge. If we do that we may save a lot of trouble later on.—A. The old form we used to call short form 129. That has been entirely abandoned. We have a very detailed form which is now filled out on discharge.

Mr. TUCKER: I think it is very important to have a more complete report on the man to make sure he is in good shape when leaving the army. I think it is a new departure for the department to take upon itself the recording of every man as an applicant for pension. Up until now it was left to the man himself to decide if he thought he could get along without a pension or not. If he thought he could get along without a pension he would not apply for it. I do not think there is anything very wrong in leaving it to the individual. If he thinks he can get along without putting a burden upon the country and not apply for a pension I do not think there is anything wrong about it. It is not small potatoes nor anything like that at all. To decide to record every man who is discharged from the forces as an applicant for pension, whether he wants to or not, is a new departure. I do not think it should have been done without consideration by parliament. That is my opinion. I think it is a good thing to have the records in shape. Before the first application was made at the request of the applicant, and then the second application. Now we take it that the first application is made whether he wants it or not. Whether he wants it or not he is considered as having made his application. He may not want to make his application until ten years after discharge. I think he should be left with that right himself. If that is departed from I think it should be made on the decision

of parliament. In spite of that, I think it is a fine thing to have the records in shape. That is all I was getting at.

The WITNESS: The Act says that the application for pension is defined in the definition in the Act. The present Act set up by parliament defines that the date of discharge shall be the date of application for pension where disability is shown to exist at the time of discharge.

MR. TUCKER: It is considered as such?

The WITNESS: Defined as such.

By Mr. Cleaver:

Q. Does the medical examination on discharge now include chest X-ray? —A. That is going to be done, I believe, by the national defence department.

Q. What about a heart examination?—A. Oh, yes, it is a complete clinical examination.

Q. Eye, ear, nose and throat?—A. Yes.

Mr. MCLEAN: Apparently there is a very much closer check-up made of the physical condition of men now in the army than was made in the last war. I wonder if the minister would care to comment on whether that is a matter of policy due on the one hand to the desire of the Department of National Defence to have a more efficient army, or whether the consideration is that the Department of Pensions and National Health want to avoid a very heavy pension problem after the war. It is quite evident that some men served in the last war—and some had very excellent service—suffering from what now would result in discharge. There has been a good deal of talk of gastric trouble. I have in mind a young man who in 1914 had a duodenal operation, which is very serious. In 1915 he enlisted, served in France for a year, was promoted, received a decoration, and had a very successful military career. I do not know whether his case was pensionable or not, but he was killed in action. I was wondering if the minister would care to make a statement on the matter.

Hon. Mr. MACKENZIE: All I would say is that this time we had the benefit of very efficient machinery in existence when this war broke out. There was none when the Great West broke out. We had the pension commission and other organizations functioning, and we had very active co-operation from the Department of National Defence.

Mr. MCLEAN: You would not care to comment on the other phase of the matter?

Hon. Mr. MACKENZIE: No.

Mr. BLACK: There have been 17,000 men discharged in this war who have not seen service overseas and whose service has only been in Canada; would that not indicate that the examination must have been very lax? Why should those 17,000 men be taken into the army if they are going to be kicked out within a few days as medically unfit and perhaps be allowed to get a pension?

The CHAIRMAN: That will be considered by the sub-committee. Before we adjourn, will you give permission to Mr. Kirchner, who was on the stand at the last meeting, to place his brief on the record, and also give him permission to appear before your sub-committee, Mr. McLean, on neurological cases? Is that agreed?

Mr. GREEN: He wishes to do that?

The CHAIRMAN: Yes.

Mr. KIRCHNER: And to include the memorandum on the time factor.

Mr. GREEN: I would so move.

Mr. REID: I second the motion.

(See Appendix No. 2 to this day's evidence.)

At 1.05 p.m. the committee adjourned until Tuesday, April 8, at 11 a.m.

Copy

APPENDIX 1

March 27, 1941.

MEMORANDUM TO:

The Honourable the Minister of Pensions and National Health

In reply to my letter to members of the General Advisory Committee on Demobilization and Rehabilitation, copy of which is attached, I wish to advise that I have received replies which indicate sufficent concurrence with the recommendations of Sub-Committees noted in my letter, to warrant the consideration of these by the Cabinet Committee. Most of the recommendations refer to matters which may be carried out by Departmental authorization, but it might be well to keep the Cabinet Committee advised as to the studies that are being made.

The recommendations of the Sub-Committee on the Retraining of Special Casualties and the Sub-Committee on Vocational Training might well be considered by the Department of Pensions and National Health.

The report of the Sub-Committee on the Administration of Special Funds has been submitted to the Committee on Canteen Funds of the Department of National Defence, and will come before the Minister of National Defence as at this stage this matter refers to funds which are being accumulated while men are in service under the control of the Department of National Defence.

The interim report on Land Settlement is self-explanatory, and the Sub-Committee is pursuing its work, but no final scheme can be submitted until further information is available.

(Sgd.) H. F. McDONALD,
Chairman.

Copy

March 14, 1941.

MEMORANDUM TO:

The Honourable the Minister of Pensions and National Health

Attached, please find letter addressed to the members of the General Advisory Committee in order to secure from them their views as to a number of the recommendations of the Sub-Committees. When I am in receipt of replies I shall advise you so that the Cabinet Committee may be in a position to express partially opinions on some of the developing plans, thus enabling guidance to be given the Parliamentary Committee in this matter of rehabilitation.

(Sgd.) H. F. McDONALD,
Chairman.

Copy

March 13 1941.

TO MEMBERS OF THE GENERAL ADVISORY COMMITTEE

DEAR SIR,—I attach, herewith, two copies of Report on Measures Adopted, Statistics, and Interim Recommendations of Sub-Committees, one for your Representative on the Committee. It is appreciated that while the House is in session it may be difficult to secure a representative meeting of the plenary Committee. I would be glad, therefore, if you could examine the following interim recommendations, and advise whether they would have your support.

15 (3) (*a*) Sub-Committee on the Retraining of Special Casualties —Equipment for blinded soldiers.

15 (3) (*b*) (ii) Sub-Committee on the Retraining of Special Casualties —Courses for special casualties.

15 (4) Sub-Committee on Vocational Training—Recommendation for small sub-committee to study the question of training allowances.
15 (5) Sub-Committee on the Administration of Special Funds—Recommendation relative to Canteen Funds.
15 (7) (*a*) Sub-Committee on Land Settlement—Report on terms of reference—Urban Settlement.
15 (7) (*b*) Sub-Committee on Land Settlement—Interim Report.

As you will observe, many of the other items have been treated directly with the responsible Departments, and have become subject to special Departmental policy and administration.

In the event of there being a reasonable consensus of opinion in favour of the recommendations, which have been given very careful study by the Sub-Committees, this report of the General Advisory Committee will be submitted to the Cabinet Committee for attention.

It may be noted that a select Parliamentary Committee on Pensions has included rehabilitation measures in the terms of reference so that I should like to be in a position to state the general view of the Committee.

Yours faithfully,

(Sgd.) H. F. McDONALD,
Chairman.

SUMMARY OF INTERIM REPORT AND RECOMMENDATIONS OF GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

To: Brigadier-General H. F. McDonald, C.M.G., D.S.O.,
Chairman, General Advisory Committee on Demobilization and Rehabilitation.

Measures Adopted, Statistical Analyses and Interim Reports of Sub-Committees

Since the last meeting of the General Advisory Committee on Demobilization and Rehabilitation, held on the 17th of December, 1940, the following constitutes a summary of measures adopted and certain reports and interim recommendations of Sub-Committees. Appendices attached are:—

Appendix A. Statistics (Navy, Army and Air Force discharges).
" B. Sub-Committee Membership.
" C. Minutes—Sub-Committee on Employment, February 12th, February 19th, and March 5th, 1941.
" D. War Emergency Training Program for 1941.
" E. Interim Report—Sub-Committee on the Administration of Special Funds.
" F. Minutes—Sub-Committee on Land Settlement, February 4th, 1941.
" G. Functional Organization report (tentative).

13. Measures Adopted

(1) Orders in Council

(*a*) P.C. 7521 authorizes rehabilitation grant. Payment of 30 days' pay and dependents' allowance to officers and men honourably discharged after 183 days' continuous service, with certain minor qualifications.

(*b*) P.C. 890 is an amendment to P.C. 7521. The words " or appointment " inserted after the word " rank " in paragraph (*e*) of (ii).

(c) P.C. 1022 refers to war service badging. Recommendation of Department of National Defence.

(d) P.C. 6808 amends P.C. 1022 by substituting: " a badge of gilding metal or copper finished in silver or rhodium plate " for " a white metal button " in Section 12.

(e) P.C. 1218—Cabinet Committee authorized to examine the question of post-war reconstruction and make recommendation as to Government facilities to be established to deal with the question. Action taken will be determined by the Cabinet Committee and the Inter-departmental Committee will be kept advised.

(f) J.C. 1/7324 amends P.C. 204/6613—paragraphs 1 to 4, inclusive. Equates provisions as to amounts paid to conform to scales of Department of Pensions and National Health in respect of treatment allowances while in hospital.

(2) ADMINISTRATIVE ARRANGEMENTS

(a) Veterans' Welfare Division

Mr. Walter S. Woods, Vice-Chairman of the Committee was appointed Acting Director of the Veterans' Welfare Division, Department of Pensions and National Health, and Major A. M. Wright as Acting Assistant Director. Civil Service Commission now examining for appointments of District Welfare Officers, and the Directors are engaged in organization of the Division.

(b) Employment Service of Canada

Mr. V. C. Phelan, Chairman of the Sub-Committee on Employment, appointed Chief Employment Officer under the Unemployment Insurance Commission. Specialized attention is being given to ex-service men and statistical analysis of occupational history of members of the forces is being arranged.

(c) District Offices of D.P. & N.H.

The District Offices of the Department of Pensions and National Health are temporarily carrying on the work assigned to the Veterans' Welfare Division until the Division is organized. The appropriation for the Veterans' Assistance Offices lapses on March 31, 1941.

(d) Special Placement Service

Placement service for special casualties—co-operation with Canadian Amputation Association arranged by the Department of Pensions and National Health. (See Item 15 (3) (c)) under Report of Sub-Committee on the Retraining of Special Casualties.

(3) PREFERENCES

(a) Preference in Contracts

Preferences have been arranged in all contracts of the Department of Munitions and Supply, National Defence and Public Works.

(b) Preference in Training

Under the War Emergency Training Program arrangements have been made to give preference to ex-service men as trainees.

(4) VOLUNTARY ORGANIZATION

(a) Rehabilitation Committees

Rehabilitation Committees in all large centres have been formed and are in contact with the Veterans' Welfare Division of the Department of Pensions and National Health.

(*b*) *Provincial Co-operation*

The Chairman of the Cabinet Committee has forwarded to each Provincial Premier a summary of the work of the Committee and replies indicate their willingness to co-operate (*a*) in giving preferences; (*b*) in planning of rehabilitation measures.

(*c*) *Conference of Relief Officers*

A conference took place under the Chairmanship of the Chairman of the Cabinet Committee with Relief Officers of the Dominion on January 17, 1941. Questions of relief, residence qualifications and employment were discussed and co-operation arranged.

14. Statistical Analysis—

Appendix A gives an analysis by period of service, reason for discharge and marital status of men discharged from the Navy, Active Army and Air Force.

15. Reports of Sub-Committees—

(1) *Second Report of Sub-Committee on Post Discharge Pay and War Service Gratuity.* (Already Circulated).

Recommendations:—

(*a*) Deferred Pay—

That the present 50% compulsory deferment now applicable only to personnel serving overseas, be extended and made applicable to all men of the armed forces, wherever serving.

That consideration be given to subsequently raising the universal deferment to 66%, which is the highest percentage obtaining today.

After discussion between the Chairman and the Adjutant-General this matter has been referrd to the Adjutant-General with the following comment:—

"In general it may be assumed that the General Advisory Committee on Demobilization and Rehabilitiation will feel that it is desirable that saving should be encouraged in the forces with a view to assisting in rehabilitation, and also in discouraging inflationary tendencies in consumer expenditure in Canada. Whether this should be voluntary or compulsory is a question to be decided entirely by the Department of National Defence. In considering compulsory deferment of pay in the case of men serving in Canada no doubt thought will be given to probable effect upon recruitment, cost of living in comparison with overseas theatres of service, probable lack of necessity for equating to rates of pay of British Forces and effect upon, discipline by such action, as well as the discriminatory character of the present regulation in favour of those members serving in Canada. The question also arises as to whether the object of the extension of the regulation could be achieved by voluntary saving by use of the War Saving Certificates Campaign or some form of combined voluntary and compulsory saving."

(*b*) Unemployment Insurance—

That consideration be given by experts in insurance to the bringing of the personnel of the armed forces into the government insurance scheme.

This matter has been referred for study to a joint committee consisting of the Sub-Committee on Post Discharge Pay and War Service Gratuity and the Sub-Committee on Employment.

(*c*) Health and Pensions Insurance—

This is a matter of wider government policy, but some phases of it will be studied by the joint committee studying (*b*).

(*d*) ALLOWANCES WHILE UNDERGOING TRAINING—

Allowances under the War Emergency Training Program for 1941 are being made to discharged ex-service men and they are given preferences under this program. The Sub-Committee on Vocational Training has recommended that a special Sub-Committee of the General Advisory Committee study the whole question of training allowances.

(*e*) VOLUNTARY FUNDS—

This matter is under consideration of the Sub-Committee on the Administration of Special Funds.

(2) *Report of Sub-Committee on Employment*—

(*a*) Recommendations of the Sub-Committee on Employment approved at the last meeting of the General Advisory Committee (17th of December, 1940), have been carried into effect with the exception of transportation for discharged men to place of bona fide residence which has been discussed again with the Adjutant-General and is under consideration by the Department of National Defence.

(*b*) Co-operation between the Veterans' Welfare Division and the Employment Service of Canada. The Sub-Committee recommended certain measures with regard to co-operation, and these have been approved by the Ministers of Labour and of Pensions and National Health. The Acting Director of the Veterans' Welfare Division, the Chief Employment Officer of the Unemployment Insurance Commission and the administrative officers of the Department of Pensions and National Health are consulting as to location of offices, and exchange of information and records in order to effect a close administrative co-ordination of activity.

(*c*) Draft regulations prepared by the Department of Labour received the attention of the Committee which approved the principle of compulsory reinstatement and made suggestions for the draft to the Interdepartmental Committee on Labour Co-ordination.

(*d*) Unemployment Insurance—A study is being made of parity between employed demobilized men and employees who may acquire benefit under the Unemployment Insurance Act, and in line with the recommendation of the Sub-Committee on Post Discharge Pay, a joint committee is making a study of this, Dr. Couper of the Department of Labour giving special attention to the problem.

(*e*) The matter of relief for necessitous ex-service men of this war is being studied.

(*f*) The various preferences which have been arranged for in all contracts are receiving the attention of the Committee.

(3) *Report of Sub-Committee on the Retraining of Special Casualties*—

(*a*) EQUIPMENT FOR BLINDED SOLDIERS—

The General Advisory Committee has already approved the recommendation of the Sub-Committee in respect of issue of a Braille watch and a Braille writing appliance to each blinded soldier. Careful consideration has been given by the Sub-Committee to the question of ink typewriters and talking books. The Committee recommends that in those cases where the Canadian National Institute for the Blind are of the opinion that the issue of an ink typewriter and talking book machine would be in the interests of a blinded ex-service man, issue should be made by way of loan, to be retired in the event of improper or inadequate use being made by the blinded ex-service man.

(*b*) *Training*

(i) In respect of special casualties it was decided that they should be encouraged to seek their pre-war trade or occupation, and only where the disability would prevent such resumption of pre-war occupation would training be approved by the Medical Officer and the Welfare Officer.

(ii) That in the case of special casualties unable to take up courses in the Youth Training of the War Emergency Training Program, special arrangements be made under the advice of the Sub-Committee to place such special casualties in suitable training courses, under provisions of Clause 20 of P.C. 91, and that authority be asked for to cover tuition fees in such courses to an amount not to exceed $250 a year for a full course. Examination has already been made of a number of amputation cases for whom the requisite courses are not available under the Youth Training or War Emergency Training Program, and who will require the special attention recommended in this way.

(c) Placement

That the work of the Placement Officer of the Canadian Amputation Association carried on under grant from the Department of Pensions and National Health, be continued and that provision be made to cover the expense of an assistant, if this becomes necessary. The understanding is that the Association would undertake certain duties other than for mere amputation cases, namely, cases where the injuries result in the loss of function of a limb, and also any other special cases which may be referred to the Association by the Veteran's Welfare Division.

(d) Deaf Casualties

The Committee have taken note of the economic difficulties which have resulted from deafness in the case of many ex-service men of the last war, and will endeavour to co-operate with the newly formed National Society for the Deaf and Hard of Hearing in a study of treatment, methods of training, vocational opportunities and general welfare of ex-service men suffering from traumatic deafness.

(4) *Report of Sub-Committee on Vocational and Technical Training and Retraining*

It is noted that the preference given to ex-service men under the War Emergency Training Program in view of the comprehensive range of this program during 1941 will meet the need for training in most cases of men discharged in 1941. The Committee has begun a survey of existing vocational training facilities and of opportunities in the public service throughout Canada.

A copy of the War Emergency Training Program for 1941 is attached as an appendix.

Recommendation:

That the General Advisory Committee appoint a small Sub-Committee to study the whole question of training allowances in respect of all forms of training contemplated, — agricultural, vocational and professional.

(5) *Administration of Special Funds*

As noted in the Minutes of the plenary Committee of December 17, 1940, a Committee was set up to report upon Canteen Funds and to make recommendations with reference to custodianship, auditing, investment and control of all funds derived from canteens and from other services and designated to be expended for and on behalf of ex-service men of the present war. This Committee appointed under P.C. 7520 consists of the following: J. M. Macdonnell, Esq., His Honour Leonce Plante, Esq., R. Watson Sellar, Esq., and Capt. H. A. Dyde, Secretary.

Attached there is an interim report prepared by the Sub-Committee on the Administration of Special Funds for the information of the Canteen Committee appointed by the Minister of Defence. The recommendations are as follows:—

1. That such profits or proceeds as may be derived from canteen and institute sales and directed to be expended on behalf of and for the welfare of ex-members

of the armed forces of Canada during the present hostilities should be deposited with the Receiver General of Canada.

2. That such profits or proceeds as may be derived from other organizations rendering service to the armed forces of Canada and which moneys may be designated to be devoted for expenditure on behalf of or for the welfare of ex-service men of this war should be deposited with the Receiver General.

3. That the appropriate officers of the Department of National Defence charged with the control of canteens and institutes should be authorized to take special steps to ensure that capital expenditures be carefully controlled at or about the time of the armistice, with a view to conserving profits and salvaging proceeds for the benefit of the ex-members of the forces, and that the Director of Auxiliary Services be authorized to effect demobilization of Auxiliary Services, and to arrange for the proper handling of salvage in stores in such a way as to maintain whatever equity can be maintained on behalf of the ex-service men.

4. That on demobilization arrangements be made for prompt final audits of all financial operations and commitments by all organizations serving the armed forces and a clear public statement issued as soon as conveniently possible after demobilization as to the amount of money available for the welfare of ex-service men of this war, and clear statements as to custodianship and control of same.

5. That the custodianship, investment, control and disbursement of all such moneys thus made available for the welfare of ex-service men be administered under the authority of Act of Parliament and by a Board of Trustees properly constituted.

6. That the administration might consist of the following:—

(*a*) A Dominion Board of Trustees consisting of the Chief Justice of Canada; the Auditor-General of Canada; the Governor of the Bank of Canada; the Minister of Pensions and National Health, and an elected President of a selected veteran organization; with provision for secretarial assistance.

(*b*) A Dominion Advisory Committee consisting of ex-service men representative of the three services and the Director of the Veterans' Welfare Division, Department of Pensions and National Health to assist the Board of Trustees in framing policies.

(*c*) A District Advisory Committee, in each administrative area served by the Department of Pensions and National Health, consisting of three members, two of whom should be service men of the present war with satisfactory service records, to report to the Dominion Advisory Committee.

(*d*) That the Secretary of the District Advisory Committee in each case be the District Veterans' Welfare Officer of the Department of Pensions and National Health who, in addition to ordinary secretarial duties will be responsible for reporting on investigation of applications and the carrying out of the policies of the Board of Trustees.

(*e*) Since the Board of Trustees will be responsible for the investment and custodianship of funds, it may be convenient for them to arrange for disbursements to take place through the usual machinery, i.e., the Treasury Officer of the Department of Pensions and National Health with proper records being maintained in the Veterans' Welfare Division.

(*f*) That investment of these funds should be in Dominion Government securities.

(6) Interrupted Education

The Sub-Committee has before it the following resolution which though it has been endorsed in principle by the Committee is subject to examination as to details at the next meeting of the Sub-Committee. The resolution is therefore given as a matter of information and is not in the form which it will finally take on recommendation from the Sub-Committee.

"Whereas, a considerable number of young men who were previously studying at Canadian universities, as well as others whose training and inclination would in times of peace have led them to enter such universities for further education or professional training, are now serving with His Majesty's Canadian Forces, and

Whereas, it is of the greatest importance to the Dominion of Canada that such men should be encouraged to resume the studies or professional training that has been interrupted by the war in order that their talents and professional aptitudes may enable them to offer a maximum of assistance to the Government of Canada in the solution of those problems of rehabilitation and reconstruction that will confront us when this war is over, as well as to contribute effectively to the future progress of the Dominion,

Now, Therefore, Be It Resolved,

That, in the case of all men who have served as members of His Majesty's Canadian Forces for a period of not less than six months before being honourably discharged, the Dominion of Canada shall, if such men are properly qualified to enter a Canadian university as students and have actually been admitted to such university for the purpose of proceeding to a degree, award to each of them training allowances of the kind described in the attached schedule, such allowances to be paid for a period of time exactly equal to the number of years during which such individuals have been on active service,

Notwithstanding any regulation suggested in schedule (*a*) or (*b*) or in the resolution thus made, individuals in receipt of allowances under the foregoing will not be paid any other allowances, gratuity, or pension arising as a result of their war service by the Dominion of Canada during the period described in the attached schedules, to the end that the full subsistence allowance received by each eligible individual shall not be more than the training allowance provided for under schedule (*b*).

Schedule A. Conditions governing the award of special training allowances, after discharge, to members of the Canadian Forces on active service, whose education or professional training has been interrupted by the war.

1. No training allowances shall be awarded to any man (other than those discharged because of wounds), whose period of active service is less than six months.
2. In the case of men who have served six months or more, allowances shall be paid by the Government during a period equivalent to the number of years that the individual has spent on active service. In making this computation, service periods of less than six months active service shall be ignored, while any portion of a year in excess of six months shall count as a full year.
3. Such allowances shall only be paid to men, who at the time of their discharge from His Majesty's Forces, are qualified for admission to a recognized Canadian university and have actually been admitted to such university as regular students proceeding to a degree,

although the Government may at its discretion grant such allowances to individuals who (although not qualified to enter a university at the time of their discharge from the forces) are regularly admitted within one year from the date of such discharge.

4. Payment of allowances to any individual, no matter how long he may have been on active service, shall cease at the end of the month during which he is awarded his degree and graduates from the university in the degree for which registered.

5. Notwithstanding anything in paragraphs 1 to 4, these allowances shall only be paid to students in good academic standing. Any individual who fails in more than two courses in any academic year shall automatically be disqualified and receive no further payments, and the same policy shall be followed in the case of an individual who, having failed in two courses, fails to pass the next supplementary examination offered by the university at which he is registered in these courses.

6. Notwithstanding the limitations of time set forth in paragraph 2, the Dominion of Canada shall, in the case of individuals who have attained an average grade of not less than 85% (Eighty-five per cent) throughout their university career, extend the period during which such allowances are paid for a period long enough to enable such students of outstanding ability to attain their degrees.

Schedule B. The amount of training allowances to be awarded to members of the Canadian Active Service Force whose higher education or professional training has been interrupted by the war.

1. The Dominion of Canada shall pay annually to the university in which the student is enrolled an amount equal to the aggregate annual fees customarily collected by that university from each student proceeding to a degree in the faculty of the ex-soldier's choice, such aggregate fee to include student activity fees and athletics fees in those cases where these are stated separately from from the tuition fee.

2. The Dominion of Canada shall pay to each such individual, during the period prescribed by the regulations set forth in Schedule A, a training allowance of sixty dollars a month to cover the costs of subsistence."

It may be noted in particular that a special committee on training allowances is being asked for by the Sub-Committee on Vocational Training so that the suggested monthly allowance will be subject to examination of this Sub-Committee.

(7) Land Settlement

(*a*) With reference to the suggestion of the Chairman, relative to the inclusion of urban settlement in the terms of reference, the Sub-Committee report as follows:

The Sub-Committee on Terms of Reference *re* Urban Settlement submitted the following report which was approved with the exception of the item with reference to Provincial Governments.

The Committee believes that any policy which has as its object the establishment of as many ex-service men as possible in homes of their own, whether in town or country, should be regarded in the light, not only of the contribution it will make as a rehabilitation measure, but also as a factor in the future social stability of the country.

The Committee in considering the question of its terms of reference being widened to include urban in addition to rural settlement is impressed by one or two aspects of the question such as:—

A. The distinction between a settlement plan which contemplates placing the settler in a position whereby he can provide the maintenance of his family in whole or in part from the land, and an urban settlement policy whereby he must rely entirely upon outside work to maintain his family.

B. There is already legislation in the National Housing Act whereby Canadian citizens may acquire a home of their own on easy terms.

C. The danger of any urban settlement plan for service men offsetting the objective of a land settlement policy which has as its objective the furnishing of assistance whereby the settler can, through his own efforts, become partially if not entirely self-supporting.

D. While the Committee has not made any detailed examination of the situation it has been advised that a shortage of moderate-priced workers' houses exists throughout the Dominion which might well be met by a comprehensive housing plan as a reconstruction measure.

The Committee therefore suggests:—

1. That this matter be made the subject of a discussion with the Provinces.

2. To assure co-ordination and avoid conflict between the Government's Soldier Land Settlement policy and any housing assistance policy for veterans, this Committee would appreciate further direction after the situation has been examined along these lines.

It was agreed that the Chairman should consult Mr. F. W. Nicolls, Director of Housing, and explore the subject further before any consultation with the Provinces took place.

(*b*) The Sub-Committee approved the following interim report. (See Minute 12 of Meeting of February 4th, 1941.)

REPORT OF SUB-COMMITTEE ON LAND SETTLEMENT

Introduction

1. Land settlement has a definite place in a rehabilitation program. It is only one part, however, of the general rehabilitation picture which would probably include plans for re-employment in industry, schemes of industrial apprenticeship training, reforestation, mining development, and public works, including housing program. Land settlement—in the opportunities it provides for home ownership and a means of living—is a sound contribution to national stability.

2. State financial assistance—a substantial part of which will not be recoverable—is a prerequisite to the institution of any comprehensive plan of land settlement as a post-war rehabilitation measure, and it may be noted—(*a*) soldier settlement under the Soldier Settlement Act of 1919 shows, after twenty years, a considerable unrecoverable cost to the country per unit of settlement if principal and interest losses and administration costs are taken into account; (*b*) that during the past three years in respect of the assistance of a $1,500 subsidy per family, based on the United Kingdom Government loan, to Czecho-Slovakia for the settlement of Sudeten German families in Canada, no arrangement has been made for the recovery of capital outlay; (*c*) under existing relief settlement agreements between the Dominion and the provinces of Alberta, Manitoba and Quebec, non-recoverable advances of $1,000 per family are provided jointly by the Dominion, province and municipality. In Quebec the non-recoverable advance is increased to $2,000 per unit of settlement by additional provincial subsidy. These schemes and their costs are not com-

parable in any way since they deal with different types of settlers and with widely varying conditions of settlement, but they are cited to indicate that some subsidy is essential in a land settlement program.

3. It is well to face as a practical issue—based on the past ten years' experience—that the cost of direct relief to maintain a family of five persons in idleness in the city is $555 per annum, or in excess of $2,200 for a four-year period. State subsidized land settlement for selected settlers is, therefore, sound public business, provided the cost per unit of settlement is kept within reasonable limits.

4. It is unsound to consider projection of a scheme of assisted land settlement predicated on large state loans to establish untried or partially experienced settlers on fully equipped commercial farms.

5. Post-war land settlement demands a conception of land utilization that emphasizes the importance of the home factor; particularly in two types of cases—(*a*) where the family's maintenance is produced entirely from the land, i.e., the self-supporting balanced farm unit; and (*b*) where the maintenance of the home is augmented by earnings from outside employment. This is the small holding type of property.

6. Surveys of suitable lands available for settlement in all provinces are essential to any comprehensive post-war land settlement plan. Such surveys should be undertaken by appropriate Dominion, provincial and other competent authorities.

Land Settlement for Ex-Members of the Canadian Forces

The Committee agreed on the following principles:—

1. It is economically unsound to embark upon a policy of land settlement that involves repayment by the average settler of an interest-bearing debt equivalent to the cost of the land, buildings and necessary stock and equipment.

(2) A scheme of land settlement that stresses the home factor in relation to land utilization is more economically sound from a national standpoint than a plan that contemplates land utilization mainly from the standpoint of commercial or "going concern" farming.

(3) The cost per unit of settlement should be kept relatively low and state financial assistance should take the form of a subsidy or of a loan or of a combined subsidy and loan, based on the nature of the settlement farm or holding.

(4) The settlement scheme should provide flexibility in three essential elements—(*a*) selection and training of settlers; (*b*) lands and types of farms for settlement; (*c*) financial provisions.

Outline of plan for settlement of 25,000 ex-service men

Scope and Extent

Preliminary sample survey shows approximately ten per cent of the forces enlisted to date gave agriculture as their vocation on enlistment. The scheme provides settlement opportunity for 25,000 ex-service men and their families and extends to all provinces. Settlement plans should, therefore, be developed in co-operation with provincial governments and appropriate Dominion and provincial institutions and agencies in matters such as the general selection of lands, soil surveys and qualification committees. Estimates of capital cost, losses and administration cost will be increased proportionately should settlement in excess of 25,000 be undertaken.

Selection and Training of Settlers

(1) Selection of settlers will be made by qualification committees established in each province. These committees will be composed of members competent to deal with qualifications for the type of settlement envisaged by this plan. The qualification committees will consist of: a representative of the Dominion settlement agency; a technical agriculturalist; a farmer; a representative of industry or a representative of trades and labour;—as set out in the Report on Selection and Training.

(2) Settlement opportunities will be provided for—(a) thoroughly experienced farmers on commercial farms; this class will not likely exceed ten per cent of total settlement; (b) inexperienced or partly experienced applicants who are otherwise fit and anxious to settle on land, provided such applicants are willing to undertake farm apprenticeship and agricultural training where such is deemed necessary by the settlement authority.

(3) The basis of apprenticeship training will be farm employment with selected farmer employers on individual farms.

(The above recommendations are in accordance with special Sub-Committee report, November 27th, 1940, approved).

Land for Settlement

The scheme will provide a wide variety of settlement opportunity including:—

(*a*) Commercial farm units for the thoroughly experienced farmer;

(*b*) Farms of a type that will provide home and modest living: farm activities to be supplemented in many cases by outside employment;

(*c*) Small holdings near industrial centres combining the factors of home; production for family maintenance in whole or part; and industrial or other employment opportunity;

(*d*) Crown lands—in the main provincially owned; bush or only partially developed, suitable as to soil and capable of gradual development into productive unit on the basis of progressive improvement advances;

(*e*) Farm tenancy settlement—lands owned by Dominion and provincial governments, municipal taxing authorities, and privately owned farms;

(*f*) Farms already owned by applicants who require assistance for removal of encumbrances or further development.

All of which respectfully submitted.

ROBERT ENGLAND,
Executive Secretary.

APPENDIX

DISCHARGES FROM CANADIAN NAVAL SERVICES

Sept. 1, 1939—February 13, 1941

A. *Discharged to Civil Life*

Desertions	14
Services no longer required (misconduct)	54
Unsuitable	102
At own request	14
Pension	3
Medically unfit	305
TOTAL	492

B. *Discharged to Other Duty*

Promoted to officer	102
Other forces	10
TOTAL	112

CANADIAN ARMY (A.F.)

—	REASONS FOR DISCHARGE						MARITAL STATUS					THEATRE OF SERVICE		TOTAL
Period of Service	A	B	C	D	E	F	Married	Single	Widower	Separated or Divorced	Not Stated	Canada Only	Canada and Overseas	—
Less Than 30 Days.....	876	365	73	201	22	522	665	1,162	29	23	180	2,056	3	2,059
Less Than 90 Days.....	2,568	301	139	667	48	1,462	1,740	3,268	59	79	39	5,180	5	5,185
Less Than 183 Days.....	4,252	294	117	240	83	1,919	2,694	3,991	106	110	4	6,824	81	6,905
Less Than 365 Days.....	2,525	105	155	161	119	154	1,464	1,674	45	33	3	2,645	574	3,219
More Than 365 Days.....	608	8	36	20	59	10	404	318	9	10	.....	495	246	741
Total.....	10,829	1,073	520	1,289	331	4,067	6,967	10,413	248	255	226	17,200	909	.....
Grand Total.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	18,109

REASONS FOR DISCHARGE

KEY TO GROUPS—

(A) Medically unfit.

(B) Underage. Irregularly enlisted. False answer on attestation. Attestation not approved (K.R.O. 371 (1)). Excessive dependents.

(C) Misconduct. Civil conviction. Refusal to sign forms. Refused vaccination or inoculation.

(D) Return to civil employment. Compassionate grounds. Return to N.P.A.M. status. To non-effective list. Resigned commission. To Corps Reserve or permitted to retire. Relieved from special duty or appointment at own request. Ceases to be employed or surplus to establishment.

(E) Appointed commission other Forces. To enlist other Forces.

(F) Not likely to become efficient. Failed to qualify.

KEY TO GROUPS

Exhibit "A"—All members of the Permanent Active Air Force who have been discharged since November 30, 1940, to December 31, 1940.

Exhibit "B"—All members of the Special Reserve, R.C.A.F., who received training courses under the R.C.A.F. and who were discharged between dates mentioned in Exhibit "A".

Exhibit "C"—All members of the Special Reserve, R.C.A.F., including those who enlisted due to their previous civilian experience or trade and those who did not.

COMPLETE DESCRIPTION OF REASONS FOR DISCHARGE AS SHOWN UNDER PARAGRAPHS ONLY ON EXHIBITS

Para. 392 (1) (K.R. (Air) Having been irregularly enlisted.

(2) Not being likely to become an efficient airman for any one or more of the following reasons:—

(2) (*a*) If rejected by Medical Officer and O.C. Unit.

(*b*) If passed by Medical Officer but rejected by O.C. Unit stationed away from place where medical examination took place.

(*c*) Recruits within three months of enlistment who are considered unfit for service.

(*e*) Recruits unfitted for the duties of an instructional Unit.

(7) Having been convicted by the Civil Power of ..... or of an offence committed before enlistment."

"Only applicable to convictions during the airman's service.

(8) For misconduct.

(10) (*a*) Physically unfit for any form of Air Force service.

(*b*) Physically unfit for air force service under existing standards.

(12) Having become unfit for his special duties.

(13) His services being no longer required.

(15) Having completed ..... years' service.

(17) On compassionate grounds .....

RECAPITULATION

R.C.A.F. Discharges Effected for the Period from September 3rd, 1939 to January 3, 1941

Period of Service	Reference	Reasons for Discharge—Para. 392 K.R. (Air)													Total
		Para. (1)	(2)A	(2)B	(2)C	(2)E	(7)	(8)	(10)A	(10)B	(12)	(13)	(15)	(17)	
Less than 30 days.....	Ex. "A"	1	3	–	17	1	–	–	7	–	1	18	–	–	48
Less than 90 days.....	Ex. "B"	1	5	–	84	4	1	1	46	1	–	24	–	2	169
Less than 183 days.....	Ex. "C"	–	6	–	15	2	4	4	112	5	6	65	–	4	223
Less than 365 days.....	Ex. "D"	–	7	–	1	–	4	6	102	6	1	56	–	–	183
More than 365 days.....	Ex. "E".	2	4	–	1	–	5	2	41	4	–	35	2	3	102
Total.....	.....	4	25	–	118	7	14	13	308	16	8	198	2	12	725

N.B.—504 out of the 725 were discharged in the Province of Ontario, the balance being distributed throughout the other Provinces.

APPENDIX B

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

SUB-COMMITTEES

Employment

V. C. Phelan, Esq. (Chairman)
Chief Employment Officer,
Unemployment Insurance Commission.

Colonel E. A. Deacon,
Director of Auxiliary Services,
Department of National Defence.

Harry Hereford, Esq.,
Commissioner of Unemployment Relief,
Department of Labour.

W. E. Hunter, Esq.,
Department of Finance.

Dr. W. A. Mackintosh,
Department of Finance.

A. C. March, Esq.,
Commissioner,
War Veterans' Allowance Board.

Lt.-Col. E. A. Olver,
Secretary, Veterans' Assistance Committee,
Toronto, Ontario.

Major A. M. Wright,
Chief Administrative Assistant,
Department of Pensions and National Health.

Post Discharge Pay and War Service Gratuity

Colonel A. Fortescue Duguid (Chairman)
Department of National Defence.

W. E. Hunter, Esq.,
Department of Finance.

Colonel A. R. Mortimore,
Director of Pay Services,
Department of National Defence.

Land Settlement

Walter S. Woods, Esq., (Chairman)
War Veterans' Allowance Board.

Dr. G. S. H. Barton,
Deputy Minister of Agriculture.

Harry Hereford, Esq.,
Commissioner of Unemployment Relief,
Department of Labour.

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION—*Con.*

W. M. Jones, Esq.,
General Superintendent,
Soldiers' Settlement Board.

Dr. O. A. Lemieux,
Dominion Bureau of Statistics.

T. D'Arcy Leonard, Esq., K.C.,
Dominion Mortgage & Investments Company,
Toronto, Ontario.

J. N. K. Macalister, Esq.,
Chief Commissioner of Immigration and Colonization,
Canadian Pacific Railway,
Montreal, Que.

Dr. W. A. Mackintosh,
Department of Finance.

Dr. J. D. MacLean,
Canada Farm Loan Board.

J. S. McGowan, Esq.,
Director of Colonization & Agriculture,
Canadian National Railways,
Montreal, Que.

J. S. McLean, Esq.,
President, Canada Packers Limited,
Toronto, Ontario.

Gordon Murchison, Esq.,
Director of Soldiers' Settlement Board.

J. A. Proulx, Esq.,
Chief, Publicity Service,
Department of Agriculture,
Quebec, P. Q.

Vocational and Technical Training and Retraining

Dr. E. S. Archibald, (Chairman)
Director of Experimental Farms,
Department of Agriculture.

Major C. A. Bell,
Director of Orthopaedic and Surgical Appliances and Vetcraft,
Department of Pensions and National Health.

Dr. J. F. Booth,
Associate Director of Marketing,
Department of Agriculture.

Dr. J. P. S. Cathcart,
Chief Neuropsychiatrist,
Department of Pensions and National Health.

F. S. Rutherford, Esq.,
Director of Vocational Education,
Department of Education,
Toronto, Ontario.

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION—*Conc.*

Dr. F. H. Sexton,
President, Nova Scotia Technical College,
Halifax, N. S.

J. H. Stitt, Esq., Commissioner, Civil Service Commission.

R. F. Thompson, Esq., Director of Youth Training, Department of Labour.

Continuation of Interrupted and Secondary Education or Professional Training

Walter S. Woods, Esq. (Chairman), Chairman, War Veterans' Allowance Board.

Colonel Wilfred Bovey, Chairman, Canadian Legion Educational Services.

Dr. H. J. Cody, President, University of Toronto.

Dr. E. A. Corbett, Director, Canadian Association for Adult Education.

Dr. B. O. Filteau, Deputy Minister of Education, Quebec, P.Q.

Dr. F. Cyril James, Principal and Vice-Chancellor, McGill University, Montreal, Que.

Dr. Olivier Maurault, University of Montreal, Montreal, Que.

Dr. G. Fred McNally, Deputy Minister of Education, Edmonton, Alberta.

Dr. H. M. Tory, Director, Voluntary Service Registration Bureau.

Dr. R. W. Wallace, Principal and Vice-Chancellor, Queen's University, Kingston, Ontario.

Administration of Special Funds

A. J. Dixon, Esq. (Chairman), Secretary, Department of Pensions and National Health.

H. A. Bridges, Esq., Solicitor, Department of Pensions and National Health.

Major J. A. de Lalanne, Department of National Defence.

H. Sloman, Esq., Acting Chief Treasury Officer, Department of Pensions and National Health.

G. F. Toone, Esq., Canadian Pension Commission.

Retraining of Special Casualties

Dr. Ross Millar (Chairman), Director of Medical Services, Department of Pensions and National Health.

Colonel E. A. Baker, Managing Director, Canadian National Institute for the Blind, Toronto, Ontario.

Major C. A. Bell, Director of Orthopædic and Surgical Appliances and Vetcraft, Department of Pensions and National Health.

Dr. G. J. Wherrett, Executive Secretary, Canadian Tuberculosis Association.

Preference in Employment

C. H. Bland, Esq., Chairman, Civil Service Commission.

APPENDIX C

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

MEETING OF SUB-COMMITTEE ON EMPLOYMENT—

A meeting of the Sub-Committee on Employment was held on Wednesday, February 12, 1941, at 2.30 p.m., in Room 433, Daly Building, Ottawa, Ontario, at which were present:—

V. C. Phelan, Esquire (Chairman)
Walter S. Woods, Esquire
W. E. Hunter, Esquire
Dr. W. A. Mackintosh
Major A. M. Wright
Colonel E. A. Deacon
A. C. Marsh, Esquire
Robert England, Esquire

The Minutes of the last meeting were read by the Secretary and adopted.

10. BUSINESS ARISING OUT OF THE MINUTES—

Approval of Recommendations—

1. The Secretary reported that the recommendations made by the Sub-Committee on Employment to the General Advisory Committee had been approved by the General Advisory Committee, and allocation had been made to the various Government departments or branches responsible.

2. The question of transportation for discharged men to place of bona fide residence is being considered by the Adjutant-General, and it is expected that a favourable decision will be reached shortly.

11. OCCUPATIONAL HISTORY FORM DISTRIBUTION AND STATISTICAL ANALYSIS

Statistical Analysis—

The Chairman reported that code book had been prepared for Hollerithing the occupational history returns. The supply of printed forms for distribution to the forces has been delayed through pressure of work on the printing firm responsible. The code and the information needed is receiving the attention of the Acting Director of the Veterans' Welfare Division, Department of Pensions and National Health and the Secretary. It was decided, however, that the occupational code now in use in the Department of Labour would be utilized for this purpose.

Co-operation by the Veterans' Welfare Division and the Employment Service of Canada

The Committee was unanimously of the opinion that there should be a close working arrangement between the officers of the Veterans' Welfare Division and of the Employment Service of Canada. Mr. Woods outlined the disadvantages of placing the Veterans' Welfare Officers in the District Offices of the Department of Pensions and National Health owing to the unsuitable geographical situation of such offices, and emphasized the necessity of avoiding duplication of records and for encouraging ex-service men to apply at the Employment Service offices. Close co-operation would also avoid duplicate registration for employment. It was agreed that if at all possible, the officers should be located

in contiguous offices, and if this were not possible, in the same building. Then there would be co-operation in exchange of information and records. The matter will be taken up with the Minister of Labour, and the Unemployment Insurance Commission.

12. Preferences for Employment to Ex-Service Men

(*a*) The Chairman reported on the letters written to the Department of National Defence, and though there has been some delay in dealing with these letters on the matter of the preferences to those who have served in the armed forces in this war, it is understood that action will be taken.

(*b*) Major Wright reported that he receives a list of public works, and is making arrangements to receive a similar list in respect of Munitions and Supply contracts.

(*c*) The clause "preference for ex-service men" in contracts of the Department of Munitions and Supply, and the label on each contract were regarded as satisfactory. The Chairman agreed to take up with the Director-General of Labour Relations the question of extending this preference clause to refer to all sub-contracts as well as contracts as it was the unanimous opinion of the Committee that preference should be accorded in all sub-contracts.

13. Placement of Trainees

The Chairman explained that the provinces have special officers for placing trainees under the various training schemes, and there did not appear to be any difficulty in the arrangements made in this connection. The situation would, however, be watched.

14. Draft Regulations

The Inter-Departmental Committee on Labour Co-ordination referred to the Sub-Committee on Employment draft of regulations relative to reinstatement in civil employment of ex-service men of the present war. After discussion it was decided to leave the matter in abeyance until a survey could be made of pertinent information listed on occupational history forms, with a view to determining whether employers are prepared to reinstate former employees who had served in the forces. Should it appear on this survey that there is likely to be considerable reluctance on the part of employers to reinstate such employees, the Committee would then consider the question of compulsory reinstatement.

The Secretary was instructed to write to Dr. Bryce Stewart conveying the views of the Committee, and also to communicate with the Canadian Legion along similar lines, suggesting to the Canadian Legion that should they wish to discuss this matter with the Committee, a meeting would be arranged.

15. Unemployment Insurance

The Secretary reported that the Sub-Committee on Post Discharge Pay had recommended that consideration be given by experts in insurance to the bringing of the personnel of the armed forces into the Government Unemployment Insurance Scheme. He also stated that the Minister of Pensions and National Health, who is Chairman of the Cabinet Committee on Demobilization and Rehabilitation had sent a memorandum accompanied by a memorandum from Mr. Heaps asking that the matter be studied.

Dr. Mackintosh stated that the primary duty of the Advisory Board of the Unemployment Insurance Commission is to insure the solvency of the fund by such advice or scrutiny as may be necessary of administrative practice under the actuarial set-up. The Act is not yet in operation; regulations have not yet been framed; there is no experience of operation on which to base any estimate of the effect on the fund of the carrying out of the provisions of the Act or of

any contemplated variation therefrom. He emphasized that the terms of reference of the Advisory Board were concerned with the operation of the statutory legislation. The Act assumed the maintenance of the insurance principle. In respect of demobilized ex-service men, attempts to insure them against unemployment would involve insurance against certain contingencies which are uninsurable risks: (1) no one knows when the war will end and this contingency will affect all these men at once, thus developing a wholly uninsurable risk; (2) it would be difficult to conceive insurance which would cover their inability to rehabilitate themselves in civil life; and (3) there is no industrial record during the period of the war showing the man's ability to hold employment. In view of this the insurance idea would break down.

Mr. March suggested that the word "assurance" might be used in the sense of the Government assuming the specific obligation to place the demobilized man in as favourable a position as the civilian who had acquired benefit rights under the Act.

Dr. Mackintosh pointed out that though the adoption of the insurance principle might prove difficult, this should not be confused with using the machinery of the Unemployment Insurance Commission to provide returned men with actual benefits given from a separate fund paid by the Government plus any contributions that it might be thought advisable to obligate the man to pay while in service.

Mr. Woods pointed out that probably near our air fields there would be civilians acquiring benefit rights under the Unemployment Insurance Act while R.C.A.F. flying personnel would, under the present system, on discharge, have no such rights.

The question then before the Committee was whether some special legislation was needed to rehabilitate the demobilized man or the discharged soldier with a reasonable length of service so that there would be parity in the security in the event of becoming unemployed.

Mr. Hunter supported the report which asked that a study should be made, and the Committee decided to hold a special meeting jointly with the Sub-Committee on Post Discharge Pay on Wednesday, February 19th, 1941 to discuss the subject.

16. RELIEF

Mr. Woods raised the question as to whether necessitous ex-service men of this war should be given relief in the same way as ex-service men of the Great War, or whether they should be allowed to apply for relief in the ordinary way through the local authorities.

Mr. J. W. McKee, Assistant Deputy Minister of Pensions and National Health would like some guidance in this matter. The matter is to come up for discussion when Mr. McKee can be present.

The Secretary was instructed to acknowledge letter from Lt. Col. Olver who was prevented by illness from attending, and to express the best wishes for the Committee for his early recovery.

The meeting adjourned at 4:45 p.m.

(Sgd.) V. C. PHELAN.
Chairman.

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

Joint Meeting of Sub-Committee on Employment and Post-Discharge Pay.

A joint meeting of the Sub-Committees on Employment and Post Discharge Pay was held on Wednesday, February 19, 1941, in Roome 433 Daly Building, Ottawa, at 2:30 p.m. There were present the following:—

V. C. Phelan, Esq. (*Chairman*)
Major A. M. Wright
J. W. McKee, Esq.
(representing the Department of P. & N. H.)
A. C. March, Esq.
Walter S. Woods, Esq.
W. E. Hunter, Esq.
Hary Hereford, Esq.
Lt.-Col. B. J. W. Spink
representing Colonel A. R. Mortimore)
Major A. Cairns (representing Colonel Deacon)
Dr. W. A. Mackintosh
Colonel A. Fortescue Duguid
Robert England, Esq.

The Chairman introduced the business of the meeting by pointing out that it had been called as a result of the meeting of the Sub-Committee on Employment on February 12th, to consider the report of the Sub-Committee on Post Discharge Pay relative to the question of unemployment insurance.

Mr. McKee submitted a memorandum dealing with the question of relief for ex-service men of the last war, and asked the Committee to consider whether unemployed discharged men of the present war, if in receipt of pension, should be given Departmental relief—a policy similar to that which has been adopted by the Department of Pensions and National Health in respect of pensioners of the last war.

Mr. McKee reported that there had been only two applications for unemployment assistance by pensioners of the present war, and so far no assistance had been granted by the Dominion government. At any moment cases could arise which would make a decision necessary.

Discussion took place as to the various categories of the present relief recipients, as outlined in the memorandum. The Committee decided to deal with the question of unemployment insurance and then to endeavour to reach some conclusion in respect of the problem outlined by Mr. McKee which seemed to the Committee subsidiary to the main question of a scheme for unemployment benefits or assistance. It is hoped to deal with problem outlined by Mr. McKee at an early date.

Colonel Duguid in supporting the report of the Sub-Committee on Post Discharge Pay noted that the Committee seemed to support the general view, but the main problem was the framing of a plan. He favoured compulsory contribution by way of deferred pay and the application of the scheme to all ranks. He noted the difficulty arising from the fact that so many men who are now serving were in civil life engaged in occupations excluded under the terms of the Unemployment Insurance Act. This was a problem which might have to be dealt with but was on the same basis as all insurance where the more favoured and fortunate paid premiums which created funds for a limited number of beneficiaries.

Dr. Mackintosh expressed the view that there was much to be said for encouraging service men to contribute to a fund to which the Government could also contribute in order to assist in rehabilitation, but it seemed unwise to have these contributions confused with the contributions and benefits of the categories envisaged under the Unemployment Insurance Act. The so-called insurance risk might well be highly indeterminate as long as the Government could resist pressure to make it entirely indefinite; that is to say, if contributions are made the benefits accrued should be for definite periods, and it would be possible to transfer contributors to the regular unemployment insurance, giving credit for the amounts contributed if a contributor goes back to a form of employment eligible under the Act. He then suggested that consideration might be given to using the contributions as a fund to assist men in land or home purchase, education, life insurance, or retirement provision so as to cover the groups who will not be entering the type of employment covered by the Act.

Colonel Spink reported that there was no deferment of pay in the case of officers and that in some instances the assigned pay provision was being used to avoid the deferred pay regulations. Colonel Spink will secure information from overseas as to the percentage of men who are effecting savings by the deferred pay regulation.

After a further discussion of the memoranda which had been submitted, the following was agreed to unanimously: It was the opinion of the Committee that a system of deferred pay for all officers and ranks be set up for the purpose of providing for rehabilitation, and that a study be instituted to devise a plan by which such deferred pay *plus* reasonable Government contributions shall be devoted to compensation for post-war unemployment, comparable in scale to that under the Unemployment Insurance Act, except where a clear case is made for devoting it to other effective means of rehabilitation such as land or home purchase, education, life insurance, or retirement provision.

The Chairman suggested that he ask Dr. Couper of the Department of Labour to make the study and to prepare a memorandum which will be considered by the Committee at its next meeting.

The meeting adjourned at 4:15 p.m.

(Sgd.) V. C. PHELAN,
Chairman,
Sub-Committee on Employment.

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

MEETING OF SUB-COMMITTEE ON EMPLOYMENT

A meeting of the Sub-Committee on Employment was held on Wednesday, March 5, 1941 at 3:00 p.m. in Room 433 Daly Building, at which were present the following:—

V. C. Phelan, Esq. (Chairman)
W. S. Woods, Esq.
Major A. M. Wright
A. C. March, Esq.
Harry Hereford, Esq.
W. E. Hunter, Esq.
Major A. Cairns
(representing Col. E. A. Deacon)
Mr. Humphrey Mitchell
(representing the Labour Co-ordination Committee).
Robert England, Esq.

17. DRAFT REGULATIONS—WAR MEASURES (REINSTATEMENT IN CIVIL EMPLOYMENT) REGULATIONS, 1940.

Arising from Minute 14 of the Committee held on February 12, 1941 the Secretary read the letter sent to Mr. Humphrey Mitchell on the instruction of the Committee and also read the reply received from Mr. Mitchell as Secretary of the Labour Co-ordination Committee, which included the following: "It should be understood that the proposal is only intended to make uniform the voluntary offer of re-employment of men who have served in the armed forces already quite generally in effect among employers." "I have been directed to inform you that the Committee regrets that the views contained in your communications were not in accord with the principle of the suggested regulations and that it feels it is essential in connection with the contemplated transfer of workers from non-war to war industry that guarantees of a similar character be made and that it is felt that similar guarantees should be granted to returned soldiers prior to this being undertaken."

Mr. Mitchell explained the views of the Labour Co-ordination Committee, as outlined in the letter, and also pointed out that a regulation did exist in respect of employees called up for the thirty-day training and those who will be called for the four months' training. In view of the new factors thus brought to the attention of the Committee, on the motion of Mr. Woods, seconded by Major Wright, the Committee approved the principle of compulsory reinstatement in their former employment of discharged members of His Majesty's forces who have served in the present war.

The Committeee then dealt with a draft of the proposed regulations entitled "War Measures (Reinstatement in Civil Employment) Regulations, 1940". Mr. Humphrey Mitchell advised that the Labour Co-ordination Committee would be willing to receive suggestions as to the proposed draft, and he would communicate the views to that Committee. The following suggestions are therefore made by the Committee in respect of the proposed draft. It is assumed that the regulations will be given careful legal form, and the Committee wish it to be understood that the suggestions are not framed in the requisite legal phraseology.

(A) That as a matter of urgency such regulations might issue as an Order in Council but it is desirable that they should be subject of legislation and be framed into an Act of Parliament as soon as convenient. This suggestion arises from the following points mentioned in the discussion:—

(1) The need for such legislation as basic law in the demobilization period and subsequently when the War Measures Act may lapse.

(2) The desirability of Parliamentary endorsation of the policy.

(3) The greater publicity that may result from such discussion.

(*b*) In view of the fact that the majority of employers are co-operating loyally in the matter of reinstatement of their former employees who have served in the forces, it is suggested that this be recognized in a preamble so as to make it clear that the regulations simply confirm a practice now being carried out by patriotic employers. Some such wording as the following might, therefore, be used:—

WHEREAS many employers of persons who have enlisted to serve in His Majesty's forces in the present war have voluntarily undertaken to reinstate in employment such persons, following their discharge from His Majesty's forces, with conditions not less favourable to the employee than he would have attained had he not enlisted;

WHEREAS it is desirable that persons who have left employment to enlist should be relieved of any cause for concern in regard to such employment;

WHEREAS it is expedient to provide for uniformity of treatment in the matter of reinstatement in employment of such persons who have served in His Majesty's forces during the present war, etc., etc.....

(*c*) That there should be an interpretation section carefully defining "service in His Majesty's forces" "present war" "employer" "employee" "reinstatement in employment".

(*d*) That a regulation be drafted specifying that prosecutions shall not be undertaken unless the employee or his agent has given the employer ten day's notice in writing. The suggestion here is that the employer should be given an opportunity to effect the reinstatement before prosecution is undertaken so as to secure the maximum observance of the reinstatement provision and limit the number of prosecutions for infringement which come before the Courts.

(*e*) Regulation 3—Suggest that conditions should be specified to read, "under conditions of seniority, remuneration and employment status not less favourable to him.....employer."

(*f*) Regulation 4—Suggest that the penalties should be adjusted to fit each contingency envisaged in the regulations. For example, in the case of 5 (*d*) and 6, 7 and 8, the twelve weeks' remuneration payable to an employee who has not been reinstated may not be exactly applicable but the fine on summary conviction may meet these cases. A section on penalties describing the penalty for each type of infringement might be preferable.

(*g*) Regulation 8—Suggest that this might be clarified. The definition of employee or of employment in the interpretation section might cover men either employed or apprenticed.

18. PREFERENCE IN EMPLOYMENT

Mr. Hereford brought up the question of Clause 35 in the Contracts awarded by the Department of Munitions and Supply, relative to employment of returned

soldiers and the use of the red, white and blue sticker on the face of the contracts. He doubted whether the clause was mandatory enough to be effective. Mr. Woods, after a visit to Toronto, reported that preferences being given in Dominion contracts did not appear to be very marked as yet. It was pointed out that the Director General of Labour relations had just recently inserted this clause and adopted the practice of the sticker, and the Committee decided to watch the results of the present action before making further representations.

The meeting adjourned at 5.45 p.m.

(Sgd.) V. C. PHELAN,
Chairman,
Sub-Committee on Employment.

APPENDIX D

CANADA'S WAR EMENGENCY TRAINING PROGRAM FOR 1941

REPORT OF THE INTER-DEPARTMENTAL COMMITTEE ON LABOUR CO-ORDINATION

(Reprinted from The Labour Gazette January, 1941)

(Excerpt from page 6 of above report.)

1. War production will be greatly augmented in 1941, and the consequent increased demand for skilled and semi-skilled workers will necessitate a marked expansion in the present program of training.

2. Large numbers of young people must be trained, but preference ought to be given to veterans of the Great War and those discharged from the armed forces in the present war. It will be necessary to train increasing numbers of men over forty years of age, women and others. Preference in the selection of trainees should be given in the above sequence.

3. Persons should be selected for training by reason of their capacity to benefit from it and for no other reason.

APPENDIX E

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

INTERIM REPORT BY SUB-COMMITTEE ON THE ADMINISTRATION OF SPECIAL FUNDS

In view of the appointment of a special Committee under P.C. 7520 to report upon the custodianship, auditing, investment and control of all funds derived from canteens and from other services, and designated to be expended for and on behalf of ex-service men of the present war, the Sub-Committee on the Administration of Special Funds submits the following report. The report does

not deal exhaustively with the various funds of which the Department of Pensions and National Health has knowledge, but it is hoped that sufficient information has been gathered together to indicate the policies which have been followed and the objects to which the funds have been devoted, and to lay the basis for the recommendations of the Sub-Committee in respect of similar funds which may become available for the benefit of ex-service men as a result of the present war. Attention is called to the very full statements which appeared from time to time with reference to the Canteen Funds as a result of investigation by Royal Commissions and parliamentary inquiry. The report is divided as follows:

A. Review of Various Funds.
B. Comment.
C. Recommendations

A. Review of Various Funds

1. *Canteen Funds*

In respect of Canteen Funds the following table summarizes the Canadian Military Trust Funds Overseas in trust with the Finance Department from March 1921.

CONSOLIDATED ACCOUNT AS AT JUNE 18, 1924

Description of Account	Principal	Interest	Total
	$ cts.	$ cts.	$ cts.
Canteen Main Account (A)	1,687,928 14	55,554 49	1,743,482 63
Cinematograph Account (B)	48,666 66	2,603 21	51,269 87
Regimental Funds Account (C)	289,433 45	58,061 07	347,494 52
	2,026,028 25	116,218 77	2,142,247 02

This statement was in accordance with consolidated account as at June 18, 1924, but subsequently further amounts were received from the British War Office, the War Office Cinematograph Committeee, the Admiralty, and as late as 1928 certain sums were received in respect of Units of the Canadian Expeditionary Force which had served in Siberia, St. Lucia, and elsewhere. This amount totalled $129,690.31, received at the end of 1928, and is in addition to the $2,350,000 with interest mentioned in the Act. It should be noted that all these amounts were disposed of by the Canteen Funds Acts of 1924 and 1928.

Considerable controversy took place, after the last war, as to the disposal of Canteen Funds and the documentation in Hansard is very considerable, owing to representations made by returned soldier organizations. Careful consideration was given to the whole subject by the Ralston Commission on Pensions and Re-establishment, appointed by Order in Council P.C. 1525 of July 22, 1922, and a long report was made by the Commission as to the whole matter. Your Committee is referred to pages 138 to 1840 of Sessional Paper 203*a* (14-15 Geo. V, A. 1924). This Commission showed clearly the origin of the funds and also analyzed the result of the postcard ballot which was made among

veterans in order to secure an expression of opinion as to the disposal of the funds. A plebiscite showed only 22,000 votes out of 550,000 ballots distributed. A survey of the returns disclosed that the first choice was as follows:—

"Scheme A—	
"Establishment of memorial workshops for the provision of sheltered employment and home employment for disabled ex-service men, including the tuberculous	5,764
"Cash Distribution	3,574
"Scheme B—	
"Establishment of a non-competitive industrial enterprise jointly owned and operated by ex-service men	2,874
"Scheme C—	
"Provision of scholarships or other educational facilities for the children of ex-members of the Forces in need of such assistance	2,298
"Lottery	2,297
"Scheme D—	
"Provision of burial facilities for ex-members of the Canadian Forces who die in indigent circumstances	689
"Loaning Corporation	392
"Miscellaneous Schemes	3,598
"Spoiled Ballots	1,488
Total	22,974

FINAL RESULT

"Scheme A	11,565
"Single Votes not cast for the above and spoiled ballots	11,409
Total	22,974

There were in addition no less than forty-seven suggestions for the employment of the funds. The Commission, after considering all the evidence, recommended the following:—

1. That requisite legislative provision be made so that, under direction of the Governor in Council, any necessary accounting he had to ascertain and certify the amount, including interest, properly belonging to the funds and held by the Receiver General under P.C. 3144 of December 18th, 1920, and to have said funds (excepting the sum of twenty thousand dollars to be held for payment of any outstanding accounts in respect of the Units, the funds of which are included in said amount), hereafter referred to as the "Canteen Fund," distributed as follows:—

(*a*) The sum of $100,000 to be paid to a Central Board of three Trustees, at least two of whom have had overseas service, to be appointed by the Governor in Council, without remuneration, such sum to be used by such Central Board of Trustees from time to time in such amounts and in such manner as it may deem best for the maintenance and assistance of an adjustment service and bureau for the benefit of ex-service men and their dependents.

(*b*) The sum of $50,000, to be paid to the United Services Fund of Great Britain and the sum of $50,000 to be paid to the American Red Cross to be used by them respectively in such manner from time to time as they deem proper for assistance in specially meritorious cases for ex-members of the Canadian Expeditionary Force who have served in France or England, and their dependents, resident in Great Britain or the United States as the case may be, and who are in genuine distress.

(*c*) The residue of the Canteen Fund to be divided into nine provincial allotments in the proportion indicated by the following percentages:—

	Percent
Alberta	7·346
British Columbia and the Yukon	10·286
Manitoba	10·702
New Brunswick	4·203
Nova Scotia	6·439
Ontario	41·641
Prince Edward Island	0·857
Quebec	12·718
Saskatchewan	5·808
	100.00

(*d*) Upon notification of the appointment by the Lieutenant Governor in Council, of any province, of the Provincial Board of Trustees hereinafter referred to, the provincial allotment, determined as above, in respect of the territory indicated to be paid over to said Provincial Board of Trustees.

2. (*a*) That the necessary steps be taken to procure the effective appointment and authorization by the Lieutenant Governor in Council of each province of a Provincial Board of Trustees, without remuneration, composed of citizens of the Provinces, five for the Province of Ontario and three for the other provinces, a majority of whom shall have served overseas, to perform the duties specified hereunder and any other duties which may be considered necessary concerning the provincial allotment in respect of such Province determined as set out in paragraph 1 (*c*) above.

(*b*) The duties of the Provincial Boards of Trustees to be to receive and hold the Provincial allotment and to ascertain, by such method as may appear to them most feasible, the wishes of those interested and residing in the province or, in the case of British Columbia, in the Province and the Yukon, concerning the disposition of such allotment and, following this, to determine the object to which the allotment should be devoted, and, as far as may be necessary, to administer same for such object or to provide for such administration by others and to do such other things as may be indicated in the Order in Council appointing them. The expenses in connection with the trust to be a charge on the allotment."

The action taken on the recommendation of the Commission was embodied in Chapter 34, 15-16 Geo. V Assented to June 27, 1925. There were certain changes in the percentages allotted to the various provinces, and the final result is shown by the following excerpt from a letter from the Assistant Deputy Minister, Department of Soldiers' Civil Re-Establishment, to the Minister of National Defence of February 15, 1927:—

"Under the Canteen Funds Act the following amounts were dealt with separately:—

To be held by the Receiver General for the payment of outstanding accounts or claims in respect of the Units the funds of which were included in the Canteen Funds	$ 20,000.00
To Disablement Fund, in reimbursement of loan made to the Dominion Veterans' Alliance	15,000.00
To American Red Cross for benefit of Canadian ex-soldiers in the United States	50,000.00
To the United Services Fund of Great Britain for the benefit of Canadian ex-soldiers in the United Kingdom	50,000.00
Total	$135,000.00

MANITOBA

Total Allotted—$261,298.81. Balance—$63,387.08.

In the main the cases handled would appear to have been veterans in need of financial assistance, with some attention to educational projects.

ONTARIO

Total Allotted—$1,039,528.45. Balance—$689,839.19.

Ontario set out at the beginning to conserve their assets and an endeavour was made to meet demands for a decade from the income from the investment of a million dollars. This action was prompted by the belief that the heaviest demand on the Canteen Fund would commence in a few years. As a result of this policy the Ontario Board of Trustees have now on hand $689,839.19, and it is understood that their protfolio of investments is reasonably satisfactory and they have a continuing income from this invested capital. It was the policy of this Board to give to the Canadian Legion $5,000 per year for their Adjustment Bureau work.

It is worth noting that the assumption of the Ontario Board that the fund be used for "burnt-out" veterans has hardly been justified since cases can now be dealt with under the Dominion War Veterans' Allowance Board.

After twenty years, the Ontario Board is now in possession of a fund of over $600,000 which cannot be used for veterans of this war, need not be used for the "burnt-out" veterans owing to the Dominion legislation, and can hardly now be applied for education of veterans' children, many of whom are in their late teens. The policy of the Ontario Board is in striking contrast with those adopted by certain other provincial boards, and it is difficult to see what ultimate disposal of their funds they can make under the terms of reference of the Act which definitely specifies the following as the objects:—

"1. For assistance in the education of children of ex-service men, special cases.

2. For relief of urgent cases amongst ex-service men (not pensioners), resulting from sickness, operations, etc.

3. For relief of urgent cases of widows and orphans of ex-service men (not pensioners), resulting from illness, etc.

4. No relief to be granted for conditions resulting from unemployment.

SASKATCHEWAN

In the case of Saskatchewan, on March 31, 1939, report showed $5,432.70. In March, 1940, a report was requested but was not received. Subsequently investigation into the administration of the Saskatchewan Canteen Fund took place, and copy of a letter from the Premier of Saskatchewan to the Secretary of the Department of Pensions and National Health, dated July 12, 1940, shows the position. It will be noted that the Saskatchewan Government has agreed to pay into the fund, $38,960.90, being the amount which the Commissioner found to have been improperly and illegally paid out.

NOVA SCOTIA

Balance $280.70 as at 31.3.40.

A policy of assistance to veterans in need was adopted in Nova Scotia, and in certain cases loans were made to various individuals, which were still outstanding and apparently uncollectible.

PROVINCIAL BOARDS OF TRUSTEES

The balances as at March 31, 1940, in respect of Canteen Funds are as follows:—

	Total Allotted	Balance	Date
Alberta	$ 190,124.68	$ 62,012.23	31.3.40
British Columbia	254,183.82	.....	31.3.37*
Manitoba	261,298.81	63,387.08	31.3.40
New Brunswick	99,869.42	49,303.49	31.3.40
Nova Scotia	136,094.16	280.70	31.3.40
Ontario	1,039,528.45	689,839.19	31.3.40
Prince Edward Island	18,124.63	.....	31.3.38*
Quebec	285,039.87	100,694.05	31.3.40
Saskatchewan	175,654.42	5,432.70	31.3.40
Yukon	6,597.46	2,955.92	31.3.40
United States	50,000.00	8,769.11	31.3.40
United Kingdom	50,000.00	£2,297.7.9	31.3.40

*Exhausted.

It will be observed that the final total allotted is greater in each case than the allotment described in the Deputy Minister's letter of February 12, 1927, accounted for by interest and subsequent additions to the fund.

The following comments are made as to the disposal of these funds:—

ALBERTA

The policy of the Alberta Board of Trustees was to grant assistance in the form of loans. As far as is known the remaining Alberta investments are in Alberta and other bonds. The market value of the shares held is $40,112 as against book value of $109,450. The Trustees are not now in a position to undertake any extensive program of assistance. There have been many changes in the investment portfolio of the Alberta Trustees which owing to conditions have involved the Trustees in capital losses.

QUEBEC

In the main disbursements have been in respect of veterans in need of financial assistance through sickness, etc.

BRITISH COLUMBIA

In British Columbia the 11th annual report of the Canteen Funds Board dated March 31, 1937, showed that the fund has been exhausted. The summary in this report is as follows:—

11 Year Summary ending March 31, 1937.

Year	Applications	New Files	Total	Year's Exp.	Total	Average
1926-27	....	219	219	$ 9,122.82	$ 9,122.82	$41.65
1927-28	....	440	659	28,251.10	37,373.92	56.73
1928-29	....	606	1,265	36,942.86	74,315.78	58.75
1929-30	....	705	1,970	37,956.52	112,272.20	56.99
1930-31	3,352	1,280	3,250	47,663.26	159,936.56	49.21
1931-32	3,460	1,470	4,720	42,308.20	202,244.76	42.84
1932-33	3,423	1,084	5,804	23,374.43	225,619.19	38.86
1933-34	3,709	1,224	7,028	29,126.51	254,745.70	36.25
1934-35	4,870	1,122	8,150	26,388.70	281,134.40	34.49
1935-36	6,052	1,125	9,275	32,415.98	313,560.38	33.81
1936-37	891	200	9,475	8,732.88	322,293.26	34.01

As at March 31, 1937, whilst there was only $184.80 cash on deposit, there were a number of loans shown as assets in respect of Canadian Legion properties which may or may not be collectible.

Deducting this amount from the figure quoted above, there was a balance available for distribution among the provinces of $2,302,586.08. This has been distributed in the following manner, in accordance with the provisions of the Act:—

	Per cent	$
Ontario	41·237	949,517.42
Quebec	11·622	267,606.54
British Columbia	10·944	251,995.03
Manitoba	10·654	245,317.52
Alberta	7·752	178,496.47
Saskatchewan	7·162	164,911.22
Nova Scotia	5·549	127,770.51
New Brunswick	4·072	93,761.31
P.E.I.	0·739	17,016.11
Yukon	0·269	6,193.95
	100·000	2,302,586.08

In view of the fact that the Ontario Trustees were only appointed in December last, the Ontario share was held for approximately one year longer than the share of the other provinces, hence the amount set down above as having been paid to Ontario should be increased by the sum of $28,154.41, interest to December 31, 1926."

Administration of Funds

With regard to the amounts held by the Receiver General and the amount paid by the Disablement Fund on account of loan, no comment is necessary.

The amount paid to the American Red Cross for the benefit of Canadian ex-soldiers in the United States has been administered by the American Red Cross to the satisfaction of the Department of Pensions and National Health. The balance of account on the 31st of March, 1940 was $8,739.11, and during the years a yearly report has been furnished to the Department of Pensions and National Health in respect of this amount. (We attach as an appendix information as to the type of case covered by this fund.)

The total amount left in the United Services Fund of Great Britain is £2,397, 7s. 9d. The Department of Pensions and National Health through their representative in London receive reports as to the disbursements from this fund from time to time. Annual reports in respect of this fund are on file.

Funds Disbursed Before Provincial Distribution

Certain funds were disbursed before the distribution to the Provincial Trustees, as follows:—

1. In 1921, $50,000 was paid to the Dominion Command of the Great War Veterans' Association.

2. $120,000 was paid to the Dominion Command of the Great War Veterans' Association and twenty-one other ex-service men's organizations.

The money given to the Dominion Command of the Great War Veterans' Association was not spent on unemployment relief for ex-service men, but chiefly for organizational activities.

Attention is called to the report of the Sub-Committee of the Senate of Canada which inquired into administration of Canteen Funds' Disablement Fund, and the manufacture and sale of poppies. (14th Parliament, 4th Session, 15-16 Geo. V, 1925).

NEW BRUNSWICK

Total Allotted—$99,869.42 Balance $49,303.49 as at 31.3.40.

PRINCE EDWARD ISLAND

Total Allotted—$18,124.63 Fund exhausted 31.3.38.

2. REGIMENTAL FUNDS

In addition to the Canteen Funds the *Canada Gazette* of November 17, 1917, shows the following recapitulation of Regimental Funds returned to Canada to be placed at the disposal of Regimental Units, the last of which was given in Schedule A of the *Canada Gazette* of November 17, 1917, pages 1590 to 1594.

Recapitulation

Trusts created in Canada as per Schedule	£37,366	9	9
Estimated funds in England available for settlement in Canada	20,000	0	0
Estimated value of band instruments disposed of	16,961	18	0
Estimated value of other regimental property and assets, including field kitchens returned to Canada, or otherwise disposed of	20,000	0	0
	£84,328	7	9

These Regimental Funds belonged to disbanded Units in England which on the authority of the Regimental Funds Board were returned to Trustees of Regimental Funds in Canada.

It should be noted that these Regimental Funds were in some cases used to assist ex-service men of specific Units but the Department of Pensions has no official record of the actual amounts disbursed in this way by various units. It may be that such a record exists in the Department of National Defence.

3. DISABLEMENT FUND

The Disablement Fund had its inception in the year 1915, at which time money was being subscribed by public spirited citizens to the Government for the purchase of machine guns, which it had been claimed, through an erroneous newspaper report, were not being supplied to the Canadian Troops owing to lack of money.

Sir James Lougheed, then President of the Military Hospitals Commission and Acting Minister of Militia and Defence, authorized the late Mr. E. H. Scammell, then Secretary of the Military Hospitals Commission, to endeavour to arrange to have at least a part of the subscriptions then being raised diverted to create a fund which might be used to assist disabled members of the Canadian Forces. Sir James Lougheed authorized Mr. Scammell to administer any moneys thus obtained.

The largest subscription to the fund was made by Sir James Carruthers, of Montreal, amounting to $100,000. Mr. Carruthers, however, later requested that $35,000 should be transferred to the Canadian National Institute for the Blind, which action was taken, thus reducing the amount of his subscription to $65,000.

Mr. Scammell continued to act as sole Trustee without remuneration, until the 4th March, 1932, when by Order in Council P.C. 438, Lt.-Col. J. L. Melville, M.C., Director of Orthopædic and Vetcraft, and Major A. M. Wright, Chief Administrative Assistant, were appointed to administer the fund under the chairmanship of Mr. E. H. Scammell, Secretary of the Department.

On the appointment of Lt.-Col. J. L. Melville to the War Veterans' Allowance Board, Lt.-Col. G. S. Macfarlane, M.C., V.D., was appointed a member of the Committee (Order in Council P.C. 1387), June 21, 1938.

Following the death of Mr. Scammell, Major A. M. Wright was appointed Chairman and Major C. A. Bell, Chief of Orthopædic and Vetcraft, was appointed Member (Order in Council P.C. 2591, October 18, 1938.

REGULATIONS FOR THE ADMINISTRATION OF THE DISABLEMENT FUND

Pursuant to the provisions of Order in Council P.C. 438, dated the 4th March, 1932, the undersigned hereby approves the following regulations for the administration of the Disablement Fund.

19 November, 1935.

Minister of Pensions and National Health.

1. The Disablement Fund shall be administered by a Committee of three officials of the Department of Pensions and National Health.

2. The Disablement Fund shall be utilized entirely at the discretion of the Committee to make loans or grants to ex-soldiers, or to their dependents, or to others when such loans or grants appear to be necessary and more particularly to accomplish the following:—

(1) To tide over a difficult situation or to meet an emergency.

(2) To provide comforts for those who are receiving institutional treatment for tuberculosis at public expense other than at the expense of the Department.

(3) To meet the cost of transportation when deemed necessary.

(4) To assist in paying overdue taxes, mortgage interest, overdue mortgage principal or rent.

(5) To meet other domestic emergencies when an outlay is required to prevent hardship falling on an ex-soldier or his dependents.

3. In general, no loan or grant to be made to any member of the staff of the Department of Pensions and National Health or any other Federal or Provincial Government Department or any member of the permanent forces of Canada.

4. The Committee to have custody of all moneys or securities belonging to the Disablement Fund and to have the right to dispose of securities and to purchase others from time to time as may be considered advisable in the interests of the Fund.

5. All moneys invested to be in securities issued or guaranteed by the Dominion or a Provincial Government. Any bonds or other securities to be kept in a safety deposit box in a chartered bank, access to which shall be in the presence of two members of the Committee.

6. Cheques drawn on the Head Office account of the Fund to be signed by two members of the committee or their authorized substitutes.

7. The Committee to have the right to delegate to a District Administrator authority to operate a District Disablement Fund and to make small loans or grants therefrom, subject to such restrictions and regulations as may be issued from time to time.

8. Two members of the Committee to form a quorum for the approval of loans or grants at Head Office.

9. By arrangement with the Representative of the Treasury, the maintenance of accounts, the keeping of necessary records and the submission of reports in connection with the Fund to be carried out by the staff dealing with the accounts of the Department.

10. A periodical audit of the Fund to be conducted by the Audit staff dealing with the departmental accounts.

The present composition of the Board is—

Chairman—Major A. M. Wright.

Member—H. A. Bridges, Esquire (Acting in the absence on military leave of Lt.-Col. G. S. Macfarlane, M.C., V.D.).

Member—Major C. A. Bell, M.C.

The chief use to which the Fund is presently put is to make small loans to former members of the Forces who require temporary assistance to tide them over a period of distress, when no other recognized avenue of help is available, and to assist by way of small grants former members of the Forces who are in distressful circumstances when, similarly, no other avenue of help is available and it is clear that such an individual cannot afford to repay any loan.

The following statement shows the activity of the Disablement Fund during the fiscal year April 1, 1939, to March 31, 1940, and also the general condition of the fund as at March 31, 1940.

Subscriptions and interest				$185,244.84
	Fiscal year 1939-40	Previous years	To Mar. 31, 1940	
Donations	$5,952.40	$99,128.97	$105,081.37	
Bad debts written off	818.32	29,930.31	30,748.63	
Administration expenses	10.00	2,406.51	2,416.51	
Reduction in fund to March 31, 1940				$138,246.51
Amount now in fund				46,998.33

STANDING AS AT MARCH 31, 1940

	Head Office	Districts	Total	
Loans outstanding	$2,397.84	$2,259.37	$4,657.21	
Cash on hand	1,348.77	4,440.63	5,789.40	
Securities held at cost (market value plus accrued interest $39,297.84)			36,551.72	
Total				$ 46,998.33
During the year 1,418 loans were made amounting to				$ 17,326.44
Working capital as at 31-3-38				61,333.56
" " " 31-3-39				53,074 05
" " " 31-3-40				46,998 33

4. THE LAST POST FUND

P.C. 3568 of November 18, 1935.

The regulations governing the Grant to the Last Post Fund and instructions as to the use of the Grant is authorized by Order in Council P.C. 3568 of November 18, 1935.

The Last Post Fund operates under a Dominion Charter for the purpose of preventing the burial in a pauper's grave of any Canadian ex-service man who may die in indigent circumstances in Canada or elsewhere, or the burial in pauper's grave in Canada of any Imperial or Allied ex-service man.

Before the Fund can assume any responsibility it must be assured, under oath, that the deceased was an ex-service man or nursing sister and that his or her estate, relatives or friends cannot provide proper burial.

The Last Post Fund will pay a maximum of $50 for the funeral, a maximum of $25 for the grave, including opening and closing, and will place a marker on the grave, the whole cost must not exceed $100.

While the Last Post Fund is largely maintained by the Federal Government, the cost of administration is met by local subscriptions or by some other way locally. In Ontario, a grant of $1,000 is made by the legislature to cover the cost of administration, etc., and each municipality is required to pay the sum

of $15 towards the cost of burial of anyone residing in the municipality for a period of not less than three months who would otherwise have been a public charge. In the cities of Montreal, Westmount, Outremont, Verdun and Lachine, 25 per cent of the cost is paid in similar circumstances by the municipality.

In Quebec, the Provincial Government has made a special grant for the purchase of the Field of Honour of $1,000 per annum for ten years—at present in suspense. This is extraneous to and not applicable to current burials. In Manitoba, the Provincial Government makes a grant of $360 a year, applicable to administration. In Saskatchewan a grant of $200 a year for the same purpose; in Alberta, $200 a year is divided between the two branches—North and South; in British Columbia, $500 a year.

The following statement shows the number of burials conducted by the Last Post Fund and the grants from the Dominion Government:—

Year Fiscal	No. Burials	Paid	Alta.	B.C.	Man.	N.B.	N.S.	Ont.	P.E.I.	Que.	Sask.	G.B. U.S.A. Nfld.
		$ cts.										
1922-23.	96	9,271 59	7	19	8	1	.....	33	.....	27	1	.....
1923-24.	113	9,848 30	9	14	16	2	.....	42	.....	25	5	.....
1924-25.	152	9,833 79	15	19	23	1	1	51	.....	40	2	.....
1925-26.	137	9,996 90	13	26	41	5	4	57	.....	36	5	.....
1926-27.	194	10,000 00	27	28	24	3	4	62	2	31	13	.....
1927-28.	242	12,000 10	24	41	42	3	6	65	1	46	13	1
1928-29.	267	20,000 00	27	42	43	6	4	74	.....	47	24	.....
1929-30.	311	20,000 00	36	53	42	.....	11	99	1	51	18	.....
1930-31.	364	30,000 00	39	54	52	1	5	123	1	60	28	1
1931-32.	432	40,000 00	48	86	55	4	7	143	2	55	32	.....
1932-33.	523	40,000 00	57	91	82	7	13	159	1	75	37	1
1933-34.	546	40,000 00	61	84	79	7	11	184	.....	77	43	.....
1934-35.	609	40,000 00	65	111	64	7	12	212	1	98	38	1
1935-36.	656	60,000 00	59	110	99	14	10	224	3	85	51	1
1936-37.	773	60,000 00	72	143	81	12	21	257	3	116	46	22
1937-38.	844	60,000 00	86	156	93	20	14	267	6	100	51	51
1938-39.	856	75,000 00	91	143	101	10	26	282	5	99	44	55
1939-40.	928	85,000 00	75	195	99	12	18	305	2	113	54	55
	8,093	630,950 68	811	1,415	1,044	115	167	2,639	28	1,181	505	188

A breakdown of the 928 burials during the year 1939-40 shows the following:—

Protestants	712	Officers	31	C.E.F.	758
Rom. Catholics	175	N. Sisters	1	Imperials	162
Undeclared	40	N.C.O's	136	Allies	8
Budhist	1	Other ranks	730		
		Naval ratings	30		
	928		928		928

In addition to the 8,093 burials since 1922 there were 276 burials in the Province of Quebec between 1909 and 1922, making a grand total of 8,369 since the formation of the society, to the 31st March, 1939.

The grant to the Last Post Fund results in a material saving to the Department. But for this organization, the Department probably would be obliged to provide directly for the burial of indigent ex-members of the forces, as is the case in the U.S.A. and Australia. The saving is effected in four directions:—

(1) The cost of a Last Post Fund funeral is much less than that of a Departmental funeral, though it is of equal quality;

(2) The Last Post Fund declines many cases which the Department would have to accept;

(3) The Last Post Fund can secure refunds from municipalities and other sources which the Department could not do; and

(4) With the exception of a portion of the salary of the Secretary and the Headquarters' Administration, the entire cost of administration is borne through voluntary service or through funds provided otherwise than by the Department. The accounts of all the branches, as well as the Headquarters of the Fund, are audited by Messrs. G. A. Touche & Co., Chartered Accountants of Montreal.

It should be noted that in respect of burials in 1939-40 the Dominion Government contributed $207,821.94, most of which was spent directly by the Canadian Pension Commission and the Department of Pensions and National Health, $85,000 of which was dealt with through the machinery of the Last Post Fund.

5. Canadian Patriotic Fund

The Canadian Patriotic Fund had a balance on March 31, 1919 of $8,701,818.44. As far as is known, the Canadian Patriotic Fund continued to disburse these funds mainly to dependents of ex-service men, continuing this for some years and finally transferring the residue of the fund, in 1937, to the Canadian Pension Commission, the amount transferred being $1,281.86. The report on this small balance is dealt with under the report from the Canadian Pension Commission.

6. Funds Administered by the Canadian Pension Commission

We have the following statement from the Secretary of the Canadian Pension Commission relative to private funds administered by the Canadian Pension Commission.

"The attached statement gives particulars of three funds which were entrusted for administration to this Commission for the purpose of relieving distress amongst certain types of former members of the C.E.F. and their dependents. It will be appreciated that, in view of the comparatively small amounts of these funds, it was necessary to administer them with great caution, limiting the grants to small sums, with the twofold object of preventing the funds from becoming rapidly exhausted and ensuring that a maximum number of needy persons could be assisted.

It will be noted that the terms of the bequests or conditions attaching to the transfer of the funds differ in each instance and, while it was the intention of the doners to provide assistance for needy ex-soldiers or their dependents, there was a tendency to restrict benefits to certain types of individuals within the main group. It might be advisable, therefore, in any consideration of the general problem, to endeavour to have some standard form of bequest adopted.

It has been the practice of the Commission, before a grant is authorized, to have each case carefully investigated. The reports secured provide reliable information as to the applicant's financial circumstances and otherwise, thus ensuring that the Commission is in possession of adequate information on which to base decisions.

Precis of a few type cases and decisions rendered therein are attached hereto."

Mennonite Fund

This fund originated in 1918 from contributions made by the Mennonite community in Western Canada which were forwarded through the Very Reverend the Bishop Abraham Woexksen, of Altona, Manitoba, to the then Minister of Finance. The original amount was $4,000 and additional contributions subsequently received brought the total to $8,693.63. It was requested by the donors

that the funds as used "for the widows, orphans and cripples caused through this war", and not for war purposes. The Minister of Finance appointed the Board of Pension Commissioners and subsequently, the Canadian Pension Commission, to act as administrator of the fund. It was the practice to make small individual grants to ex-soldiers or their dependents where some emergency of a distressing character occurred for which funds were not available from any other source. About one hundred individual grants were made from this fund over a period of approximately twenty-one years, averaging about $87 a grant. The fund was finally exhausted in 1939.

As will be appreciated, it was found possible to relieve a great many distressing cases of acute hardship and the fund proved to be a source of great comfort and assistance to many deserving ex-soldiers or their dependents.

SCOTT FUND

This fund originated in a bequest of $10,904.96, which was left to the Government of Canada in 1930 by the late William Scott, of Egmondville, Ontario. The original bequest has since been augmented by amounts realized or collected from mortgages owned by the estate of the late Mr. Scott, bringing the total deposits to date to $12,580.39. Under the terms of his will, the fund was to be used as follows:—

> "I direct my executors to pay over all the residue of my estate to the Minister of Finance in the Dominion of Canada to be applied by him to the Pension Fund for benefit of soldiers enlisted in Canada for the present war and who are entitled to pensions, and the widows and orphans of deceased soldiers entitled to pensions in respect of the present war."

The administration of the fund, by direction of the then Minister of Finance, was placed in the hands of the Board of Pension Commissioners and later, the Canadian Pension Commission, with the suggestion that it be administered on the same lines as the Mennonite Fund and grants therefrom have been similarly authorized. Some eighty-one grants, averaging $80.25 have been made to date and the amount at present standing to the credit of the fund is $6,080.39.

This fund, as in the case of the Mennonite Fund, has proved a great boon to many needy soldiers and dependents of deceased soldiers who were found to be urgently in need of financial assistance which could not be otherwise secured.

CANADIAN PATRIOTIC FUND

This fund originated in the transfer to the Commission in 1937 of the residue of the Canadian Patriotic Fund, which was subscribed during the first Great War. The amount transferred was $1,281.86. It was ascertained in 1936 that the fund was then more or less inactive, having apparently served the purpose for which it was originally intended. Following representations made by the Chairman of the Commission, the above-mentioned residue was transferred to the Receiver General to be administered by the Commission, "it being understood that the Pensions Department will use the money for the benefit of persons in need as a result of the War and not eligible for pension, in those cases for which the Department has no other appropriation, and that in such cases the Department of Finance will issue cheques upon requisition by the Pensions Department." Twenty-nine grants have been issued to date, totalling $900.20, the average grant being $31. The amount now remaining in the fund is $381.66.

The observations regarding the administration of the Mennonite and Scott funds apply equally to the Canadian Patriotic Fund and this fund has also enabled the Commission to provide assistance in many worthy necessitous cases amongst returned soldiers and their dependents.

Soldier enlisted September, 1914, had three periods of service in France with the 4th Battalion, from February 9th, 1915, to April 29th, 1915 (evacuated G.S.W. shoulder), from October 4th, 1916, to March 15th, 1917 (evacuated sick) and from March 29th, 1918, to September 12th, 1918 (evacuated G.S.W. left arm). Was awarded Good Conduct Badge in August, 1916, discharged on demobilization, April, 1919. No pension awarded.

The soldier died in 1936. The Commission ruled thrat broncho-pneumonia was not attributable to service. This ruling was confirmed by a quorum of the Commission in July, 1937.

The soldier left surviving him a widow and four minor children. The widow is in receipt of Mothers' Allowance of $40 a month also an award of $20 a month under Section 21 of the Pension Act.

Investigation report of May 4th, 1940, reveals that the boy, Fred., who is 7 years of age, is suffering from suspected tubercular glands and an operation is evidently urgent. The widow has no funds at her disposal to take care of this expense. The Administrator of the Relief Department for the city of Niagara Falls states the operation will cost, approximately, $35.

DECISION OF COMMISSION

The Commission is of the opinion this is a suitable case for a grant from the Scott Estate Fund and recommends the sum of $35.

Cheque to be made payable to Mr. C. E. Stock, Administrator of the Relief Department, City of Niagara Falls, Ont., on behalf of the boy, Fred. Hanlin.

This soldier enlisted 13th April, 1916, at the age of 26. Arrived in England 4th November, 1916. Returned to Canada 22nd June, 1918. Discharged medically unfit 20th August, 1918. Medical entries tachycardia, heart action rapid, pain in the region of the heart, unable to do any route marches. No pension awarded. Subsequent to soldier's discharge he was employed on the C.N.R. at Calgary, lost both legs while in their employ, was not on duty at the time of his accident in February, 1931, and was not eligible for compensation.

The Bulkley Valley Branch, Canadian Legion of the B.E.S.L., Smithers, B.C., reports that the soldier is in straitened circumstances and has no way of providing a living for himself, wife and 11-year-old daughter, that he earns a few dollars by making artificial flowers.

The Adjustment Officer of the Provincial Command of the Canadian Legion, Province of British Columbia, states that this ex-soldier has had considerable experience in repairing and rebuilding bicycles, and that in the district where he lives there is an opportunity to make a good living at business of this kind; that the soldier has knowledge where there is a considerable amount of equipment necessary to run a business of this kind and such equipment could be purchased very cheaply, estimates the cost at about $100.

DECISION OF COMMISSION

In view of this soldier's economic circumstances and physical disability the Chairman is of the opinion this is a suitable case for a grant from the Scott Estate Fund and recommends the sum of $100.

Cheque to be made payable to David McKee, Adjustment Officer, B.C., Provincial Command, Canadian Legion, B.E.S.L., Vancouver, for administration.

The soldier marginally named enlisted 17th June, 1916, at the age of 32 years and 6 months; proceeded to France 22nd May, 1917; returned to England wounded 21st August, 1917; discharged on demobilization 5th September, 1919—no pension awarded.

In June, 1925, the Commissioners ruled that defective hearing was Statute barred. In July, 1925, the Commissioners ruled defective hearing post discharge origin.

Mr. R. G. Davidson, M.P., communicated with the Commission in February last requesting information as to whether the soldier's children were entitled to pension.

The circumstances of the case are as follows:—

Some 8 years ago the soldier went away, leaving a family of six children, the eldest of whom was 19 years of age. The soldier had been addicted to drink and his wife had always had to work to support herself and young children—he has not contributed towards his dependents' support since the date he left home. The wife died February 18, 1936, left no estate. The expenses of her last illness and burial were paid by a daughter, Mildred. This girl is at the present time in the employ of Battles House, Magog, as a waitress. She is 27 years of age and single. In the summer she earns $5.00 a week exclusive of room and board; during the winter months she gets from $3.50 to $4.00 a week, depending on how busy they are at the hotel. Lila, unmarried, 25 years of age, has the same employment and same earnings as Mildred. One married daughter with one child—the husband is employed on his father's farm. There are two minor children, one born on December 2nd, 1920, and one on February 14th, 1924, and are at the present time residing on a small farm with an uncle at Fulford, Que. The uncle is in very poor circumstances and is not inclined to keep the boys. The two unmarried daughters referred to above have been assisting to support the minor brothers to some extent. Their contributions have not averaged $5 a month each. None of the family are in receipt of relief as the mother and daughters supported the house as long as she lived. This has been verified by the Chief of Police, Waterloo, Que.

If the circumstances permitted the boys could be put to board in a private home where they could be supervised by their adult sisters. The sister, Mildred, is described as very reliable and has a keen sense of duty towards her younger brothers. She is engaged to be married but cannot do so as long as she has to assist them.

DECISION OF THE COMMISSION

The Commission is of the opinion that this is a suitable case for a grant from the Mennonite Fund and have decided to make a grant of $200.00; cheque to be made payable to the Pension Medical Examiner, Canadian Pension Commission, Montreal, to be administered on behalf of the two minor children.

This ex-soldier enlisted October 16th, 1916, Served in France from March, 1918, to March, 1919. Was discharged on demobilization May 8th, 1919. He was awarded the Military Medal for great gallantry and devotion to duty—during the attack east of the Douai-Cambrai Road on September 29th, 1918, this stretcher bearer displayed the utmost gallantry and contempt for personal danger. He was continually in the open, on ground swept by very severe machine-gun fire, dressing the wounded and carrying them back. Time after time he crawled forward through the wire to render succour to the wounded and by his devotion undoubtedly saved many lives. Authority *London Gazette* No. 31430, dated 3rd July, 1919. No pension was awarded.

He died September 27, 1932, from cirrhosis of the liver (alcoholic). His death was ruled not attributable to service.

Information on file indicates that the soldier left surviving him a widow and two children. A female child was drowned shortly after she completed her

high school education. The boy is badly handicapped as a result of infantile paralysis. The widow is described as a competent stenographer but is unable to secure employment, chiefly on account of her age (55).

DECISION OF COMMISSION

In view of the soldier's meritorious service and the present economic circumstances of the widow, the Chairman is of the opinion this is a suitable case for a grant from the Scott Estate Fund and recommends the sum of $50.00.

Cheque to be made payable to the widow, Mrs. Alice Wood.

7. SHIPS' POPPY FUND ADMINISTERED BY WAR VETERANS' ALLOWANCE BOARD

The following report was received from Mr. W. S. Woods, Chairman War Veterans' Allowance Board.

"The above represents a fund which was collected by the sale of poppies on British ships at sea on November 11th each year. Since many of these Imperials are located in Canada, the sum of $5,800.00 from this fund was turned over, through His Excellency the Governor General of Canada, to the Canadian Legion, for the purpose of alleviating distress amongst ex-Imperials in Canada.

The Canadian Legion appointed a committee of three to administer this fund, comprising the writer as Chairman; Major Mordie of the Bank of Commerce and Col. Osborne of the Canadian War Graves Commission.

It is the writer's practice, as cases are sent to him by memorandum, to make a recommendation thereon which is then passed to one other member for concurrence—two comprising a quorum.

This fund has been in existence since 1937, and we still have remaining on hand over $2,000.

The attached memorandum will indicate to you ten cases typical of those assisted."

SHIPS' POPPY FUND

Memorandum

In September, 1937, the British Benevolent Fund, through the British Empire Service League, remitted to His Excellency the Governor General, approximately $5,800.00, which was turned over to the Canadian Legion for the purpose of alleviating distress among Imperial ex-service men in Canada.

Grants under this fund must not exceed $50.00 and the money is not available for direct relief, but only in cases of "dire emergency."

The financial statement as at November 30, 1940, shows a balance on hand of $2,126.

The following ten cases are typical of those assisted:—

Case No. 1

"This is a man, an ex-Imperial, married with eight children. His sole income at the present time is pension and Workmen's Sick Relief, amounting to a total of $7.50 per week. He is at present in hospital, where he will undergo an operation in the near future. His family are in need."—$25 granted.

Case No. 2

"This is the case of an ex-Imperial who is practically bedridden, and whose wife is also sick. They are being maintained at present by Municipal relief. The veteran is in need of special food for his condition and has no funds for same."—$25 was granted.

Case No. 3

"This is the case of a man suffering from hernia who, if operated upon, would be better able to earn a living for himself and family."—$50 granted for operation.

Case No. 4

"This is the case of a man who is suffering greatly from rheumatism and a general breakdown in health. He and his wife work as janitors for $35 per month. He needs his remaining teeth extracted and dentures supplied, and his dentist has agreed to do the work for $25."—$25 granted.

Case No. 5

"This is the case of a man and his wife and ten children living on $50 a month relief. Several of the children are without shoes and stockings. The living conditions are deplorable."—$25 granted.

Case No. 6

"This is the case of a man who had his foot amputated and who is in need of financial assistance until the effects of this operation have been overcome."—$30 granted.

Case No. 7

"This is the case of an indigent ex-Imperial who died in the United States and was buried there by The Great Lakes Command of the Canadian Legion."—$37.50 granted, being one-half the cost of burial.

Case No. 8

"This is the case of an ex-Imperial who requiring X-ray in connection with his stomach condition has no funds for same. This can be done at the Civic Hospital for $10."—$10 granted.

Case No. 9

"This is the case of an ex-Imperial whose wife is suffering from phlebitis and where the necessary care cannot be given her on account of their limited income."—$15 per month granted for two months for the care of the wife.

Case No. 10

"This is the case of an ex-Imperial suffering from sinus trouble; $50 has been raised locally and the doctor and dentist are donating their services."—$50 granted for further hospital treatment.

8. Other Funds

Through the sale of poppies manufactured in Vetcraft Shops of the Department of Pensions and National Health, the Canadian Legion has controlled the disbursement of funds collected for Poppy Fund each Armistice Day since the last war. The only record in the Department is a record of revenue received as a result of the purchases by the Legion of the poppies used, but there was no profit on the sales of these poppies accruing to the Department of Pensions and National Health.

Throughout Canada local funds have been created from time to time to assist veterans, before relief became general throughout the country, but most of these funds were local in conception and control and no estimate could be made of the amounts.

B. *Comment*

(1) The above survey of a few of the many funds throughout Canada will indicate that there has been great variety in control and methods and in the criteria governing the forms of assistance to veterans. The conclusion can

hardly be resisted that while much good was undoubtedly done, more could have been accomplished by centralized control, the establishment of Dominion standards of assistance, and a broader based and more scientifically built policy of investigation and aid which might well have resulted in less administrative cost.

(2) The following observations might be made with regard to Canteen Funds in particular:—

(*a*) At the time it seemed that there were certain advantages in decentralization of control of these funds to Provincial Boards but it is not clear that these were obligated to conform to careful standards of custodianship, investment, audit and control, and they do not appear to have been restricted as to type of security in which funds were invested.

(*b*) In many cases there was support of activities, and assistance in the purchase of properties of ex-service men organizations with consequent doubtful exercise of their authority under Section 10 of the Act. Order in Council setting up Boards recited the objects outlined in the Act, but there does not appear to have been any Dominion statutory authority that could question disbursements or effect control.

(*c*) In the case of several Boards, the record cannot be regarded as satisfactory.

(*d*) In the case of Ontario, attention is called to the conservative financial practice which has succeeded in keeping the major part of the fund intact, but it is difficult to visualize for what purpose the fund can be used when in another two decades the majority of the beneficiaries will not exist.

(3) It has been the experience in the past that the improvident ex-service man has been able to secure help from a variety of funds, local, provincial and national, and there is some element of doubt as to the wisdom of the indiscriminate monetary grant in such cases.

(4) Members of a carefully selected Dominion Board of Trustees would, in the future, probably wish to develop the assistance to veterans on more constructive lines than the making of monetary grants without subsequent follow-up of the cases. Since the structure of relief for necessitous cases in Canada is now much more complete than in 1919, emphasis might well be laid upon civil re-establishment projects. It may be noted that in the past one of the projects to which funds might be devoted was the education of children of veterans. Since education is a provincial matter and the encouragement of talent by means of education would probably lie within the provincial sphere, it is doubtful whether scholarship projects should be included in objects to which the fund might be devoted. The rehabilitation of the head of the family is the essential prerequisite to the acceptance of his proper responsibility for the opportunities given his children, so that attention might be directed to this main object.

(5) Government policy in respect of rehabilitation will always find it necessary to consider a large group, and it is always difficult to legislate for a small group or for out-of-line cases. However excellent legislative and administrative arrangements are, regulations are necessarily drafted with a view to restricting abuse and making it possible to bring the various items of public expenditure in this matter into broad categories. As a result of this there are to be found from time to time, cases which cannot be fitted in the cadre of the regulations and a voluntary fund under careful stewardship is the most suitable expedient for taking care of these cases which fall through the meshes of Governmental Aid. Furthermore, public authorities find it difficult to spend

money on experimental projects since if they fail, they induce political consequences. It should be the aim, therefore, of voluntary effort to pioneer in areas of re-establishment where it may be difficult for the Government, in the initial stages, to frame a national policy. For example, it is hardly likely that the Government could take special steps to assist a veteran returning to his occupation as a fisherman, to purchase a boat and fishing tackle in order to re-establish himself, and yet this may be precisely a field where a grant or a loan might enable an ex-service man to return promptly to his pre-war occupation.

Having in mind these points, the Committee unanimously offer the following recommendations:

C. RECOMMENDATIONS

1. That such profits or proceeds as may be derived from canteen and institute sales and directed to be expended on behalf of and for the welfare of ex-members of the armed forces of Canada during the present hostilities should be deposited with the Receiver General of Canada.

2. That such profits or proceeds as may be derived from other organizations rendering service to the armed forces of Canada and which moneys may be designated to be devoted for expenditure on behalf of or for the welfare of ex-service men of this war should be deposited with the Receiver General.

3. That the appropriate officers of the Department of National Defence charged with the control of canteens and institutes should be authorized to take special steps to ensure that capital expenditures be carefully controlled at or about the time of the armistice, with a view to conserving profits and salvaging proceeds for the benefit of the ex-members of the forces, and that the Director of Auxiliary Services be authorized to effect demobilization of Auxiliary Services, and to arrange for the proper handling of salvage in stores in such a way as to maintain whatever equity can be maintained on behalf of the ex-service men.

4. That on demobilization arrangements be made for prompt final audits of all financial operations and commitments by all organizations serving the armed forces and a clear public statement issued as soon as conveniently possible after demobilization as to the amount of money available for the welfare of ex-service men of this war, and clear statements as to custodianship and control of same.

5. That the custodianship, investment, control and disbursement of all such moneys thus made available for the welfare of ex-service men be administered under the authority of Act of Parliament and by a Board of Trustees properly constituted.

That the administration might consist of the following:

(*a*) A Dominion Board of Trustees consisting of the Chief Justice of Canada; the Auditor-General of Canada; the Governor of the Bank of Canada; the Minister of Pensions and National Health, and an elected President of a selected veteran organization; with provision for secretarial assistance.

(*b*) A Dominion Advisory Committee consisting of ex-service men representative of the three services and the Director of the Veterans' Welfare Division, Department of Pensions and National Health to assist the Board of Trustees in framing policies.

(*c*) A District Advisory Committee, in each administrative area served by the Department of Pensions and National Health, consisting of three members, two of whom should be service men of the present war with satisfactory service records, to report to the Dominion Advisory Committee.

(*d*) That the Secretary of the District Advisory Committee in each case be the District Veterans' Welfare Officer of the Department of Pensions and National Health who, in addition to ordinary secretarial duties, will be responsible for reporting on investigation of applications and the carrying out of the policies of the Board of Trustees.

(*e*) Since the Board of Trustees will be responsible for the investment and custodianship of funds, it may be convenient for them to arrange for disbursements to take place through the usual machinery, i.e., the Treasury Officer of the Department of Pensions and National Health with proper records being maintained in the Veterans' Welfare Division.

(*f*) That investment of these funds should be in Dominion Government securities.

The primary purpose of the fund should be to encourage the civil re-establishment of ex-service men, and in view of past experience the Board of Trustees might consider disbursing a greater proportion of the funds in the immediate post-war years. Perhaps some form of terminable annuity could be used to amortise the amounts to be distributed so that the maximum amount could be made available in a limited period, exhausting the fund at a definite date. Since conditions in Canada have materially changed since the last war, owing to the acceptance of responsibility by public bodies for those in distress or unemployed, there is less need for conservation of large funds for indeterminate emergencies after a decade in respect of a specific group of the population.

It is suggested that the aim should be to consolidate all funds available for the welfare of ex-service men under one Dominion administration, as indicated.

It has been noted that in the past there has been some little difficulty in securing the full income of specific personal bequests made with a view to assist ex-service men. Sometimes wills are drawn in such a way as to involve those responsible for administration of such funds in costs of litigation which reduce the amount of the bequests concerned. It is suggested that some form of simple bequest formula could be devised which would enable testators to bequeath funds to the Board of Trustees to be used for the purposes designated, as set out by their legislative autority.

OBJECTS

The objects to which the fund might be devoted, after examination of the many and varied objects suggested in connection with the use of Canteen Funds of the last war, should be clearly though generally stated, as follows:—

1. For the assistance of distress of ex-service men or of their families by loan or grant where adequate assistance is not available from Governmental or other sources.

2. To assist in the reconditioning of ex-service men with a view to fitting them for civil employment if such a service is not available from any other source.

3. For assistance by grant or loan in equipping or re-equipping ex-service men as tradesmen or small business men who by this means would be enabled to secure a livelihood.

4. For assisting ex-service men with limited grants or loans to engage in part time for whole time modest enterprise.

5. To meet any emergency with which the Board of Trustees may deem it advisable to deal.

It is the view of the Committee that if the Canteen Funds and such other Funds as may be derived from the proceeds of other organizations serving the armed forces are consolidated into a single Dominion fund under a statutory Dominion authority in some such manner as indicated above, it might be possible to encourage voluntary gifts, bequests and grants from other sources which could be received by Trustees of the fund and administered by them.

All of which is respectfully submitted.

A. J. DIXON,
Chairman,
Sub-Committee on the Administration of Special Funds.

SUB-COMMITTEE ON LAND SETTLEMENT

FEBRUARY 4, 1941

A meeting of the Sub-Committee on Land Settlement was held on February 4, 1941, at 10:00 a.m. in Room 433 Daly Building, Ottawa, Ontario, at which were present:—

Dr. G. S. H. Barton
Mr. F. J. Freer
Mr. T. D'Arcy Leonard
Mr. Harry Hereford
Mr. W. M. Jones
Mr. Gordon Murchison
Mr. Walter Woods
Mr. J. N. K. Macalister
Mr. J. S. McGowan
Mr. J. S. McLean
Mr. J. A. Proulx
Dr. O. A. Lemieux
Dr. J. D. MacLean
Mr. Robert England

Dr. G. S. H. Barton acted as Chairman as Mr. Walter Woods, though present at the meeting, had not completely recovered from illness suffered during the past week.

Dr. W. A. Mackintosh expressed through the Secretary his regret at being unavoidably absent through urgent business which had developed that morning.

10. MINUTES

Minutes of the last meeting, on December 6, 1940, were read by the Secretary and the following emendations having been approved, were adopted:—

On page 2, 5th paragraph—The first sentence should read as follows: "For the 1941 Census it was proposed to take a record only of farms which had become abandoned or idle since 1931 but at the request of this Committee it was decided to follow the same procedure as in 1931, asking for further information as per sample schedule presented."

On page 2, 7th paragraph—This paragraph should read as follows:—

> "In 1936, farms were classified according to type based on the kind of production, such as wheat, live-stock, etc. One type was called 'self-sufficing' for lack of a better term, and this designated farms where most of the production was consumed on the farm and very little was sold. There were twenty-two thousand (22,000) such farms. Similar information will be secured in the 1941 census."

11. Report of Dr. Lemieux on Cost of Special Tabulation—Census Returns for 1941

"In order to make a list of the farms operated by persons of sixty years of age and over, it would require something like seven hundred and fifty (750) work days, and at $3.00 a day this would mean $2,250.00. There is also another type of farm which might be thought worthy of consideration by this Committee. In the 1931 Census, we made a special study of what we called "part-time farming in Canada". We discovered that 56,704 farms were operated by part-time operators. These were distributed as follows:—P.E.I. ... 1,350; N.S. ... 12,225; N.B. ...6,859; Que. ...11,086; Ontario ...14,420; Man. ...2,788; Sask. ... 1,727; Alberta ... 2,144; B.C. ... 4,140."

"The above figures do not give a complete picture of part-time farming in Canada. These are only those farms operated by men who derived more than 50 per cent of their income from a source other than farming. A study similar to the one mentioned above 'farms operated by men of sixty years or more' would cost about the same."

"There is also Form 2B, Abandoned and Idle Farms. It is impossible to make an estimate of the cost of the compilation of that schedule because we do not know just how much listing will be required. For example, abandoned or idle farms in districts like Parry Sound, Algoma, Temiskaming, etc., and that represents the bulk of such farms in Ontario, were abandoned for a good reason and I do not expect that this Committee will be greatly interested in them because of the purpose in mind. The same thing is true of the abandoned lands in Nova Scotia, in Saskatchewan, and presumably in all the other provinces. Consequently, I am not submitting any estimate for that part of the work and we will understand ourselves to do any compilations that may be required in this connection. The estimate, then, would be about $4,500.00 as the cost of special work."

The Secretary was instructed to deal with this situation by negotiating an arrangement with the Bureau of Statistics through Dr. Lemieux.

12. Executive Secretary's Report on Projects Submitted

The Executive Secretary reported on schemes submitted by the following:—

Colonel A. Fortescue Duguid,
Chief Historian, Department of National Defence,
Ottawa, Ontario.
Ernest Norris, Esquire,
Camrose, Alta.
James Moyes, Esquire,
Saddlemount Park,
Cobble Hill, B.C.
John P. Loftus, Esquire,
358-46th Avenue East,
Vancouver, B.C.
Father McGooey,
Toronto District.
Canadian Legion—Committee on Rehabilitation.
E. Newton-White, Esquire,
Charlton Station,
Ontario.

It was explained that in the case of the project of Father McGooey, the full details are to be submitted to the Chairman and a small committee nominated by him. In the case of the project of Colonel Duguid, it was agreed that the

Secretary should circulate the report to such members of the Committee as had not received a copy, and also the report of the Sub-Committee on same which had been adopted by the Committee.

12. Draft Interim Report to General Advisory Committee

A draft interim report prepared by the Chairman, Dr. Barton and Mr. Jones was submitted. After discussion the amended draft report, as attached, was approved, on the motion of Mr. Macalister; seconded by Mr. Hereford.

13. Selection and Training

The report on Selection and Training attached made by Messrs. J. N. K. Macalister and J. S. McGowan, and submitted at the last meeting, was approved, with the following changes:—

Page one:

Section (*b*)—In the 4th line delete "but for other plans of urban rehabilitation that may be in operation".

Section (*c*)—In the 5th line delete "in order to guide and direct him into the particular plan of rehabilitation for which he is best qualified".

Page two:

In the last sentence (first paragraph) change the word "seven" to read "five" and substitute the following for sections (*a*) (*b*) (*c*) (*d*) (*e*) (*f*)

(*a*) A representative of the Dominion Settlement agency.

(*b*) A representative from the Dominion Department of Agriculture or Experimental Farms, from one of the Agricultural Colleges, or Provincial Departments of Agriculture. This representative would have technical knowledge and understanding of farming in the particular province in which the Board is located.

(*c*) A farmer operating his own property.

(*d*) A representative of industry or of trades and labour preferably a veteran of the present war.

(*e*) A veteran of the present war.

Page three:

Section (*d*) under the heading Selection Organization—Delete the words "and recommend some other definite plan of re-establishment".

Attention was called by Mr. Woods to the formation of the Veterans' Welfare Division in the Department of Pensions and National Health who would refer suitable cases to the settlement authority for the attention of the Qualifications Committee. In the event of the rejection of an application the applicant would return to the Veterans' Welfare Division for attention.

14. Terms of Reference: Urban Settlement.

The Sub-Committee on Terms of Reference re Urban Settlement submitted the following report which was approved with the exception of the item with reference to Provincial Governments.

The Committee believes that any policy which has as its object the establishment of as many ex-service men as possible in homes of their own, whether in town or country, should be regarded in the light, not only of the contribution it will make as a rehabilitation measure, but also as a factor in the future social stability of the country.

The Committee in considering the question of its terms of reference being widened to include urban in addition to rural settlement is impressed by one or two aspects of the question such as:

A. The distinction between a settlement plan which contemplates placing the settler in a position whereby he can provide the maintenance of his family in whole or in part from the land, and an urban settlement policy whereby he must rely entirely upon outside work to maintain his family.

B. There is already legislation in the National Housing Act whereby Canadian citizens may acquire a home of their own on easy terms.

C. The danger of any urban settlement plan for service men off-setting the objective of a land settlement policy which has as its objective the furnishing of assistance whereby the settler can, through his own efforts, become partially if not entirely self-supporting.

D. While the Committee has not made any detailed examination of the situation it has been advised that a shortage of moderate priced workers' houses exists throughout the Dominion which might well be met by a comprehensive housing plan as a reconstruction measure.

The Committee therefore suggests:

1. That this matter be made the subject of a discussion with the Provinces.

2. To assure co-ordination and avoid conflict between the Government's Soldier Land Settlement policy and any housing assistance policy for veterans, this Committee would appreciate further direction after the situation has been examined along these lines.

It was agreed that the Chairman should consult Mr. F. W. Nicolls, Director of Housing, and explore the subject further before any consultation with the Provinces took place.

15. MEMORANDA—HON. DR. J. D. MACLEAN; MR. J. A. PROULX

The Hon. Dr. MacLean presented a memorandum attached on the financial aspects of Land Settlement and this was discussed in detail.

Mr. Proulx presented a memorandum attached on Land Settlement which was discussed.

Both Dr. MacLean and Mr. Proulx were complimented on the interest they had taken in the problem and on the careful thought with which they had prepared the memoranda submitted. There was general agreement on the following points as a result of the two memoranda:—

(*a*) The need for a land settlement project to assist in the rehabilitation of those ex-service men in particular who were engaged in agriculture prior to enlistment.

(*b*) The desirability in any project of avoiding undue debt burdens on settlers.

(*c*) Government financial assistance was necessary either by way of loan or subsidy or a combination of both.

(*d*) The home factor in settlement should be stressed.

(*e*) That there should be reasonable flexibility in the schemes to enable the Settlement authority to deal with a variety of cases.

(*f*) That the administration should be of such a character as to be able to avoid undue political pressure.

There was some doubt expressed by some members of the Committee as to outright purchase by the Dominion, before the end of the war, of land for settlement and of the lease-option method. Mr. Freer pointed out the advantage of a small subsidy for each settler over the disproportionate cost of collection and servicing of settler debt. In examining the method of sale he noted that there were certain advantages and disadvantages in Government purchase and resale of lands and certain advantages and disadvantages in this direct sale by individual vendors to soldier settlers.

The advantages of the individual vendor-settler relationship he noted as follows:—

(*a*) This method was part of the customary structure of trade and commerce and therefore less likely to disrupt the market.

(*b*) The vendor was more likely to ask a straight commercial price than if he were selling to the Government. There might thus be a tendency for the settler to secure farms within the usual price range in the area selected by him.

(*c*) It seemed better that the vendor-purchaser relationship should be the ordinary legal one within the customary framework. Since civil rights were within the jurisdiction of the province, it seemed preferable that the Dominion should not be introduced between the two parties of vendor and purchaser-settler.

(*d*) The settler, under this plan, would find available to him the ordinary agricultural assistance rendered by provincial agricultural extension service, and such agricultural aids as might be provided for him by his province. He thus assumed his correct relationship to the provincial, municipal, and administrative machinery.

(*e*) The local vendor was in touch with the farm which he had sold, and there would be a feeling of obligation on the part of the purchaser to carry out his contract. The local vendor would have a direct interest in the success of the purchaser-settler, and whilst he could not interfere with the operation of the farm, there would still be a certain moral suasion exercised by him. The assumption of the obligation by the purchaser to the local vendor might have some effect upon his industry and application.

The disadvantages were as follows:—

(*a*) It might be necessary to deal with a large number of vendor-purchaser transactions in a relatively short time; owing to the encumberment of title and the complexity of the legal work involved in the transfer, there might result certain lack of speed in dealing with emergencies.

(*b*) The ten-year period proposed in Mr. Murchison's memorandum seem a little long, and he wondered if a five-year period could be considered.

Mr. Freer was inclined to think that in respect of the Class A type of transaction, which dealt with the more or less commercial farm, should be by sale agreement, but he rather favoured the lease-option on the small holdings.

As to the amount which the settler could reasonably be expected to pay annually, he had made a test check of the sale account of $1,000,000 worth of Great West Life property which showed that in 1939 the intake of capital and interest payment was 7 per cent, and in 1940 up to date it had reached 5 per cent and more would come in. These farm properties averaged about $3,000 each. He took the view that on such properties it should be possible to pay at least 5 per cent of the principal as the total debt obligation. This would mean that on a $3,000 property the scheme could well proceed on the basis of expectation of $150,000 amortised payment annually.

After considering very carefully the whole picture, he was inclined to think that the vendor-purchaser relationship would be preferable though there was a case for the outright purchase by Settlement authority of the small holding type of property to be handled on a lease-option basis.

Assuming the individual vendor method were adopted for the higher capital brackets, he could envisage co-operation between the Settlement authority and the Provincial Departments of Agriculture in the matter of supervision and agricultural assistance. It was agreed by the Committee that the provinces could

render greater help in this matter if co-operation were arranged with the Settlement authority, and long discussion took place as to the type of supervision, some doubt being expressed as to the use of the word "supervision", Dr. Barton using the term "assistance". At the conclusion of the discussion the Chairman was asked to have a small Committee to restudy the memoranda and endeavour to co-ordinate the plans and bring forward further amended proposals.

Mr. Murchison presented a further memorandum (attached) in explanation of his original submission to the Committee.

The meeting adjourned at 11.35 p.m.

(Sgd.) Walter S. WOODS.
Chairman.

FUNCTIONAL ORGANIZATION (Tentative)

(a) *General Advisory Committee—*

The General Advisory Committee deals with policies; considers recommendations, suggestions and proposals from interested citizens, organizations; prepares plans, and generally develops the framework of rehabilitation. It is presumed that this body will be discharged from their duties when demobilization has been completed. It is a temporary planning organization and has no executive function.

(b) *Veterans' Welfare Division, Department of P. & N.H.*

This Division will be a practical co-ordinating body to carry out the direction of veterans to the various agencies which are charged by the Government with various phases of the problem. In the matter of social welfare it is assumed that they will have direct contact with all the social welfare organizations, and will carry out the duties outlined in Order in Council 6282. It will assist in carrying out the policies recommended.

(c) *The Canadian Pension Commission*

The Canadian Pension Commission machinery handles the question of entitlement to pension.

(d) *Department of Pensions and National Health*

The Department of Pensions and National Health administrative machinery in respect of treatment, hospitalization, etc., will be operative in respect of men in need of treatment.

(e) *War Veterans' Allowance Board*

The War Veterans' Allowance Board deals with verterans of the last war. It is assumed that the Act will not yet be applicable to the young men who are serving in this war.

(f) *Employment Service of Canada*

The Employment Service of Canada, under the Unemployment Insurance Commission, will give specialized attention to veterans.

(g) *Youth Training, Department of Labour*

In the matter of vocational training, this would be probably covered by the Youth Training Plan in the Department of Labour which would work in close conjunction with the Employment Service of Canada. It is convenient to use this method since there are agreements between the Dominion and the provinces

in this matter that would provide a framework for the future and avoid duplication of facilities in the matter of vocational and technical training. The War Emergency Training Program prepared by the Labour Co-ordination Committee is being administered in this way with preference to veterans as trainees.

(h) *Soldiers' Settlement Board*

If the Cabinet Committee eventually decide to assist Land Settlement, the Soldiers' Settlement Board wil probably be charged with this function.

(i) *Department of Finance*

Should a housing scheme devlop, this will probably be operated under the Director of Housing, Department of Finance.

(j) *Department of Mines and Resources*

Any conservation proposals looking towards use of men in forestry or mining or national parks or other areas will probably be administered by the Department of Mines and Resources.

(k) *Department of National Defence*

The Department of National Defence will be responsible for the actual demobilization. It has been agreed that the Executive Secretary of the General Advisory Committee will be consulted by the Adjutant-General's Branch when plans are being made in this connection. Meantime a copy has been supplied them of the assumptions made by the Army Council of the War Office on which the British army demobilization plans will be made by the General Staff. It is expected that Colonel Hennessy, Director of Organization, will be dealing with this matter, and an attempt will be made to effect demobilization in such a form as to make the plans of civil re-establishment more effective, particularly by categorization while the men are in service for demobilization purposes, based on information secured through the occupational history form. Owing to the mechanized character of the present armed forces, trade training is being undertaken by the Department of National Defence, and since many of the trades will have cousinship with civilian occupations, this will assist in civil rehabilitation later. Furthermore, the Department of National Defence is encouraging the work of the Canadian Legion Educational Services with emphasis on remedial secondary education, academic and technical.

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

A meeting of the General Advisory Committee on Demobilization and Rehabilitation was held in Room 433, Daly Building, at 3 p.m. on Tuesday, December 17, 1940. The following were present:—

Brigadier-General H. F. McDonald, C.M.G., D.S.O., Chairman, General Advisory Committee on Demobilization and Rehabilitation.

Mr. Walter Woods, Vice-Chairman, General Advisory Committee on Demobilization and Rehabilitation.

Major-General B. W. Browne, D.S.O., M.C., Adjutant-General, Department of National Defence.

Colonel P. Hennessy, Director of Organization, Department of National Defence.

Lieut. Commander F. J. Kelly (representing Colonel E. A. Deacon, Director of Auxiliary Services, Department of National Defence).

Paymaster Captain J. O. Cossette, Department of National Defence for Naval Affairs.

Wing Commander E. E. Middleton, Department of National Defence for Air.

Dr. R. E. Wodehouse, Deputy Minister, Department of Pensions and National Health.

Dr. R. H. Coats, Dominion Statistician, Dominion Bureau of Statistics.

Dr. W. A. Mackintosh, Department of Finance.

Mr. V. C. Phelan, Director of Employment Service, Department of Labour.

Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health.

Colonel A. F. Duguid, Chairman, Sub-Committee on Post Discharge Pay.

Mr. K. M. Cameron, Chief Engineer, Department of Public Works.

Dr. J. F. Booth (representing Dr. E. S. Archibald, Chairman, Sub-Committee on Vocational and Technical Training and Retraining).

Mr. Robert England, Executive Secretary, General Advisory Committee, on Demobilization and Rehabilitation.

1. Constitution of Committees

In accordance with the terms of P.C. 5421 notice was sent to the members listed therein together with the agenda to be discussed relating to subjects named in P.C. 4068½.

2. Emergency Measures

The Chairman reported that the Cabinet Committee had dealt with a number of the problems which had been subject of study by Sub-Committees, and in view of the situation certain emergency measures had been adopted relative to the after-care of discharged ex-service men.

The Chairman stated that on the 11th of December the Records Office of the Department of National Defence had a record of discharges from the forces of 304 officers and 21,321 other ranks, but of these 1,428 were N.P.A.M., and not C.A.S.F., having undertaken temporary duty. There were also in this total figure 1,713 deserters, 4,299 discharged as unlikely to become efficient soldiers, 607 under age (false attestation), 304 deaths, and upwards of 1,000 who were discharged as a punishment, i.e., because of civil imprisonment or some irregularity. Furthermore, 61 officers and 5,890 other ranks were discharged before the 31st of March, and therefore had served less than six months. It is not possible to secure, without considerable expense, the number of those who have been discharged after the 31st of March, having served less than six months, but the number is very considerable. There are 11,312 discharged as medically unfit, many of whom will have served less than six months, and some of them only a few days, having escaped the vigilance of the medical officers at time of attestation.

As to officers and other ranks who have returned from overseas, the number on the 11th of December was 1,300, about one-third of whom are still on strength either on duty, in hospital or still undischarged. About 800 have been finally discharged as physically unfit under existing standards.

8,285 cases have been referred to the Canadian Pension Commission between September, 1939, and November, 1940. The main large groups in this figure are as follows:—

Infectious and parasitic diseases	1,049
Endocrine glands and other general diseases	514
Diseases of the nervous system and of the organs of special sense	2,234
Diseases of the circulatory system	761
Diseases of the respiratory system	671
Diseases of the digestive systems (cancer excepted)	1,191
Diseases of the bone and organs of locomotion	727
Accidents and other external violence	752

It is becoming clear that there will be very few cases that will be pensionable under existing regulations, that is for disabilities attributable to or incurred during war service as many disabilities are of pre-enlistment character.

The Chairman further reported that certain steps had been taken by the Government to deal with the emergencies resulting from the above, as follows:—

(*a*) Separation allowances while in hospital. (P.C. 204/6613.)

(*b*) Veterans' Welfare Division in Department of Pensions and National Health. (P.C. 6282.) This action was taken in accordance with the recommendations of Vocational Training and the Retraining of Special Casualties Sub-Committees as to Vocational Guidance Officers.

(*c*) The Vice-Chairman of the Committee paid a visit to the cities of Canada, and made a report to the Minister of Pensions, and arrangements were made for the setting up of voluntary committees at the large centres to assist in the civil rehabilitation of ex-service men.

(*d*) Action was taken in order to encourage the employment of ex-service men by the various Government Departments, and co-operation with the Auxiliary Service Officers of the Department of National Defence was arranged. These officers in many cases formed committees under instructions from Brigadier Foster, until a decision had been made by Cabinet Committee, that the men on discharge would become the responsibility of the Department of Pensions and National Health.

3. Sub-Committee on Post Discharge Pay

The Chairman of the Sub-Committee gave a summary of a report made by his Committee on July 2, 1940. The Committee's report was divided into three parts as under:—

Part I. Review of Policy and Practice following the Great War 1914-19. (pp. 1 to 68).

Part II. Recommendations as to Post Discharge Pay and War Service Gratuity for the war 1939. (pp. 69 to 72).

Part III. Suggestions as to immediate and future action towards re-establishment of veterans. (pp. 73 to 101).

The recommendations as to post discharge pay and war service gratuity are as follows:—

(i) Provided the financial condition of the country warrants, every member of the services be given (on discharge) one month's leave with pay and dependents' allowance.

(ii) No war service gratuity be paid from Federal funds.

(iii) No Government allowance be made for civilian clothing to veterans, except as provided in C.A.S.F. regulations.

(iv) The Government receive voluntary subscriptions to a war service gratuity fund to be distributed on a sliding scale directly dependent on rate of pay and length of service, regardless of place or employment.

(v) Various means for providing immediate post war employment be developed; such means, calculated to avoid waste of potential energy or expenditure of funds on post discharge pay or war service gratuity, are examined in Part III of this report.

Colonel Dugiud then summarized the measures suggested by the Sub-Committee on Post Discharge Pay relative to rehabilitation. The various sections of the report dealing with education, training and retraining, employment, public works and community settlements were called to the attention of the Sub-Committees dealing with these features.

The Chairman reported that an Order in Council was before the Treasury Board authorizing the payment of rehabilitation allowance, equivalent to 30 days' pay and dependents' allowances on discharge of officers and men who have completed 183 days' continuous service in the forces.

A further report from the Sub-Committee was handed to the Chairman and copies are to be made available and circulated to the members for their study.

4. EMPLOYMENT

Mr. V. C. Phelan, Chairman of the Sub-Committee on Employment reported that the Employment Service of Canada when organized would give specialized attention to the employment of ex-service men; that an occupational history form had been prepared and would be filled out by all the members of the forces, and that the Director-General of Labour Relations had been consulted as to improvement of the clause in Government contracts in construction and munitions, requiring that contractors employ a percentage of ex-service men. The Employment Service Committee submitted the following further recommendations which received the approval of the General Advisory Committee.

1. That the Veterans' Assistance Committees, wherever established and functioning, be requested to co-operate with other Committees which have been formed to assist in the placement in civil life of discharged members of the forces.

2. That the interest of the Boards of Trade, service groups, and community organizations be enlisted in a national and community effort to rehabilitate in civil life discharged members of the armed forces.

3. That service men upon discharge be provided with transportation, where they request it, to their place of bona fide residence at the time of enlistment, if within Canada, with such safeguards as may be necessary to prevent abuse.

4. That the Sub-Committee urge the General Advisory Committee to use every endeavour by negotiation to secure the utmost possible preference for active service men in contracts which are under the control of the Government.

5. That administrative action should be taken to insure that before payment of post discharge or rehabilitation allowance is made to discharged men that they be required to complete the occupational history form so that a complete registration may thus be set up, this form to be made available to the Employment Service of Canada and the Welfare Division of the Department of Pensions and National Health.

Dr. Wodehouse, Deputy Minister of Pensions and National Health, agreed that his Department would make the necessary arrangements under 1. Recommendation 2 was referred to the Veterans' Welfare Division of the Department of Pensions and National Health within whose powers this would come, as outlined in P.C. 6282.

The Adjutant-General, Major-General Browne, agreed to take into consideration recommendation 3. Mr. Phelan is to continue to press for action by the Department of Munitions and Supply in connection with recommendation 4, and Major-General Browne agreed to do whatever is possible to assist the suggested administrative co-operation under recommendation 5.

5. Special Casualties

The Sub-Committee on the retraining of Special Casualties recommended the following:—

A. (*a*) That all casualties needing training should be passed over to the Department of Pensions and National Health for such training immediately on their arrival in Canada, and if they need medical or surgical treatment at the same time the training can be started while in Departmental hospitals;

(*b*) That all totally blinded soldiers should be transferred from the Canadian or Imperial Hospitals to St. Dunstan's Hospital at the earliest possible date after the receipt of injury and even before medical or surgical treatment has been completed, and that the training of such blinded soldiers should be started at St. Dunstan's, and that appropriate arrangements should be officially made between the Canadian Government and St. Dunstan's Hospital in respect to any expenses incurred.

(*c*) that the Canadian Government should undertake its obligations at St. Dunstan's in the treatment and training of blinded soldiers in the same way as it does in any other hospital;

(*d*) that blinded Canadian soldiers who intended ultimately to settle in Canada should only be kept and maintained in St. Dunstan's until they can comfortably be moved to Canada, and that all such blinded soldiers on being returned to Canada should be transported to Christie Street Hospital, Toronto, where they can be dealt with in detail by one Board which will decide upon the necessity of further treatment or training;

(*e*) that blinded Canadian soldiers intending to settle in England should be kept on army strength until their treatment is completed, and in the case of those completing training in St. Dunstan's, until their training is completed;

(*f*) that arrangements should be made with the Department of National Defence whereby an ex-C.E.F. soldier who was blinded in the last war and who has been successfully rehabilitated should be detailed to interview new blinded C.A.S.F. men in England so that the initial emotional phase might be ameliorated;

(*g*) that the following equipment be supplied blinded soldiers,—

(1) Each soldier who is capable of making proper use should receive a Braille watch, a Braille writing appliance, and an ink typewriter.

(2) Each blinded soldier who has taken a hobby handicraft or a trade, to be carried on independently, should be supplied with a reasonably complete kit of tools and appliances applicable.

B. Tuberculous ex-service men. Recommendations:—

(*a*) Treatment in civilian institutions.

(*b*) Occupational therapy in sanatoria; appointment of supervising occupational therapist under Treatment Branch of Department of Pensions and National Health.

(*c*) Appointment of skilled vocational officer to specialize in consultation work.

(*d*) After-care and follow-up of cases.

(*e*) That on the arrival in Canada of men suffering from tuberculosis, they should be dispersed to the various Provincial or Departmental sanatoria as far as possible in the Province where their pre-war domicile happened to be, and that an effort be made by the Department to keep closely in touch with each individual case in order to decide whether vocational training under the Department is advisable or permissible subsequent to the completion.

C. Amputee and major gunshot wound cases. Recommendations:

(*a*) That arrangements should be made to return to Canada all amputees as expeditiously as possible, and that the fitting of their stumps or the re-amputations, if necessary, should be carried out in Canada, and that an intensified course of vocational therapy should be initiated at the earliest possible moment;

(*b*) That the present Department procedure followed relative to the supply of othopædic appliances to other than pensioners be continued;

(*c*) Training for non-pensioners; that vocational training for non-pensioners be made available.

(*d*) Curative workshop special report.

The recommendations of the Sub-Committee were approved with the exception of the item of the ink typewriter equipment which was recommended for blind soldiers under A. (g) (1).

6. Vocational Training

Interim report by the Sub-Committee on Vocational and Technical Training and Retraining. It was unanimously recommended that vocational and technical training facilities in Canada be made available to the following categories of persons who have been on active service with the naval, military and air forces of Canada as members of the R.C.N., R.C.N.R., R.C.N.V.R., C.A.S.F., and the R.C.A.F., and have been honourably discharged therefrom, and any Canadian citizens who have been on active service with the armed forces of Great Britain or any sister Dominion, who return to Canada after their honourable discharge from such service:—

(*a*) Pensioners who are disabled to such an extent that they cannot follow their pre-war occupation;

(*b*) Non-pensioners, provided they have a serious disability whether or not such disability was incurred on service;

(*c*) those who have been honourably discharged after service in a theatre of war or after twelve months' consecutive service in Canada or elsewhere, and whose technical, academic or industrial education or training has been interrupted;

(*d*) those who have been honourably discharged after service in a theatre of war or after twelve months' consecutive service in Canada or elsewhere and whose age, aptitude and inclination would indicate that they would benefit from such training on recommendation of competent vocational guidance officers.

(2) The Sub-Committee unanimously recommended the appointment, as soon as possible of vocational guidance staff attached to the Department of Pensions and National Health for information, guidance, assistance in rehabilitation of men honourably discharged from the armed forces, and that this staff be attached to whatever Department is charged with the responsibility of civil re-establishment. It is understood that the new Employment Service under the Unemployment Insurance Commission will give specialized attention to these cases, but until the Dominion service is organized it is urgent that consideration be given to preliminary organization of such vocational guidance in consultation with the Unemployment Insurance Commission so that there would be no delay in rendering the services needed.

(3) The Sub-Committee is now engaged in making surveys of technical courses, agricultural courses and training for public service opportunities, and the subject of training allowances.

(4) That the Provincial Directors of Technical Instruction be called together to discuss their facilities and the relation of their instructional program to apprenticeship training in industry.

(5) Youth Training Plan under the Department to be used.

The Executive Secretary, in the absence of Dr. Archibald, Chairman of the Sub-Committee on Vocational and Technical Training and Retraining, read the categories suggested for vocational training, and it was pointed out that categories (*c*) and (*d*) related in the main to the period of demobilization. There was authority to deal with category (*a*) under Clause 20 of P.C. 91, and these would come under the care of the Treatment Branch of the Department of Pensions and National Health.

In connection with the Sub-Committee's recommendation as to the appointment of vocational guidance staff attached to the Department of Pensions and National Health, this has already been approved by the Government, and arrangements are being completed for the formation of a Veterans' Welfare Division, as outlined above. Specialized attention of the Employment Service under the Unemployment Insurance Commission has already been arranged for. It was noted that the Sub-Committee were still continuing their surveys of technical courses, agricultural courses, training for public service opportunities, and the subject of training allowances, and that they were consulting with the Provincial Directors of Technical Instruction.

Arrangements had been made by the Department of Labour to accept returned soldiers under the Youth Training Plan, and it was pointed out that trade training was being planned by a number of Departments and no doubt preference for returned soldiers would be given in acceptance of trainees.

7. Administration of Special Funds

The Chairman and Major-General Browne reported that the Minister of National Defence was looking into the question of administration of canteen funds. The Chairman further reported that he had advised the Minister of National Defence that the information of the Sub-Committee on the Administration of Special Funds would be available to the Department of National Defence.

8. Interrupted Education

The Sub-Committee on the Continuation of Interrupted Secondary Education or Professional Training which recently held a meeting, after reviewing the facilities which were provided for continuation of interrupted secondary education or professional training at the conclusion of the Great War, and after reviewing the educational work that the Canadian Legion is carrying on with respect to the services in the present conflict, is now examining the question of what

assistance, if any, should be extended by the Government, whereby men of University grade might resume their studies on completion of their service, until their course is finished.

The Committee is continuing its work.

9. Land Settlement

The Land Settlement Committee which comprises men who for the main part have been engaged in Land Settlement and Colonization work for twenty years or more, has held several meetings on the subject of Land Settlement as a means of rehabilitation for members of the forces engaged in the present conflict.

1. The Committee is of the opinion that it is in the national interest and in the interest of the future social stability of the country, to assist as many men as possible who have fought in defence of the country, in acquiring homes of their own, both urban and rural.

2. The Committee is of the opinion that a definite rural settlement should be prepared as one means of rehabilitation for members of the forces.

3. The Committee is of the opinion that the major difficulty which has confronted Canada's Soldier Settlement Scheme enacted for veterans of the Great War was that the veteran had little or no equity in the property himself, and that any sound Land Settlement Scheme for members of the forces from the present conflict, will have to recognize this shortcoming in the country's last Soldier Settlement plan.

4. The Committee has not yet determined to what extent the country should assist land settlement for members of the forces, by creating an equity for them. This matter is still receiving the Committee's consideration.

5. The Committee is of the opinion that the principle of farming for maintenance rather than competitive farming should govern any policy of Land Settlement for members of the forces in future.

6. Arrangements are being made through the Bureau of Statistics to secure a list of unoccupied farm lands throughout the Dominion on the occasion of the taking of the next census, so that this information is available to the Committee.

7. The Committee now has under consideration a request from the Chairman of the General Advisory Committee that this Committee's terms of reference be broadened to consider urban settlement.

10. Preference in Employment

The question of preference to ex-service men in Government employment has been and is being carefully studied by the Sub-Committee, and while it is not yet prepared to make a definite recommendation as to the action that should be taken, favourable consideratain can be and is being given to the applications of such qualified ex-members of the forces as desire employment in the Government Service at the present time.

11. Allocation of Special Topics

The following allocation was made of the following topics:—

(*a*) Returned soldiers' insurance—Some reference is made to the question of insurance in the second report tabled by the Sub-Committee on Post Discharge Pay, and further information will be secured on the operation of returned soldiers' insurance for the Committee.

(*b*) The organization of voluntary effort and soldiers' family welfare—considered by the Committee as coming within the jurisdiction of the Veterans' Welfare Division of the Department of Pensions and National Health.

(c) The co-operation of provincial governments in preference in employment in public service other than Dominion and in industrial and commercial enterprise was also considered a matter which could be given the attention of the Veterans' Welfare Division of the Department of Pensions and National Health.

(d) Forestry and mining reports supplied by the Department of Mines and Resources are now being studied by Principal James of McGill University, and Principal Wallace of Queen's University. This will become a matter of report to the Committee subsequently, and if necessary a Sub-Committee will be set up to deal with these topics.

(e) Post-war distinctive badging of ex-service men—In this connection Colonel Duguid furnished the Committee with a copy of P.C. 1022 authorizing the issue of war service badges, "service" class to those who have had not less than 3 months' continuous paid service and by reason of physical disability, copy of which is filed.

12. URBAN HOME SETTLEMENT

This matter is referred to in the report on Land Settlement.

(Sgd.) H. F. McDONALD,
Chairman,
General Advisory Committee on Demobilization and Rehabilitation.

MEETING OF THE GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

DECEMBER 17TH, 1940

AGENDA

1. Constitution of Committee (P.C. 4068½ and P.C. 5421) and Procedure.
2. Report of emergency measures re discharged ex-service men:—
   (a) Separation allowance while in hospital. (P.C. 204/6613).
   (b) Veterans' Welfare Division in Department of Pensions and National Health. (P.C. 6282) (See recommendations of Vocational Training and Special Casualties Training Sub-Committees as to Vocational Guidance Officers).
   (c) Visits of Vice-Chairman to points in Canada reporting on discharged ex-service men.
   (d) Additional measures recommended.
3. Report of Sub-Committee on Post Discharge Pay or War Service Gratuity. Recommended:—
   (a) One month's leave with pay and allowance on discharge.
   (b) No war service gratuity; use of voluntary funds for gratuity payments, rehabilitation measures, especially land settlement. Projects suggested passed to Land Settlement Sub-Committee.
4. Sub-Committee on Employment:—
   (a) Occupational history form survey of men in forces arranged for.
   (b) Employment Service of Canada will give specialized attention to employment of ex-service men.
   (c) Director-General of Labour Relations consulted as to using percentage of ex-service men in employment resulting from Government contracts on construction and munitions.

5. Interim report of Special Casualties Sub-Committee. The Sub-Committee recommended the following:—

A. (*a*) that all casualties needing training should be passed over to the Department of Pensions and National Health for such training immediately on their arrival in Canada, and if they need medical or surgical treatment at the same time the training can be started while in Departmental hospitals;

(*b*) that all totally blinded soldiers should be transferred from the Canadian or Imperial Hospitals, to St. Dunstan's Hospital at the earliest possible date after the receipt of injury and even before medical and surgical treatment has been completed, and that the training of such blinded soldiers should be started at St. Dunstan's, and that appropriate arrangements should be officially made between the Canadian Government and St. Dunstan's Hospital in respect to any expenses incurred.

(*c*) that the Canadian Government should undertake its obligations at St. Dunstan's in the treatment and training of blinded soldiers in the same way as it does in any other hospital;

(*d*) that blinded Canadian soldiers who intended ultimately to settle in Canada should only be kept and maintained in St. Dunstan's until they can comfortably be moved to Canada, and that all such blinded soldiers on being returned to Canada should be transported to Christie Street Hospital, Toronto, where they can be dealt with in detail by one Board which will decide upon the necessity of further treatment or training;

(*e*) that blinded Canadian soldiers intending to settle in England should be kept on army strength until their treatment is completed, and in the case of those completing training in St. Dunstan's, until their training is completed;

(*f*) that arrangements should be made with the Department of National Defence whereby an ex-C.E.F. soldier who was blinded in the last war and who has been successfully rehabilitated should be detailed to interview new blinded C.A.S.F. men in England so that the initial emotional phase might be ameliorated;

(*g*) that the following equipment be supplied blinded soldiers,—

(1) Each soldier who is capable of making proper use should receive a Braille watch, a Braille writing appliance, and an ink typewriter.

(2) Each blinded soldier who has taken a hobby handicraft or a trade, to be carried on independently, should be supplied with a reasonably complete kit of tools and appliances applicable.

B. Tuberculous ex-service men. Recommendations:—

(*a*) Treatment in civilian institutions.

(*b*) Occupational therapy in sanatoria; appointment of supervising occupational therapist under Treatment Branch of Department of Pensions and National Health.

(*c*) Appointment of skilled vocational officer to specialize in consultation work.

(*d*) After-care and follow-up of cases.

(*e*) That on the arrival in Canada of men suffering from tuberculosis they should be dispersed to the various Provincial or Departmental sanatoria as far as possible in the Province where their pre-war domicile happened to be, and that an effort be made by the Department to keep closely in touch with each individual case in order to decide whether vocational training under the Department is advisable or permissible subsequent to the completion.

C. Amputee and major gunshot wound cases. Recommendations:—

(*a*) That arrangements should be made to return to Canada all amputees as expeditiously as possible, and that the fitting of their stumps, or the re-amputations, if necessary, should be carried out in Canada, and that an intensified course of vocational therapy should be initiated at the earliest possible moment;

(*b*) that the present Department procedure followed relative to the supply of orthopedic appliances to other than pensioners be continued;

(*c*) training for non-pensioners; that vocational training for non-pensioners be made available;

(*d*) Curative Workshop special report. (Attached.)

Assisted employment, bonus to employment while soldier is in apprentice stage, workmen's compensation coverage and other aids to the employment of seriously disabled veterans being reported on by special investigators.

D. Deaf. Report by Chairman.

6. Interim report by Sub-Committee on Vocational and Technical Training and Re-Training. It was unanimously recommended that vocational and technical training facilities in Canada be made available to the following categories of persons who have been on active service with the naval, military and air forces of Canada as members of the R.C.N., R.C.N.R., R.C.N.V.R., C.A.S.F., and the R.C.A.F., and have been honourably discharged therefrom, and any Canadian citizens who have been on active service with the armed forces of Great Britain or any sister Dominion, who return to Canada after their honourable discharge from such service.

(*a*) Pensioners who are disabled to such an extent that they cannot follow their pre-war occupation;

(*b*) Non-pensioners, provided they have a serious disability whether or not such disability was incurred on service;

(*c*) those who have been honourably discharged after service in a theatre of war or after twelve months' consecutive service in Canada or elsewhere, and whose technical, academic or industrial education or training has been interrupted;

(*d*) those who have been honourably discharged after service in a theatre of war or after twelve months' consecutive service in Canada or elsewhere and whose age, aptitude and inclination would indicate that they would benefit from such training on recommendation of competent vocational guidance officers.

(2) The Sub-Committee unanimously recommended the appointment, as soon as possible of vocational guidance staff attached to the Department of Pensions and National Health for information, guidance, assistance in rehabilitation of men honourably discharged from the armed forces, and that this staff be attached to whatever Department is charged with the responsibility of civil re-establishment. It is understood that the new Employment Service under the Unemployment Insurance Commission will give specialized attention to these cases, but until the Dominion service is organized it is urgent that consideration be given to preliminary organization of such vocational guidance in consultation with the Unemployment Insurance Commission so that there would be no delay in rendering the services needed.

(3) The Sub-Committee is now engaged in making surveys of technical courses, agricultural courses and training for public service opportunities, and the subject of training allowances.

(4) That the Provincial Directors of Technical Instruction be called together to discuss their facilities and the relation of their instructional programs to apprenticeship training in industry.

(5) Youth Training Plan under the Department of Labour to be used.

7. Administration of Special Funds—Interim report.
8. Interim report on Interrupted Education or Professional Training.
9. Interim report by Land Settlement Committee.
10. Interim report on preference in employment.
11. Allocation to present Sub-Committees or new Sub-Committees of special topics:
    (*a*) Returned soldiers' insurance.
    (*b*) Organization of voluntary effort and soldiers' family welfare.
    (*c*) Co-operation of provincial governments in preference in employment in public service other than Dominion and in industrial and commercial enterprise.
    (*d*) Forestry and mining reports supplied by Department of Mines and Resources.
12. Urban home settlement. (See recommendation of Land Settlement Committee.)

Confidential

OTTAWA, November 25, 1940.

DR. ROSS MILLAR,
Chairman of Sub-Committee on Curative Workshops,
Rehabilitation Committee,

Your Sub-Committee has studied the reports on Curative Workshops as associated with Vocational Training activities following the war of 1914-18, and attached are the results of the research as carried out by Dr. F. S. Burke.

The term Curative Workshop is difficult to define. Occupational therapy, as carried out in special hospitals, is a separate problem from that which your Sub-Committee considers you desire a report. One would not think of building a workshop in connection with the Ottawa General Hospital, but in a convalescent or custodian care hospital it is advisable to have the patients as far as possible to take care of themselves and to carry out the labours of the institution, keeping the staff of the hospital at a minimum—in a word, utility occupational therapy. Workshops for special training of men disabled by blinding, etc., are essential and will have to be provided for these groups.

The figures on vocational Training show that those workshops provided classes for some 4,323 hospital patients. It is impossible to state how many of these required special training on account of disabilities and how many were neuropsychiatric problem cases in whom a semi-invalid reaction was perpetuated by putting a premium on continued invalidism, but it is considered that many of the 4,323 could have been housed at lesser cost and greater results if they had not been carried on the strength of the hospitals.

The figures on Vocational Training show that 7,454 minors (which problem should not be an aftermath of this war) were given special training. Many of these were bonused for what in reality was a " delinquent " trend. There is also considerable confusion in the average mind between the Curative Workshop and the Vetcraft Units, which later were largely designed to give short courses in practical mechanics prior to a man entering industry but which became practically a plan for taking unemployables off the relief rolls and are practically the same principle as having men work out their relief.

The term Curative Workshop is a misleading one. Disease is not cured by a workshop, and problem cases will not be cured by a workshop alone any more than lawbreakers are cured in the workshops of penitentiaries.

A Rehabilitation Unit such as that of the Lumbermen's Association at Billings Bridge, where Dr. Barnhart is handling contentious Workmen's Compensation *problem cases*, might be called a convalescent hospital or a curative workshop. The Unit can handle twelve to twenty problem cases under the supervision of Dr. Barnhart, with available consultant service and one overseer. As the housing is not elaborate, the cost is kept low, and results are very satisfactory, A larger unit might be designed after the plan of W.P.A. organizations in the United States, or Military Labour Camps, Forestry Battalions, etc. Individuals who cannot readily adjust themselves and require more discipline than the average civilian employer can effect are preferably carried as above, with the military discipline to which they have become accustomed.

In general, the first principle of readjustment of soldiers to civilian life is to *renew civilian associations and habits of thought:* consequently, the apprenticeship system is preferable to any scheme which keeps the ex-soldiers in close associations with each other; and the wage scale paid by the Federal Government while apprentices, should be lower than that of the civilian labourer so that there is an added incentive to relinquish dependency and resume civilian responsibilities. Apprentices requiring follow-up medical treatment would be furnished with approved out-patient medical care and supervision.

Your Sub-Committee is, therefore, of the opinion that the term "Curative Workshop" should be dropped. Utility occupational therapy is necessary in conjunction with convalescent hospitals, and Rehabilitation Units are required for specialties such as blinding, etc. The term "Curative Workshop" should not be used to bolster up an argument for group Vocational Training.

(Sgd.) C. H. ARCHIBALD,
Assistant Neuropsychiatrist.

GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION

A meeting of the General Advisory Committee on Demobilization and Rehabilitation was held in Room 433, Daly Building at 3 p.m. on Tuesday, December 17, 1940. The following were present:—

Brigadier-General H. F. McDonald, C.M.G., D.S.O., Chairman, General Advisory Committee on Demobilization and Rehabilitation.

Mr. Walter Woods, Vice-Chairman, General Advisory Committee on Demobilization and Rehabilitation.

Major-General B. W. Browne, D.S.O., M.C., Adjutant-General, Department of National Defence.

Colonel P. Hennessy, Director of Organization, Department of National Defence.

Lieut.-Commander F. J. Kelly, (representing Colonel E. A. Deacon, Director of Auxiliary Services, Department of National Defence).

Paymaster Captain J. O. Cossette, Department of National Defence for Naval Affairs.

Wing Commander E. E. Middleton, Department of National Defence for Air.

Dr. R. E. Wodehouse, Deputy Minister, Department of Pensions and National Health.

Dr. R. H. Coats, Dominion Statistician, Dominion Bureau of Statistics.
Dr. W. A. Mackintosh, Department of Finance.
Mr. V. C. Phelan, Director of Employment Service, Department of Labour.
Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health.
Colonel A. F. Duguid, Chairman, Sub-Committee on Post Discharge Pay.
Mr. K. M. Cameron, Chief Engineer, Department of Public Works.
Dr. J. F. Booth, (representing Dr. E. S. Archibald, Chairman, Sub-Committee on Vocational and Technical Training and Retraining).
Mr. Robert England, Executive Secretary, General Advisory Committee, on Demobilization and Rehabilitation.

1. Constitution of Committees

In accordance with the terms of P.C. 5421 notice was sent to the members listed therein together with the agenda to be discussed relating to subjects named in P.C. 4068½.

2. Emergency Measures

The Chairman reported that the Cabinet Committee had dealt with a number of the problems which had been subject of study by Sub-Committees, and in view of the situation certain emergency measures had been adopted relative to the after-care of discharged ex-service men.

The Chairman stated that on the 11th of December the Records Office of the Department of National Defence had a record of discharges from the forces of 304 officers and 21,321 other ranks, but of these 1,428 were N.P.A.M., and not C.A.S.F., having undertaken temporary duty. There were also in this total figure 1,713 deserters, 4,299 discharged as unlikely to become efficient soldiers, 607 under age (false attestation), 304 deaths, and upwards of 1,000 who were discharged, as a punishment, i.e., because of civil imprisonment or some irregularity. Furthermore, 61 officers and 5,890 other ranks were discharged before the 31st of March, and therefore, had served less than six months. It is not possible to secure, without considerable expense, the number of those who have been discharged after the 31st of March, having served less than six months, but the number is very considerable. There are 11,312 discharged as medically unfit, many of whom will have served less than six months, and some of them only a few days, having escaped the vigilance of the medical officers at time of attestation.

As to officers and other ranks who have returned from overseas, the number on the 11th of December was 1,300, about one-third of whom are still on strength either on duty, in hospital or still undischarged. About 800 have been finally discharged as physically unfit under existing standards.

8,285 cases have been referred to the Canadian Pension Commission between September, 1939, and November, 1940. The main large groups in this figure are as follows:—

Infectious and parasitic diseases	1,049
Endocrine glands and other general diseases	514
Diseases of the nervous system and of the organs of special sense	2,234
Diseases of circulatory system	761
Diseases of the respiratory system	671
Diseases of the digestive system (cancer excepted)	1,191
Diseases of the bone and organs of locomotion	727
Accidents and other external violence	752

It is becoming clear that there will be very few cases that will be pensionable under existing regulations, that is for disabilities attributable to or incurred during war service as many disabilities are of a pre-enlistment character.

The Chairman further reported that certain steps had been taken by the Government to deal with the emergencies resulting from the above, as follows:—

(*a*) Separation allowances while in hospital. (P.C. 204/6613).

(*b*) Veterans' Welfare Division in Department of Pensions and National Health. (P.C. 6282). This action was taken in accordance with the recommendations of Vocational Training and the Retraining of Special Casualties Sub-Committees as to Vocational Guidance Officers.

(*c*) The Vice-Chairman of the Committee paid a visit to the cities of Canada, and made a report to the Minister of Pensions, and arrangements were made for the setting up of voluntary committees at the large centres to assist in the civil rehabilitation of ex-service men.

(*d*) Action was taken in order to encourage the employment of ex-service men by the various Government departments, and co-operation with the Auxiliary Service Officers of the Department of National Defence was arranged. These officers in many cases formed committees under instructions from Brigadier Foster, until a decision had been made by Cabinet Committee, that the men on discharge would become the responsibility of the Department of Pensions and National Health.

3. Sub-Committee on Post Discharge Pay

The Chairman of the Sub-Committee gave a summary of a report made by his Committee on July 2nd, 1940. The Committee's report was divided into three parts as under:—

Part I. Review of Policy and Practice following the Great War 1914-19. (pp. 1 to 68).

Part II. Recommendations as to Post Discharge Pay and War Service Gratuity for the War 1939. (pp. 69 to 72).

Part III. Suggestions as to immediate and future action towards re-establishment of veterans. (pp. 73 to 101).

The recommendations as to post discharge pay and war service gratuity are as follows:—

(*i*) Provided the financial condition of the country warrants, every member of the services be given (on discharge) one month's leave with pay and dependents' allowance.

(*ii*) No war service gratuity be paid from Federal funds.

(*iii*) No Government allowance be made for civilian clothing to veterans, except as provided in C.A.S.F. regulations.

(*iv*) The Government receive voluntary subscriptions to a war service gratuity fund to be distributed on a sliding scale directly dependent on rate of pay and length of service, regardless of place or employment.

(*v*) Various means for providing immediate post war employment be developed; such means, calculated to avoid waste of potential energy or expenditure of funds on post discharge pay or war service gratuity, are examined in Part III of this report.

Colonel Duguid then summarized the measures suggested by the Sub-Committee on Post Discharge Pay relative to rehabilitation. The various sections of the report dealing with education, training and retraining, employment, public works and community settlements were called to the attention of Sub-Committees dealing with these features.

The Chairman reported that an Order in Council was before the Treasury Board authorizing the payment of rehabilitation allowance, equivalent to 30 days' pay and dependents' allowances on discharge of officers and men who have completed 183 days' continuous service in the forces.

A further report from the Sub-Committee was handed to the Chairman and copies are to be made available and circulated to the members for their study.

4. EMPLOYMENT

Mr. V. C. Phelan, Chairman of the Sub-Committee on Employment, reported that the Employment Service of Canada when organized would give specialized attention to the employment of ex-service men; that an occupational history form had been prepared and would be filled out by all the members of the forces, and that the Director-General of Labour Relations had been consulted as to improvement of the clause in Government contracts in construction and munitions, requiring that contractors employ a percentage of ex-service men. The Employment Service Committee submitted the following further recommendations which received the approval of the General Advisory Committee:

1. That the Veterans' Assistance Committees, wherever established and functioning, be requested to co-operate with other committees which have been formed to assist in the placement in civil life of discharged members of the forces.

2. That the interest of the Boards of Trade, service groups, and community organizations be enlisted in a national and community effort to rehabilitate in civil life discharged members of the armed forces.

3. That service men upon discharge be provided with transportation, where they request it, to their place of bona fide residence at the time of enlistment, if within Canada, with such safeguards as may be necessary to prevent abuse.

4. That the Sub-Committee urge the General Advisory Committee to use every endeavour by negotiation to secure the utmost possible preference for active service men in contracts which are under the control of the Government.

5. That administrative action should be taken to insure that before payment of post discharge or rehabilitation allowance is made to discharged men that they be required to complete the occupational history form so that a complete registration may thus be set up, this form to be made available to the Employment Service of Canada and the Welfare Division of the Department of Pensions and National Health.

Dr. Wodehouse, Deputy Minister of Pensions and National Health, agreed that his department would make the necessary arrangements under 1. Recommendation 2 was referred to the Veterans' Welfare Division of the Department of Pensions and National Health within whose powers this would come, as outlined in P.C. 6282.

The Adjutant-General, Major-General Browne, agreed to take into consideration recommendation 3. Mr. Phelan is to continue to press for action by the Department of Munitions and Supply in connection with recommendation 4, and Major-General Browne agreed to do whatever is possible to assist the suggested administrative co-operation under recommendation 5.

5. SPECIAL CASUALTIES

The Sub-Committee on the Retraining of Special Casualties recommended the following:

A. (*a*) That all casualties needing training should be passed over to the Department of Pensions and National Health for such training immediately on their arrival in Canada, and if they need medical or surgical treatment at the same time the training can be started while in Departmental hospitals;

(*b*) That all totally blinded soldiers should be transferred from the Canadian or Imperial Hospitals to St. Dunstan's Hospital at the earliest possible date after the receipt of injury and even before medical or surgical treatment has been completed, and that the training of such blinded soldiers should be started at St. Dunstan's, and that appropriate arrangements should be officially made between the Canadian Government and St. Dunstan's Hospltal in respect to any expenses incurred;

(*c*) that the Canadian Government should undertake its obligations at St. Dunstan's in the treatment and training of blinded soldiers in the same way as it does in any other hospital;

(*d*) that blinded Canadian soldiers who intended ultimately to settle in Canada should only be kept and maintained in St. Dunstan's until they can comfortably be moved to Canada, and that all such blinded soldiers on being returned to Canada should be transported to Christie Street Hospital, Toronto, where they can be dealt with in detail by one Board which will decide upon the necessity of further treatment or training;

(*e*) that blinded Canadian soldiers intending to settle in England should be kept on army strength until their treatment is completed, and in the case of those completing training in St. Dunstan's, until their training is completed;

(*f*) that arrangements should be made with the Department of National Defence whereby an ex-C.E.F. soldier who was blinded in the last war and who has been successfully rehabilitated should be detailed to interview new blinded C.A.S.F. men in England so that the initial emotional phase might be ameliorated;

(*g*) that the following equipment be supplied blinded soldiers,—

(1) Each soldier who is capable of making proper use should receive a Braille watch, a Braille writing appliance, and an ink typewriter.

(2) Each blinded soldier who has taken a hobby handicraft or a trade, to be carried on independently, should be supplied with a reasonably complete kit of tools and appliances applicable.

B. Tuberculous ex-service men. Recommendations:—

(*a*) Treatment in civilian institutions.

(*b*) Occupational therapy in sanatoria; appointment of supervising occupational therapist under Treatment Branch of Department of Pensions and National Health.

(*c*) Appointment of skilled vocational officer to specialize in consultation work.

(*d*) After-care and follow-up of cases.

(*e*) That on the arrival in Canada of men suffering from tuberculosis, they should be dispersed to the various Provincial or Departmental sanatoria as far as possible in the Province where their pre-war domicile happened to be, and that an effort be made by the Department to keep closely in touch with each individual case in order to decide whether vocational training under the Department is advisable or permissible subsequent to the completion.

C. Amputee and major gunshot wound cases. Recommendations:—

(*a*) That arrangements should be made to return to Canada all amputees as expeditiously as possible, and that the fitting of their stumps or the re-amputations, if necessary, should be carried out in Canada, and that an intensified course of vocational therapy should be initiated at the earliest possible moment;

(*b*) That the present Department procedure followed relative to the supply of orthopædic appliances to other than pensioners be continued;
(*c*) Training for non-pensioners; that vocational training for non-pensioners be made available;
(*d*) Curative workshop special report.

The recommendations of the Sub-Committee were approved with the exception of the item of the ink typewriter equipment which was recommended for blinded soldiers under A. (*g*) (1).

6. Vocational Training

Interim report by the Sub-Committee on Vocational and Technical Training and Retraining. It was unanimously recommended that vocational and technical training facilities in Canada be made available to the following categories of persons who have been on active service with the naval, military and air forces of Canada as members of the R.C.N., R.C.N.R., R.C.N.V.R., C.A.S.F., and the R.C.A.F., and have been honourably discharged therefrom, and any Canadian citizens who have been on active service with the armed forces of Great Britain or any sister Dominion, who return to Canada after their honourable discharge from such service:—

(*a*) Pensioners who are disabled to such an extent that they cannot follow their pre-war occupation;
(*b*) Non-pensioners, provided they have a serious disability whether or not such disability was incurred on service;
(*c*) those who have been honourably discharged after service in a theatre of war or after twelve month's consecutive service in Canada or elsewhere, and whose technical, academic or industrial education or training has been interrupted;
(*d*) those who have been honourably discharged after service in a theatre of war or after twelve months' consecutive service in Canada or elsewhere and whose age, aptitude and inclination would indicate that they would benefit such training on recommendation of competent vocational guidance officers.

(2) The Sub-Committee unanimously recommended the appointment, as soon as possible of vocational guidance staff attached to the Department of Pensions and National Health for information, guidance, assistance in rehabilitation of men honourably discharged from the armed forces, and that this staff be attached to whatever Department is charged with the responsibility of civil re-establishment. It is understood that the new Employment Service under the Unemployment Insurance Commission will give specialized attention to these cases, but until the Dominion service is organized it is urgent that consideration be given to preliminary organization of such vocational guidance in consultation with the Unemployment Insurance Commission so that there would be no delay in rendering the services needed.

(3) The Sub-Committee is now engaged in making surveys of technical courses, agricultural courses and training for public service opportunities, and the subject of training allowances.

(4) That the Provincial Directors of Technical Instruction be called together to discuss their facilities and the relation of their instructional programs to apprenticeship training in industry.

(5) Youth Training Plan under the Department to be used.

The Executive Secretary, in the absence of Dr. Archibald, Chairman of the Sub-Committee on Vocational and Technical Training and Retraining, read the categories suggested for vocational training, and it was pointed out that categories (*c*) and (*d*) related in the main to the period of demobilization. There was

authority to deal with category (*a*) under Clause 20 of P.C. 91, and these would come under the care of the Treatment Branch of the Department of Pensions and National Health.

In connection with the Sub-Committee's recommendation as to the appointment of vocational guidance staff attached to the Department of Pensions and National Health, this has already been approved by the Government, and arrangements are being completed for the formation of a Veterans' Welfare Division, as outlined above. Specialized attention of the Employment Service under the Unemployment Insurance Commission has already been arranged for. It was noted that the Sub-Committee were still continuing their surveys of technical courses, agricultural courses, training for public service opportunities, and the subject of training allowances, and that they were consulting with the Provincial Directors of Technical Instruction.

Arrangements had been made by the Department of Labour to accept returned soldiers under the Youth Training Plan, and it was pointed out that trade training was being planned by a number of Departments and no doubt preference for returned soldiers would be given in acceptance of trainees.

7. Administration of Special Funds

The Chairman and Major-General Browne reported that the Minister of National Defence was looking into the question of administration of canteen funds. The Chairman further reported that he had advised the Minister of National Defence that the information of the Sub-Committee on the Administration of Special Funds would be available to the Department of National Defence.

.8 Interrupted Education

The Sub-Committee on the Continuation of Interrupted Secondary Education or Professional Training which recently held a meeting, after reviewing the facilities which were provided for continuation of interrupted secondary education or professional training at the conclusion of the Great War, and after reviewing the educational work that the Canadian Legion is carrying on with respect to the services in the present conflict, is now examining the question of what assistance, if any, should be extended by the Government, whereby men of University grade might resume their studies on completion of their service, until their course is finished.

The Committee is continuing its work.

9. Land Settlement

The Land Settlement Committee which comprises men who for the main part have been engaged in Land Settlement and Colonization work for twenty years or more, has held several meetings on the subject of Land Settlement as a means of rehabilitation for members of the forces engaged in the present conflict.

1. The Committee is of the opinion that it is in the national interest and in the interest of the future social stability of the country, to assist as many men as possible who have fought in defence of the country, in acquiring homes of their own, both urban and rural.

2. The Committee is of the opinion that a definite rural settlement should be prepared as one means of rehabilitation for members of the forces.

3. The Committee is of the opinion that the major difficulty which has confronted Canada's Soldier Settlement Scheme enacted for veterans of the Great War was that the veteran had little or no equity in the property himself, and that any sound Land Settlement Scheme for members of the forces from the present conflict, will have to recognize this shortcoming in the country's last Soldier Settlement plan.

4. The Committee has not yet determined to what extent the country should assist land settlement for members of the forces, by creating an equity for them. This matter is still receiving the Committee's consideration.

5. The Committee is of the opinion that the principle of farming for maintenance rather than competitive farming should govern any policy of Land Settlement for members of the forces in future.

6. Arrangements are being made through the Bureau of Statistics to secure a list of unoccupied farm lands throughout the Dominion on the occasion of the taking of the next census, so that this information is available to the Committee.

7. The Committee now has under consideration a request from the Chairman of the General Advisory Committee that this Committee's terms of reference be broadened to consider urban settlement.

10. Preference in Employment

The question of preference to ex-service men in Government employment has been and is being carefully studied by the Sub-Committee, and while it is not yet prepared to make a definite recommendation as to the action that should be taken, favourable consideration can be and is being given to the application of such qualified ex-members of the forces as desire employment in the Government Service at the present time.

11. Allocation of Special Topics

The following allocation was made of the following topics:—

(*a*) Returned soldiers' insurance—Some reference is made to the question of insurance in the second report tabled by the Sub-Committee on Post Discharge Pay, and further information will be secured on the operation of returned soldiers' insurance for the Committee.

(*b*) The organization of voluntary effort and soldiers' family welfare—considered by the Committee as coming within the jurisdiction of the Veterans' Welfare Division of the Department of Pensions and National Health.

(*c*) The co-operation of provincial governments in preference in employment in public service other than Dominion and in industrial and commercial enterprise was also considered a matter which could be given the attention of the Veterans' Welfare Division of the Department of Pensions and National Health.

(*d*) Forestry and mining reports supplied by the Department of Mines and Resources are now being studied by Principal James of McGill University, and Principal Wallace of Queen's University. This will become a matter of report to the Committee subsquently, and if necessary a Sub-Committee will be set up to deal with these topics.

(*e*) Post-war distinctive badging of ex-service men—In this connection Colonel Duguid furnished the Committee with a copy of P.C. 1022 authorizing the issue of war service badges, "service" class to those who have had not less than 3 months' continuous paid service and by reason of physical disability, copy of which is filed.

12. Urban Home Settlement

This matter is referred to in the report on Land Settlement.

(Sgd.) H. F. McDONALD,
Chairman, General Advisory Committee on Demobilization and Rehabilitation.

APPENDIX No. 2

OTTAWA, March 26, 1941.

Memo. from (Lieut.) Walter H. Kirchner, M.C., D.C.M., 50th Bn., C.E.F., representing *The Canadian Combat Veterans Assn. in B.C. (Inc).*

To: Members of the Special Committee on the Pension Act and War Veterans Allowance Act

Re. *Bill 17, Sect. 7, Para. 2*

"In respect of war service during the war with the German Reich, a pension for disability shall not be awarded unless application therefore has been made within seven years of the date of discharge from the forces.

The enclosed memorandum embraces authoritative opinion in Canada and throughout the civilized world dealing with the necessary recognition of the *time factor governing* the latent manifestation of War diseases, of both mind and body, constituting the unprecedented Aftermath phenomenom arising out of the Great War of 1914-1918.

These excerpts, reflecting unanimous world opinion of former War belligerents, are brought to your attention to indicate that the passage of Section 7, Para. 2, Bill 17 into law would seriously prejudice the War-disability claims, honoured and unhonoured, of the 1914-1918 Veterans as well as, by inference, tending to perpetuate gross injustices on those who may survive the present conflict.

The *governing principle* of post-War disability claims of the First Great War embraces a period far in excess of seven years from discharge to exposit War injuries, as the citations enclosed will amply testify.

WALTER H. KIRCHNER.

BULLETIN ON THE DISABLED VETERANS ASSOCIATION IN B.C., INC.

The following Bulletin, issued in recent years (1938) by the Provincial Command of the Disabled Vets. Assn. in B.C. implies that in its practical operations the Canadian Pension Act, by eliminating the time factor governing the insidious development of numerous classifications of disability, *assumes* that outside of visible disabilities, such as loss of limbs, sight, etc., impaired health in the Veteran must be attributed to causes other than War service. The Bulletin reads:—

> Even at this date, and with all its comprehensive sections, the Pension Act (distinct from the War Veterans' Allowance Act) is by no means the impeccable measure it should be. Compensation for War injury is not commensurate with the modern industrial handicap implied; nor, indeed, is it considered from that angle. If it was, the recent amendment to Schedule A providing automatic increases for men assessed at 50 per cent for gunshot wounds on attaining the age of 55, would be given *a more general bearing.*
>
> Briefly, and at present, the latter admits the principle whereby decline and the atrophy of age increase a handicap, but *restricts the application.*

It is still considered also that deafness, chest diseases, and arthritic conditions arising from gunshot wounds and other attributable causes, are not considered the subject of sufficient consideration, and consequently, from the proper modern, industrial viewpoint, are not justly assessed.

. . . Now his (The Veteran's) choice lies once more between the War Veterans Allowance and the Relief Roster.

The above quoted excerpts from the D.V.A. Official Bulletin merely emphasize the fact that pensions in the lower categories of assessment have largely been arbitrarily stabilized. This factor in the distressing Aftermath situation is apparent as evidenced by a growing army of War widows and dependents deprived of State support because the Veteran was not assessed according to the extent of his disability but restricted to a basis less than 50 per cent, which is the minimum percentage of disability for the State to unreservedly recognise its obligation on the demise of the pensioner.

From the findings of J. A. Paton, M.L.A., (former Cpl. in the C.E.F., and a War pensioner) Secretary of the B.C. Canteen Fund. The fund was finally expended in the year 1936, and the report is of that date.

A study of the files of this organisation indicate that the social service work among Veterans throughout the Province has largely been carried on by their comrades and not at the expense of the community as a whole. This attitude of independence on the part of the Veterans, while quite in keeping with their role as citizens and Veterans of The Great War, has in a measure deprived those who had not the latter experience of *a true picture of the Aftermath of the War.*

This spirit of independence on the part of the Veteran may be a mistaken one, and the attitude may not have been entirely fair to those who remained at home. However, he can hardly be blamed for not having bared to the world his physical sufferings, *The actuality of which is only just beginning to be recognised by medical science.* This applies particularly to the Veterans who were gassed, buried, or otherwise injured, who have no definite wounds to exhibit, *but whose disabilities are none the less real.*

Numerous conversations with Veterans have merely confirmed information, of which I was already aware, that the total of 7,130 officers and 148,669 other ranks, listed as wounded, *do not complete the picture.*

It is a well-known fact that many of the casualties sent out as gassed were sent out on election by the men themselves, the more rugged at the time electing to remain in and aid in holding the Line. The same attitude prevailed among the men who were buried, or otherwise injured, but not wounded during engagements, and as a consequence they are debarred, through lack of medical history, from putting their case before the authorities in a proper light. Their injuries, however, are nevertheless present, and as the years pass, their disabilities become *more pronounced.* I am of the opinion that if the "Benefit of the Doubt" Clause of the Pension Act could be operated in a more sympathetic manner it would be found that, in many cases, the disabilities under which the War Veterans Allowance was granted were of a War origin.

From the address of welcome by the Rt. Hon. William Lyon Mackenzie King, P.C., to the physicians of the 1936 Neurological & Psychiatric Conference, Ottawa, convened to visualize the Aftermath situation for the Government of Canada.

In this address of welcome to the physicians of the 1936 N. & P., Conference, Premier W. L. Mackenzie King refers, in part, to:—

> ...the complexities of returned soldier difficulties scarcely contemplated at the close of the War; to:
>
> ...aspects of disability which are the direct result of action on the field of battle as distinct from:
>
> ...those less tangible and more baffling phases *which are now arising in increasing number.*

Commencing on the above-quoted address of Premier Mackenzie King, the General Secretary of the Ex-Services Welfare Society of Great Britain, Everett Howard, says:—

> This Society has always recognized *the two distinct classes of disability* so well defined by the Rt. Hon.Wm. Lyon Mackenzie King, P.C., as quoted by you. Indeed, it may be said, that it is because of this recognition that the Society exists.

In the name of the Canadian people, Premier Mackenzie King, eighteen (18) years after the 1st Great War ended, frankly admits that the intangible disabilities of War, that is, all the wide ramifications of diseases produced by War, *in latent manifestation in peace*, confront the nation as an obligation largely unhonored by the State.

* * *

From the historic "Remembrance Day" address of the Rt. Hon. Winston Churchill, P.C., made on behalf of the Ex-Services Welfare Society of Great Britain, March 19, 1934. That Society was founded in 1916 for "the severer forms of Neurasthenia and War Neurosis (mentally-disabled, etc). Its current budget approximates one half million dollars yearly raised by public subscription. It has branches throughout the civilised world carrying on its humanitarian work among ex-servicemen blasted by War but whose disabilities are not *fully assumed* by governments as direct obligations.

> It is melancholy and alarming to reflect that there were 2,500 Ex-servicemen in our mental hospitals and asylums in 1919; that there are nearly 6,000 there to-day, and this thirty thousand (30,000) border-line cases is more formidable and impressive still.
>
> We have to deal with what Sir Philip Gibbs so poignantly described as "wounded souls". Men who have lost a limb or an eye have been obtaining provision from the State, and their plight can be more easily seen than that of these men who have been mentally afflicted; and yet the suffering of the mind is far worse far more difficult to help than the sufferings of bodily injury, grave though they may be. . . . The cases with which we are dealing tonight are mental cases which follow upon shell-shock and other strange horrors of Armageddon; and these are the cases which are most difficult to deal with by any public agency, however extensive.
>
> Ladies and Gentlemen, *the full consequences of the War to individuals are, in some cases, only now making themselves apparent in their after-effects on the mind.*

The Rt. Hon. Winston Churchill's statement was made in the year 1934—that is to say, before he could make such a statement from the evidence at hand, sixteen (16) years had to elapse before Medical Science could adequately assess War injuries of this character as cumulative, major-disabling factors.

* * * *

Findings of the historic 1935, 1936 and 1937 Annual Medical Conferences of the Ex-Services Welfare Society of Great Britain. Subjects discussed by these epochal conferences were respectively:—

1935 Conference: The Persisting Effects of War Neurosis.
1936 Conference: Some of the Sequels of War Stress.
1937 Conference: Incidence of War Neurosis.

The British Conferences constitute the greatest record of all time in definitely establishing the sequelae of the subversive psychological background of ruthless modern warfare as insiduous cumulative factors resolving numerically large classes of men into human wreckage, exemplifying totally-disabling characteristics in their early prime—that is, a generation of young-old men blasted by War.

The British press summarized the findings of the 1935 Conference thus:—

> Specialists Band to Fight Hidden Scourge of War: overtakes victims after seventeen (17) years. Thirty-two (32) Nerve Specialists met in London to plan help for thousands suffering from a hidden scourge of War. This scourge is War Neurosis: its victims are men who, seventeen (17) years afterwards are revealed as War neurotics breaking down under War strain.
>
> Dr. Edward Mapother, M.D., F.R.C.P., F.R.C.S., of the Maudsley Hospital, London, England, and Chairman of these Medical Conferences, stated: "Many are breaking down and after years of struggle are finally beaten by conditions over which they have no control. Apart from War", he said, "men who otherwise would have passed all their lives normally, are left sensitized in such a way as to develop emotional disturbances under undue civil stress", etc.

The convening of Medical Conferences by the great physicians of the War generation as late as seventeen (17) years after hositlities ended is the recognition by Medical Science that the subversive sequelae of War, expressed in the wide ramifications of disease of both mind and body, could not be adequately assessed until this definite lapse of time embracing approximately two decades, more or less, according to the nature of the injury sustained.

* * * *

Reginald E. Bickerton, D.S.O., M.B., Ch.B., T.B., Ophthalmic Surgeon, St. Dunstan's Hospital, in the *British Medical Journal* of *October 27, 1934*, writes on the subject of "New Cases of War Blindness (cumulative blindness) due to Mustard Gas," as follows:—

> Surprise is often expressed by the lay public, and sometimes even in Medical circles, that men are still being admitted to the benefits of St. Dunstan's organization as being blinded from the results of the War. That there are many men with damage to the brain from bullet wounds, which years later have resulted in injury to the brain tissue from the effects of scarring and traction, is readily understandable; that these changes cause damage to the optic path and optic centres, and result in blindness, more or less, is also quickly appreciated when an explanation is called for. But such explanations are rarely required because the general public thinks that since the War ended sixteen (16) years ago, any after-effects of head wounds in the way of blindness would have shown itself much earlier. Numbers of clear well-authenticated cases of this nature are on record.

Dr. Bickerton then lists a variety of War injury, due to Mustard Gas, cumulative over the years:—

> causing an immense amount of untold suffering, years of treatment and, unfortunately, progressive loss of already much-impaired vision, and the occasional loss of the eyes themselves.

He concludes:—

> These authenticated cases are sufficient to prove that much acute suffering is still being uncomplainingly borne, and all such cases will eventually be cared for by the St. Dunstan's organization, *and account for the recent admissions.*

From the foregoing, Dr. Bickerton makes it clear that even in cases of blindness, the time factor governs the situation before the disability exposits itself as of a major-disabling character.

* * * *

From the "New Zealand Ex-Soldiers Rehabilitation Commission" of 1935.

The medical witnesses on this Commission were unanimous on the point that:—

> Experience is teaching us that at too early a date the Government of New Zealand, and other belligerent countries, *assumed* that all sickness and impaired health, due to War service, had manifested itself, and that any to be suffered or revealed thenceforward was not to be attributed to such service.

The opinion was strongly expressed by practically all the medical witnesses that:—

> We have reached a period when *latent results of War services are becoming apparent in varying degrees of impaired health among ex-service men.*
>
> Many of these men were discharged as fit on their repatriation and who until recently have had no particular ground for complaint in the matter of their health are now suffering from rheumatism, sciatica, lumbago, neurasthenia, respiratory diseases (e.g., Asthma, Bronchitis and Tuberculosis), colour-blindness, bad eyesight, deafness, heart trouble, and the after-effects of knocks and bruises.
>
> "As a result of the evidence we have heard", the New Zealand Report states, "we feel justified in placing these appearances among the typical conditions of the persons on whom we are asked to report".

The New Zealand report merely emphasizes the memorialized opinion of the great physicians of the War generation of 1914-1918 that the more formidable manifestations of diseases of both mind and body were a distinct aftermath phenomenon, with the time-factor governing these latent appearances.

* * * *

U.S.A. World War Veterans Legislation

The U.S.A. legislation on behalf of front-line men of the American Expeditionary Forces of 1914-1918 is probably the most advanced in the world in embracing the actualities of a complex situation. It takes cognizance of the fact that in arriving at a just perspective of the Aftermath situation it is necessary to bear in mind that the First Great War of 1914-1918 is universally

conceded as characterized by strains and stresses unparalleled in their intensity in all former wars in our history; and that the devastating effect of such warfare on men, being of an insiduous progressively-deteriorating character, would become more pronounced as time elapsed. That is to say the time element governed the situation in respect to disabilities expositing themselves as intangible (latent diseases of body and mind) major-disabling factors. I quote from the Report, No. 2982, 76th Congress, 3rd Session, House of Representatives, September 25th, 1940.

Referring to factors which make it difficult for the classifications referred to securing entitlement for pension, the Report states:—

> Because of all these factors, it seems that a much more liberal policy as to the evaluation of such evidence as is obtainable and submitted on behalf of former front-line combat veterans, and other combat-badge veterans, is much needed, so as to enable such rating board members to give due consideration to the probabilities and possibilities as to the inception and aggravation of disabilities incident to the exposure and hardship, and the stress and strain of combat service, or service under other arduous conditions—factors as to which it may have been impossible for the veteran ordinarily to submit detailed, factual, technically-sufficient evidence.

From the foregoing excerpt it is apparent American legislation takes cognizance of the time factor governing the latent appearance of War disabilities before they could be adequately assessed and also clearly implies that factors other than service entries for hospitalization must be considered at this period of the Aftermath situation if justice is to be finally accorded the front-line Veteran who carries on in the paths of peace until finally overtaken by the *after-effects* of strenuous War service.

* * * *

THIS BRIEF

Drawn up and endorsed by the Canadian Combat Veterans Assn. in B.C., Inc. amplifies Paras., 19, 20 and 21 of our original Brief submitted to the Parliament of Canada.

To: Parliamentary candidates in the Federal Election, March 26, 1940.

(1) We would respectfully draw your attention to the enclosed Brief which incorporates reliable statistics bearing upon some of the fundamental but, as yet, unsolved problems facing the Veterans of the Great War of 1914-1918. The Canadian Combat Veterans in B.C., Inc., is representative of this class of Veteran.

(2) In respect to the enclosed Brief, we would particularly draw your attention to Paras. 19, 20 and 21 as having reference to certain factors which we maintain are the key to an unjust and distressing situation gathering in intensity with the passing of the years. These paras. read as follows:—

> (19) After giving close study to a large number of our members who are non-pensioners, we find the major proportion are far from being in normal health. The fact that many of them are not pensioners is due to the Clause in Section II of the Pension Act, Para. B. which states that no pension shall be paid for any disability that was the result of a congenital defect, which means that the man had some disability that he was not aware of at the time of his enlistment, and was inherited from his forbears.

(20) It seems strange that a man could pass numerous doctors and Medical Boards, and be passed as Medically Fit for service under actual War conditions that existed in the Forward Areas, and actually prove these doctors right in passing them as Medically Fit for such service by serving lengthy periods in the Forward Areas, to find these men's disabilities classified as being of congenital origin, therefore not pensionable. When one sees these cases only one conclusion can be drawn, and that is, *these men were robbed of their pension rights* that were granted by the Parliament of Canada under the Canadian Pension Act.

(21) It is quite possible that many of the Neurologist specialists employed by the Government to declare this type of disability as being of a congenital origin, did not see much service in the Forward Areas, as they do not base their findings on a single fact. THEY TOTALLY IGNORE THE EFFECTS OF THE MAN'S SERVICE DURING THE WAR YEARS.

(3) We note from the representations made by kindred Associations before Government bodies there is unanimity of opinion that Section II, Sub-section I (b) of the Statutes, above referred to, contains a clause, *incorporated since demobilization, in 1918,* capable of an interpretation contrary to the intent of Parliament in the assumption of its proper obligations to the War-disabled. In its practical operations it penalizes certain classes of disability. Section II Sub-section I (*b*) of the Pension Statutes reads:

> No deduction shall be made from the degree of actual disability of any member of the Forces who has served in a theatre of actual War on account of any disability or disabling condition, which existed in him at the time he became a member of the Forces; but no pension shall be paid for a disability, or disabling condition which at such time was wilfully concealed, was obvious, was not of a nature to cause rejection from "service, *or was a congenital defect.*"

The latter part of the clause reading: *'or was a congenital defect'* WAS ADDED SINCE DEMOBILIZATION.

(4) We join in the general protests of Ex-servicemen's Associations in expressing, on behalf of our membership, the opinion such a clause should be deleted from the Statutes, as it lends itself to an interpretation which

"TOTALLY IGNORES THE EFFECTS OF A MAN'S SERVICE DURING THE WAR YEARS"

and consequently deprives of pension entitlement thousands of men whose claim on the State are valid in law and in equity.

(5) In referring to "*the effects of a man's service during the War years*" it is necessary to bear in mind that the Great War of 1914-1918 is universally conceded as characterized by stresses and strains unparalleled in their intensity in all former wars in our history; and that the devastating effect of such warfare on men, being of an insidious and progressively-deteriorating nature, would become more pronounced as time elapsed.

(6) That is to say, governments who were War belligerents during 1914-1918 were faced with an obligation to two distinct classes of War casualty. One class manifested disabilities recognized as the direct outcome of action on the field of battle, such as loss of limbs, sight and major bodily wounds, etc., while the other class or classes, manifested disabilities arising out of the stresses and strains of War service, resulting in the undermining or destruction of the nervous, mental and allied bodily functions.

(7) This classification of disabilities, characterized by a progressive and insidious human deterioration embraces, among others, such disabilities as deafness, chest diseases, gas, effects and arthritis conditions arising from gunshot wounds, etc. There is, in fact, scarcely a disability not effected by War stress and strain; and the character of these disabilities is that they are not temporary but persisting and cumulative in nature.

(8) It is therefore conceivable that War injuries of the latter class as progressive, disabling factors would, in numerous cases, constitute greater handicaps than those in the former classification of clearly-defined, or visible disabilities.

(9) We would draw your attention to the fact that the public archives of this Dominion record the existence of the two classifications of disability mentioned above as a direct obligation by the State, but Pension law, by the improper use of the reactionary clause in Section II, Subsection I (*b*) enables the obligation of the State to be repudiated in this respect.

(10) The recognition of the two main classes of disability mentioned above is made, on behalf of the Canadian people, by Premier The Right Hon. William Lyon Mackenzie King, P.C., in his message to the physicians comprising the 1936 Neurological and Psychiatric Conference, wherein he refers to:

(*a*) 'Those aspects of disability which are the direct result of action on the field of battle.'

and

(*b*) 'Those less tangible and more baffling phases . . . scarcely contemplated at the close of the War . . . *which are now arising in increasing number*'

(11) It is to be noted that Premier King's statement was made in the year 1936—EIGHTEEN (18) years after the Great War ended—when on representations made by the Pension Adjustment Bureau's of the senior ex-servicemen's Associations of Canada, in conjunction with the Parliamentary Committee on Pensions and Returned Soldier Problems, the Government of Canada established the Neurological and Psychiatric Conference in December 1936 to visualize, or make clear, the post-War situation in respect to the War-disabled in the classifications referred to.

(12) At approximately the same time, that is, the year 1936, SEVENTEEN (17) years after the Great War ended—the outstanding physicians of the War generation in Great Britain commenced their labours in respect to the same complex situation, and recorded the extent of the problem in three (3) Annual Medical Conferences, commencing with the year 1935, and continuing their deliberations until the year 1937.

(13) It is significant to note the investigations of the great British physicians embraced a searching analysis of some Sixty thousand (60,000) cases of men pensioned for disabilities arising out of War stress and strain; and it is recorded that the average *effective* service of the the wounded soldier was 33·2 months while that of the man pensioned for disabilities arising out of the strain and stress of war wa 32·8 months.

(14) These figures prove conclusively that an unjust and distinctly improper interpretation is given to legislation when men are penalized for disabilities arising out of War stress and strain.

(15) The establishment of post-War Medical Conferences as late as EIGHTEEN (18) years after hostilities ceased for the purpose of assessing War sequelae emphasizes the existence of an extraordinary situation, without parallel in Canadian history and that of other War belligerents of 1914-1918. It illustrates the fact that nearly twenty (20) years must elapse before modern

governments would have prima-facie evidence that the casualties arising from War stress and strain were as great an obligation devolving upon the State as disabilities, such as loss of limb, sight, etc. While the original injuries were sustained during War service, their existence as major-disabling factors would not be fully apparent until a definite lapse of time.

(16) We desire to emphasize the statement in our Brief, para 21 is substantially correct when we maintain that certain Departmental physicians *"totally ignore the effects of a man's service during the War years"* and give effect to Section II Subsection I (*b*) on that assumption.

(17) In support of this statement we would refer you to the evidence given by Dr. J. P. S. Cathcart, Chief of the Neuropsychiatric Services, Department of Pensions and National Health of Canada, under examination by the Special Parliamentary Committee on Returned Soldier Problems in the year 1936. Also to the Report of the (Ottawa) 1936 Neurological and Psychiatric Conference, of which Dr. J. P. S. Cathcart was a member. That Report is considered, by informed opinion, merely a further extension, in documentary form, of the viewpoint of Dr. J. P. S. Cathcart, wherein the strains and stresses of War are not considered a main, causative factor in undermining health of body and mind.

(18) It is apparent to Veterans of the Great War of 1914-1918 that if the Department of Pensions and National Health is utilizing the opinion of Departmental physicians who *"totally ignore the effects of a man's service during the War years"* then the Veteran of the Great War of 1914-1918 faces a disastrous situation. It means in effect that:

(*a*) Only men in the categories of visible disabilities possess a tangible and recognized claim to pension entitlement by the State;

(*b*) That the ranks of War widows must automatically greatly increase if the after-effects of War service is discounted as a factor prematurely terminating

(*c*) That all representations concerning the responsibility of the Federal government towards the unemployed veteran can similarly be set aside if war service and its after-effects is not considered by the state as in the nature of a progressive handicap.

(19) In respect to (*a*) of para. 18, this is considered by responsible and well-informed veteran organizations to represent the actual situation confronting ex-servicemen to-day. A recent bulletin of the official organ of the Disabled Veterans' Association reads:

> Even at this date, and with all its comprehensive sections, the Pension Act (distinct from the War Veterans' Allowance Act) is by no means the impeccable measure it should be. Compensation for war injury is not commensurate with the modern industrial handicap implied; nor, indeed, is it considered from that angle. If it was, the recent amendment to Schedule A, providing automatic increases for men, assessed at 50% for gunshot wounds, on attaining the age of 55, would be given a more *general bearing.*
>
> Briefly, and at present, the latter admits the principle whereby decline and the atrophy of age increase a handicap, but *restricts the application.*
>
> It is still considered also that deafness, chest diseases and arthritic conditions arising from gunshot wounds and other attributable causes, are not considered the subject of sufficient consideration, and consequently, from the proper modern, industrial viewpoint, are not justly assessed.
>
> . . . . . Now his (the veteran's) choice lies once more between the war veteran's allowance and the relief roster.

(20) The Canadian Combat Veterans Assn. in B.C., Inc., feels that the underlying reason for the plight of the veteran classes must be *directly attributable* to the failure of respective governments of Canada to adequately assess the *after-effects* of war service as a distinct liability of a progressively-deteriorating character. It maintains the first step to correct a situation operating disastrously and unjustly against the war veteran and his dependents is to amend pension legislation with particular reference to the deletion of the offending clause in section ii of subsection 1 (*b*).

(21) It should also be recognized by constituted authority that no form of economic recovery will absorb our men in industry, whatever assurances may be given to the contrary. We wish to point out that the average age of the war veteran is now fifty-one (51) years. The depression hit large classes of these men before they ever got a foothold in industry, and they have been beaten down in two decades by adverse economic and social conditions over which they had no control.

(22) We feel the foregoing representing the facts concerning the true status of the non-pensioned and unemployed returned soldier to-day. For the purpose only of substantiating the representations we have made we briefly quote from a semi-government report which we feel summarizes the situation to-day in an unbiased manner, with particular reference to the psychological and moral background from which our claims are made:

> A study of the files of this organization indicate that the social service work among veterans throughout the province has largely been carried on by their comrades and not at the expense of the community as a whole. This attitude of independence on the part of the veterans while quite in keeping with their role as citizens and veterans of the Great War, has in a measure deprived those who had not the latter experience of *a true picture of the aftermath of the war.*
>
> This spirit of independence on the part of the veteran may be a mistaken one, and the attitude may not have been entirely fair to those who remained at home. However, he can hardly be blamed for not having bared to the world his sufferings, THE ACTUALITY OF WHICH IS ONLY JUST BEGINNING TO BE RECOGNIZED BY MEDICAL SCIENCE (that is, the date of this report, the year 1936).
>
> This applies particularly to the veterans who were gassed, buried, or otherwise injured, who have no definite wounds to exhibit, BUT WHOSE DISABILITIES ARE NONE THE LESS REAL.
>
> Numerous conversations with veterans have merely confirmed information, of which I was already aware, that the total of 7,130 officers and 148,660 other ranks, listed as wounded, *do not complete the picture.*
>
> It is a well-known fact that many of the casualties sent out as gassed were sent out on election by the men themselves, the more rugged at the time electing to remain in and aid in holding the line. The same attitude prevailed among the men who were buried, or otherwise injured, but not wounded during engagements, and as a consequence they are debarred, through lack of medical history, from putting their case before the authorities in a proper light. Their injuries are, nevertheless, present, and as the years pass their disabilities become more pronounced. . . . . I am of the opinion that if the "Benefit of the Doubt" clause of the Pension Act could be operated in a more sympathetic manner it would be found that *in many cases the disabilities under which the War Veterans' Allowance Act was granted were of a war origin.*

(23) For the sake of justice and humanity we feel the time is opportune, and perhaps long past due, for the Government of Canada to implement by law

the representations made in our brief, so that the veteran's remaining years may be characterized by a more dignified and fruitful existence than in the past, in accordance with the ability of the nation to ensure that desirable and just finality to veterans' problems.

(24) We trust some of the fundamentals covered by our brief will be discussed by you on the public platform so that we may know those who are co-operating with their former comrades-in-arms that justice in the matter of veterans' problems may finally prevail.

Respectfully submitted,

(Signed) GEO. SAWLEY,
President.

R. M. MOREHEAD,
Secretary.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11

TUESDAY, APRIL 8, 1941

WITNESSES:

John R. MacNicol, Esq., M.P.

Lt.-Col. Sidney E. Lambert, Chaplain of Christie St. Hospital, Toronto, Dominion President War Amputations of Canada, and Honorary President of the Sir Arthur Pearson Club for Blinded Sailors and Soldiers.

Lt.-Col. Eddie Baker, O.B.E., Managing Director for the Canadian Institute for the Blind and Secretary-Treasurer for the Sir Arthur Pearson Club for Blinded Sailors and Soldiers, and a member of the Dominion Executive of the War Amputations of Canada.

Mr. Richard Myers, Honourary Secretary of the War Amputations of Canada.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

TUESDAY, April 8, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Black (*Yukon*), Blanchette, Cleaver, Eudes, Ferron, Gillis, Green, Isnor, Mackenzie (*Neepawa*), Macmillan, McCuaig, McLean (*Simcoe East*), Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Turgeon, Winkler, Wright.—20.

On motion of Mr. Turgeon it was Ordered, That the payment of travelling expenses and expenses in Ottawa incurred by Mr. Walter H. Kirchner of West Vancouver, B.C., who appeared as a witness on April 3 and 4, be authorized.

On motion of Mr. McLean (*Simcoe East*), it was Ordered,—That the payment of travelling expenses and expenses in Ottawa incurred by Mrs. Helen McHugh and Mrs. Helen Hickey, both of Toronto, Ontario, and of Mrs. M. Wainford and Mrs. Jean Johnston, both of Verdun, P.Q., who appeared as witnesses on April 3, be authorized.

Mr. J. R. MacNicol, M.P., addressed the Committee advocating pensions for veterans' non-pensioned widows.

Lt.-Col. Sidney E. Lambert, Chaplain of Christie St. Hospital, Toronto, Dominion President Amputations Association of the Great War and Honorary President of the Sir Arthur Pearson Club for Blinded Sailors and Soldiers, was called.

Lt.-Col. Eddie Baker, O.B.E., Managing Director of the Canadian Institute for the Blind, and Secretary-Treasurer of the Sir Arthur Pearson Club for Blinded Soldiers and Sailors, and member of the Dominion Executive of the War Amputations of Canada, was called.

Mr. Richard Myers, Honorary Secretary of the War Amputations of Canada, was called. He presented the brief of the Sir Arthur Pearson Club for Blinded Sailors and Soldiers.

Mr. Isnor moved that the payment of travelling expenses of Mr. Richard Myers, Lt.-Col. Baker and Lt.-Col. Lambert of Toronto, Ontario, who appeared as witnesses to-day, April 8, 1941, be authorized. Motion carried.

General McDonald, Chairman, Canadian Pension Commission, submitted a statement on pensions, calculating the outside Canada rates at the current rate of exchange for incorporation in the evidence.

The Committee adjourned at 1 o'clock p.m., to meet again on Thursday, May 1, at 11 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, Room 277,

April 8, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order, gentlemen, please.

Mr. TURGEON: Mr. Chairman, I move that the payment of travelling expenses and expenses in Ottawa incurred by Walter H. Kirchner of West Vancouver, B.C., be authorized.

The CHAIRMAN: Any discussion?

Mr. ISNOR: Why could we not make that general in the case of any witness called by the chairman. I think that is the general procedure, is it not, and all you have to do is to vouch for their expenses?

The CHAIRMAN: A copy of the motion dealing with each account must be submitted to the Auditor-General.

Carried.

Mr. MCLEAN: Mr. Chairman, I move that the payment of travelling expenses of Mrs. Helen McHugh and Mrs. Helen Hickey, both of Toronto, Ontario and Mrs. M. Wainford and Mrs. Jean Johnston, both of Verdun, Quebec, who appeared as witnesses on April 3, be authorized.

The CHAIRMAN: Shall the motion carry?

Carried.

The CHAIRMAN: I will ask the Clerk to read a letter to the committee.

The CLERK (reads):

10022-83rd Ave, EDMONTON,
March 31, 1941.

Dear Mr. DOYLE:

My daughter and I wish to thank the members of the Special Committee on the Pension Act and the War Veterans' Allowance Act, for their kind sympathy in our bereavement, which you have conveyed to us. It was indeed a great shock and the kindness of his associates to us, makes it somewhat lighter.

Very sincerely,

CORA T. CASSELMAN.

The CHAIRMAN: Gentlemen, this morning we are to hear a brief statement from Mr. MacNicol, the member for Davenport. I shall ask Mr. MacNicol to come forward.

Mr. John R. MACNICOL, M.P.: Mr. Chairman and gentlemen, I have always been interested in the subject of pensions for the widows of soldiers who in their lifetime received a pension, but not a sufficient one to entitle the widows to receive a pension after the soldiers were deceased. That being well known to the various widows' organizations, I have had the pleasure—not altogether a pleasure, but at least the impressive experience of attending on many occasions various meetings of non-pensioned widows and I have become a very warm advocate, if I may say so, of their requests for consideration.

Now, I am quite aware, Mr. Chairman, that there is another delegation here awaiting to be heard this morning, the Amputations Association, and I shall make my remarks as brief as possible; and if the committee will permit me to set out an argument without having too many questions asked me, if any, I shall be through very much quicker.

Now, I am going to attempt to set up an argument for the granting of pensions to two groups of widows: (*a*) widows of soldiers who received less than 50 per cent pension, which group of widows do not now receive pensions because they do not come under our Act, because there is nothing in our Act granting them a pension; (*b*) widows of men who served in a theatre of war and who in their lifetime may have received a pension but had it taken away from them and latterly died and whose widows received nothing.

To keep the record straight, I shall name the various widows' organizations which have communicated with me. Some of them, I am happy to say, have already appeared before this committee. I refrained from coming to this committee on Thursday last when certain ladies were here so that they might be able to present the best case possible, and from reading the minutes of the meeting at which they presented their case, I am convinced that they did present a very good case. As a result of their appearance here, what I have to say will be very much shortened.

The various widows' associations are as follows: Ex-Service Men's Widows Association, Winnipeg; the York E. Veterans' Social Welfare Club, Toronto; the Canadian Veterans' Widows and Dependants Association, Toronto; Canadian Soldiers' Non-pensioned Widows' Association, Calgary; Province of Quebec Non-Pensioned Widows' Association, Montreal; Canadian Soldiers Non-pensioned Widows Association, Toronto; Canadian Soldiers Non-pensioned Widows' Association, Edmonton.

I have letters, Mr. Chairman, from all of these and I shall leave them with the committee.

In order to keep the record straight I should like to direct the attention of the committee to the following consideration. Why do these two groups of widows of whom I am now speaking—that is, the widows under class (*a*) and the widows under class (*b*)—have to ask for anything? The reason is that our pension act, as it is at present, does not provide anything for them. I am glad that Gen. McDonald is here. Much of what I have to say here I know is sound because I have taken the precaution of making contact with the department. Presently widows receive pensions under three provisos:—

1. To widows of deceased soldiers to whom the pension commission rule death is attributable to war service. (That does not take in very many)
2. To widows whose husbands, at the time of decease, were receiving a pension of 50 per cent or over. (With that class we do not have to deal.)
3. To widows without adequate means of support, but whose husbands had rendered conspicuously meritorious service in the great war.

For widows of all disability pensioners who die leaving an inadequate estate, the pension act authorizes a grant toward the expenses of burial and last illness. It also provides for the payment of one year's additional allowance at the rate the pensioner was receiving for his pensionable children in cases where pension is not awarded to the widow. That is the total of our Act, as I understand it, to-day, apart from the class that receives 50 per cent and over. These amendments that we desire cover these two classes to which I have already referred.

What is being done in other countries? You have had that before, but it will do no harm for me to repeat it. My information is that in Australia the widow of a pensioner who dies receives a pension according to the pension he received while living. If we had such an Act in Canada that would, in my judgment, be very satisfactory and would take in a large number of these widows.

Mr. REID: That is, every pensioner's widow?

Mr. MACNICOL: Yes. That would take in a large class of widows that we are now appealing for. May I just repeat that, because it is important. Australia grants to a widow of a pensioner the pension he received in his lifetime.

Mr. CLEAVER: So that in Australia the widow of a pensioner would receive a sliding scale of pension?

Mr. MACNICOL: Yes. In the United States they have had the same trouble as we have had here. They have a little different Act. They grant to widows of pensioners who received as low as 10 per cent pension a pension of $22 a month. I have not been able to ascertain how they arrive at the $22 a month, but I have tried to make my own mind think that maybe they granted that 10 per cent extra as compared with what an old age pensioner receives out of respect and honour to these soldiers' widows. I may not be right in that. But if that is the explanation, then I think it is a very apt explanation, that the widow of a soldier should be given more than an ordinary old age pensioner.

Gen. MCDONALD: If I may interrupt there, Mr. MacNicol, I should like to say that, since that information was given to you, I understand the United States have increased that class of widow's pension to $30.

Mr. MACNICOL: I am very glad to hear that, Gen. McDonald. I have just forgoten where I got that figure of $22 a month. It may have been from your department. But I am glad to hear from Gen. McDonald that in the United States a widow of a pensioner receives at least $30 a month.

Mr. ISNOR: Is that plus the addition in case of one child? That formerly was $8 for one child, and $4 for each additional child.

Gen. MCDONALD: They receive an additional allowance for children. Of course, the award of pension is subject to a means test.

Mr. MACNICOL: What is the present situation in Canada? I am going to try to set up an argument that it will cost us little to give these widows fair consideration. In fact, before I am through I am going to try to prove that we will get some relief out of giving the widows fair consideration. As I understand it, there are at present approximately—and likely it has changed little since I got these figures—17,000 soldiers drawing over 50 per cent pension. So that for the wives who survive the 17,000 pensioners, we do not have to provide than is in the Act and I shall therefore leave their case out of the argument I am going to advance.

I understand that 6,000 returned soldiers who received less than 50 per cent pension have died since the war. That is the first class that I am going to try to consider. I am informed that as a result of remarriage, death or other causes the department has determined that out of the 6,000 widows only 4,500 would be entitled to qualify under any amendments now before your committee. That means that in arriving at the rate of 4,500 the department is able to deduct 25 per cent. Twenty-five per cent of 6,000 reduces the number to 4,500 that come under class "A." These are our first call. They would receive the first consideration, being now widows. As I understand it, there are 46,000 married returned soldiers, or approximately that number, now drawing less than 50 per cent pension. Therefore we would have to consider for the widows of 46,000. But using the departmental figures of 25 per cent, by which it is assumed that 25 per cent will either remarry after they become widows or will have sufficient means to take care of themselves, or for one reason or another, will not be eligible, the 46,000—using the reduction of 25 per cent—will be reduced down to 34,500. I would say that out of that 34,500 we would be quite safe in eliminating another 25 per cent, for many reasons that I am not going to take up the time of the committee to advance.

Mr. CLEAVER: Mr. MacNicol, just before you leave that point I should like to ask you a question. Have you ascertained the fact that all of the 46,000 pensioners who are now drawing less than 50 per cent disability pension are married?

Mr. MACNICOL: Yes. It is only the married pensioners I am dealing with. Figuring it out at the amount per month which the General has stated is the amount that is accorded in the United States, if each widow of the arbitrary numbers of 26,000 received that—which number is subject to correction and subject to various factors over which we have no control and which we could not establish in any event—it would mean that, to take care of all of those widows, the possible pensionable widows of the 46,000 pensioners, it would require, at $30 a month, $9,360,000 a year. That is not a very large sum, in my judgment for this country to put up to assure in advance the soldiers themselves while they are living that their widows will be taken care of and assure the potential widows that they will be taken care of.

Mr. CLEAVER: And the other group would cost 1·6 million dollars?

Mr. MACNICOL: I am coming to that. If we add the 4,500 to 26,000 we get approximately 30,500. So that to take care of 4,500 present widows entitled to consideration and the probable 26,000, it would require in addition, if they were all paid $30 a month, as the hon. member for Halton said, approximately an additional million, six hundred thousand dollars.

Mr. CLEAVER: $1,620,000.

Mr. MACNICOL: Or a total for the two classes, at $30 a month, of $11,000,000 or less, which is not a very large sum to assure to the soldiers while they are living that their widows will be taken care of and the potential widows themselves that they need no longer fear.

Personally I believe this House of Commons should do something to relieve both those types of widows. They are all potential old age pensioners; perhaps I should not say "all," but a portion of them would. Under the old age pension legislation, if they survive their husbands—and they are all getting old, because the great war is quite a long time over—they would be eligible for an old age pension of $20 a month. I do not think a soldier's widow should have to look for an old age pension. I think this House of Commons should provide aboveboard compensation for the widow of a soldier, who did his part in the great war. If we do not do something along this line, if and when there is a much greater demand than there is to-day for recruits, recruits may not readily be forthcoming; because neither a married man nor his married son will be overly inclined to enlist if they do not see that some consideration is going to be given to the widows of those who do not return.

Mr. Ross (Middlesex): Enlistment is not based altogether on that, is it, do you think?

Mr. MACNICOL: I am convinced of this: if the war goes on—as we all hope it will not—and if it gets worse—which we all hope it will not—there may be an increased demand for enlistment.

Mr. ROSS: I would not want that statement to go out.

Mr. MACNICOL: If the members of the committee had gone, as I have gone, to various women's organizations, they would have heard that is the opinion some expressed. I have heard it, anyway. It may only be an opinion.

Mr. ROSS: I think it is perfectly unfair to have a statement of that kind go out.

Mr. MACNICOL: In any event, I am recording what I heard.

There is another class of pensioners to which I made brief allusion in the commencement of my remarks. I have in mind the past president of the women's auxiliary of Earlscourt branch, No. 65 of the B.E.S.L. Her husband, in his

life-time, did receive a pension up to I believe about—and I am now speaking from memory—35 per cent. But later, as in the case of many others, his pension was cut off altogether for reasons that the department determined were sufficient. Shortly after his pension was finally reduced to nothing, he died in Christie Street hospital, I believe; and since his death that widow has received no consideration. That is a type of widow—the type whose husband did receive pension but whose pension was latterly cut off—who is in a class which to me is a little by itself. That class too should receive consideration if pensioners drawing less than 50 per cent in their life-time were to have consideration accorded to their widows after their decease.

The last class to which I refer is a very large class, and I am putting it under "B." This class is potential widows of men who served in a theatre of actual war, France or elsewhere, or in England for that matter, and who do not receive any pension at all. As I understand it a number to the amount of 117,000 would come in that class. And again using the 25 per cent reduction of the department, the number would be materially reduced. In the course of my travels, making inquiries as to how many widows of that 117,000—they will not, of course, all survive their husbands—I talked to many having regard to all the factors, but could not arrive at a satisfactory figure, because the figures varied so much. Because of that I just averaged what those who should have an opinion told me as to the possible residue of the 117,000. The number I arrived at is about 30,000 again. If they were given even the United States consideration of $22 a month it would only amount to another $8,000,000, so that the total amount that this country would have to pay out to take care of every possible siuation, is not such a large sum, it is less than $20,000,000. The amount that we would require to take care of class "A" alone is approximately $11,000,000.

I should like to say just one further word as to a few individual cases. I went to see the homes of quite a number of those widows, to see them in their environment and just how they were existing on nothing or on relief. And it is a pretty sad story to relate. I will not make any attempt to relate it, but I will tell you what I found in five cases out of many. I might say I have here 90 cases all tabulated. Contained in this tabulation is their experience and the difficulty they have now to exist. These are widows of returned soldiers who drew less than 50 per cent pension. I have here what I consider to be a remarkable book got out by the York E. Veterans' Social Welfare Club. This book contains their brief, and if there is any way whereby the committee could compliment a body of women, wives of returned veterans, who go to the expense and trouble to get out such a brief as that, they should do it. It at least shows that they are earnest to put up the best argument they can. There are 38 carefully typewritten cases compiled in this book with all the records pertaining to them. The York E. Social Welfare Club went to a lot of expense to put out this brief in presentable form. I will leave this book with you; I am not going to read any of these cases. I do want to tell of five, in connection with what I have to say, whom I personally went to see. I have the names here, but I do not think the committee want the names and addresses. They are here if you wish them. The first is Mrs. A. A refined ex-nurse, a collateral descendant of the famous Sir Walter Scott, the Scottish novelist. I called to see her. She was on relief, lived in a little back room in a very humble part of the city of Toronto. There was very little light coming into her bedroom, and her cooking utensils and everything she owned was in the one small room. I do not believe the room was over 8 by 10. Her husband was blown up in France and struck on the back over his kidneys. After years of struggle and having his pension reduced from 35 per cent to 15 per cent he passed away. Mrs. A. from various ills is unable to work. Now she is on relief. That does not seem to me right and I am sure the committee in its wisdom recognizes that widows whose

husbands received less than 50 per cent pension, such as this little widow, should receive consideration. This hardly seems fair treatment. I am not finding any fault with anybody. The department is circumscribed by all sorts of regulations, and as I have said before in the house I say now, I believe the department does the very best it can, but it cannot go beyond what the Act says. I believe there should be an amendment to the Act whereby the widows of pensioners who draw less than 50 per cent should receive something, say $30 a month. If they receive that they would be looked after.

I now bring up the case of Mrs. B. Mrs. B's husband with numerous war disabilities had only 10 per cent pension at the time of his decease. She now lives with her daughter. She has had several major operations herself. She was a little woman, who from illness, trouble and anxiety was in a very poor state of health. Like so many her husband gave up the struggle of fighting for his rights and passed away. When dying he recalled what Sir Robert Borden had said, and said to his wife, "The country will take care of you." Now the country is not taking care of that widow. She is only one of hundreds.

I now come to Mrs. C. Mrs. C's husband served in France. He was Scotch and too proud to beg for pension. He passed away from numerous war disabilities. The widow is now going through the heart-breaking struggle, too poorly to work, and now has no means of support and is on relief. It is very sad when widows of men who gave their all in the Great War are on relief, and it is not the way a grateful country should treat them.

Mr. McLEAN: Just to keep the record straight, you made a statement that he had died from war disabilities?

Mr. MACNICOL: That is their statement, not mine.

Mr. McLEAN: That obviously could not be the fact or she would receive a pension according to that fact.

Mr. MACNICOL: I quite appreciate that. I am only relating what they gave me and the experience of them as I saw them.

I now come to Mrs. D. Mrs. D resides on the third floor above stores. I had quite a lot of difficulty getting up two flights of pitch black stairs to where the woman resided. Mrs. D is quite deaf and is only able to go out to work part time. Her husband only had 10 per cent pension when he died. The future looks black for her. I said to her if a fire broke out here you would be burned to death. She said, yes, she would would be burned to death. She is only one of numerous poor unfortunate widows of war veterans. If the Act were amended so that she could obtain $30 a month as they are paying now in the United States, their troubles would be over.

The last case is that of Mrs. E. Mrs. E's husband did not serve in France. He was bombed at Shorncliff and seventeen of his party were killed. He was buried and his stomach crushed in. He finally died from hemorrhages. He had no pension. Mrs. E. lives with her daughter-in-law and has no means of support.

These are samples of many. I will conclude my remarks by quoting from one or two sentences from the submission of the York E. Veterans' Social Welfare Club. They say:—

> We respectfully submit to your our humble representations, and pray that you will use your good offices on behalf of all those who are suffering privation, semi-starvation, and continued degeneration as their reward for the service rendered by their husbands in the defence of Canada and all that our constitution so stands for.
>
> We respectfully crave that you will give serious thought to the application of the Pension Statutes, the whole being in contradiction to that for which our husbands fought, bled and died, and as contrary to that for which our sons, and kin are so now prepared to die if called upon so to do.

I am very glad they have that remark there because it answers the interjection of the member for East Middlesex. Although people say things at meetings, their hearts are in the right place. I am convinced as the honourable member from Middlesex East is convinced that no son or daughter of a returned soldier would hesitate one minute to enlist and do his part. They are of the right stock. They come from parents and particularly from fathers who before them enlisted and fought in the Great War. That is my opinion, and it is the opinion of the committee; but it does not prevent the people sometimes in the anxiety of difficult conditions from giving expression to certain remarks. These expressions are not backed up by their hearts. Their hearts are right. That is one reason why I do desire to and am anxious to do what I can to help them.

Now, Mr. Chairman, I am very grateful to the committee for being so patient and so kind as to little interrupt me in my remarks. It is not that I mind interruptions, but I am anxious that the amputation people be heard because they have an important case; but I did wish the opportunity to try to state the cases as I have stated them to back up what the widows themselves so ably presented when they came before your committee.

Mr. Ross (*Middlesex East*): My remarks were only based on the facts that since the invasion of Britain no soldier who entered the army did so from any mercenary consideration. They did not go in the army in a mercenary way; they had a much higher purpose than that.

Mr. MacNicol: They went in because they have the love of the empire in their hearts. Each one of us would give our hearts for the empire. As I said in the house I would be glad to place my life and whatever I have on the altar of my country to save it. I am sure every member of the committee would do the same thing.

Mr. Cleaver: I should like to ask Mr. MacNicol a question before he leaves. Mr. MacNicol, you made a real study of this problem and I wondered if you would be good enough to give this committee the benefit of any suggestion you have to make. I take it your entire case is pretty well built on the fact that you believe the country should take care of war widows. Now, have you any suggestion to make as to whether there should be a means qualification for this that you are advocating?

Mr. MacNicol: I think that might well be considered. I know myself a number of widows who are well off and I hope they would not want to stand in the way of anything that would be for the benefit of their more helpless sisters. I am sure they would not.

Mr. Cleaver: Our total pension cost now to widows and children of deceased soldiers is only $8,000,000 a year. Your proposal would increase that cost by about 21·7 million dollars. Now obviously if we were perhaps to go the whole way we might get nowhere at all and I just wondered whether you had the figures of widows in need. Can you tell us what percentage of the total are in need?

Mr. MacNicol: No, I cannot, Mr. Chairman. The reason I have divided it into two classes was to try to persuade the committee in its wisdom at least to do something to take care of one class, particularly class A, the potential widows of men who did or who do receive a pension. It would cost about $11,000,000.

Mr. Cleaver: I know the War Veterans' Allowance Act takes care of ex-service men, burnt out soldiers who saw service in actual theatre of war and it has occurred to me that possibly all of those needy widows could be taken care of by an extension of the War Veterans' Allowance Act to take in the widows of these burnt out men.

General McDONALD: That is a matter that I have not looked into, but I am sure the department would have no figures on that.

Mr. Ross (*Middlesex East*): I wonder if the General would elaborate on that question; who would be included?

The CHAIRMAN: I did not get your question.

Mr. Ross (*Middlesex East*): I was just wondering who would be included in the class under discussion, because as things stand now widows may receive a pension or allowance under the Veterans' Allowance Act.

General McDONALD: You want to know how many there are?

Mr. Ross (*Middlesex East*): Yes.

General McDONALD: I cannot go any further than what is in the Act now.

Mr. GREEN: That would be in section 21?

General McDONALD: Yes, in section 21.

Mr. GREEN: Section 21, that covers very few cases.

Mr. CLEAVER: Have you a breakdown as to what that is costing now?

General McDONALD: That is already on the record.

Mr. CLEAVER: It is? I am sorry.

General McDONALD: I will look it up and give it to you again.

The CHAIRMAN: Thank you Mr. MacNicol.

Mr. MACNICOL: Thank you, gentlemen.

General McDONALD: I would not have the numbers. They are already on the record.

The CHAIRMAN: I am happy now to extend a very cordial welcome to the representative of the Amputations Association of Canada, who is also the representative of the Sir Arthur Pearson Club; Colonel Lambert.

Lieutenant-Colonel Sidney E. LAMBERT,
Chaplain of Christie Street Hospital,
Dominion President Amputations Association of the Great War and Honourary President of the Sir Arthur Pearson Club for Blinded Sailors and Soldiers, called:

Mr. Ross (*Middlesex East*): Mr. Chairman, just before you go on with the next witness, I would like to explain what I was referring to, and that is when you give a pension and relate it to conspicuous gallantry on service, it does not necessarily follow that because a man receives a decoration he received it for gallantry under fire; he may have received it because he was conspicuous in the kind of work to which he was assigned. There were dozens of soldiers who performed acts of bravery just as conspicuous without recognition as was the case of those who received medals; and they were just as brave as any soldier whoever went over the top in a trench raid.

General McDONALD: It is very difficult. There were 15,000 Canadian soldiers who received decorations for gallantry during the last war.

Mr. Ross (*Middlesex East*): Yes, I know that.

The CHAIRMAN: Colonel Lambert, will you proceed please:

Colonel LAMBERT: Mr. Chairman, gentlemen, General McDonald, and members of the committee, may I first say that it is quite an honour and a privilege to be before this committee. We have been before all the committees that have ever met since the last war. I say "we", I mean, my friend, Colonel Eddie Baker and my Honourary Secretary-Treasurer, Mr. Richard Myers, and your humble servant, Sidney Lambert. We value highly the privilege of coming because we have made it our business in all the years since the war in

our organizations—a little group, a small group of friendly soldier-men who lost a limb or limbs or complete eyesight in the service of their country—we have made it our business to stand on guard for all the pensioners in this country; and to-day to follow my old friend, Mr. John MacNicol, in his plea for widows really took some of the steam out of my effort. I am a great lover of widows. That is my business in life, to love widows; to love them; and I do love them too; and I was so glad, Mr. Chairman, to hear my friend Mr. MacNicol make such a plea on their behalf, on behalf of those who so wonderfully cared for Canada's war disabled and then had to take the rough road afterwards. There are so many who have been pensioned, and we are grateful for those who have; but we too have to emphasize the greatest concern for the widows of the veterans of the last war, who adequately and wonderfully cared for those whom they loved; you see, much better than they were cared for by the Department of Pensions and National Health— and I do not lose sight of the fact that the care by that department has been great, but great as the care of the department has been these women are the people whom Canada should be everlastingly grateful to for what they have done for Canada's war disabled. They are the ones without any compensation for having thoroughly cared.

But don't let me get off the track, because I am a minister, you know, and if I start preaching to you you are liable to be here for quite a while. We are just as anxious as you are to see that the right thing is done, and we are here to assist you in seeing that the thing is handled properly. It is our business to help you, and so when we lay our brief down on the table we are presenting a plea from Canada's dependent soldiers; and if you don't know anything about pensions now when you get through with our brief I am sure you will. Ask General McDonald about that for yourselves. He will tell you that we know just about as much about pensions as General McDonald ever did. At the same time, I would like to pay my humble tribute to General McDonald for the exceptionally fine and fair way in which the Pension Act has been administered, as it should have been. When they picked out the administrator for that Act they picked a good man—couldn't have got a better one—and that is coming from the Amps and the rest of us too. I just wanted to speak these few words of appreciation for the work which General McDonald has done for us.

I am just one of the Amps to you, gentlemen. I have a regimental number too. Did you know that? I have a regimental number, Private Sidney Lambert, with regimental No. 35398, of the 50th battalion of the city of Calgary, Alberta—the greatest regiment that ever served in the Canadian forces; and if it had not been for them the war would not have been over now. Now, you know who I am, gentlemen.

And, at present and through all the years, unfortunately, since the Amps came into being, all the years ago, they called upon me to be their Dominion president, and during all the years since having joined their organization I happened to have been their humble Dominion president. So, I am representing this morning the Amputations Association of the Great War with a new constitution, Mr. Chairman; with a new constitution—to take care of the new Amps of the new war of whom we have quite a few already. You may be surprised to know that we have already 20 or 30 new members whose amputations have arisen out of this war now in our Amputations Association; and that is why we are now changing our constitution. And, Mr. Chairman, I have with me a copy of our new constitution, which I am going to leave with you, because I though it would be a good thing for you to have it. This is the new constitution of the War Amputations of Canada; formerly known as the Amputations Association of the Great War and what for many years has

been referrred to as "Fragments from France". Now, you can take it from me that when you hear of any of the Amps coming before any committee you are going to have a bunch of live wires and you are going to find things moving.

We have with us a representative of the Sir Arthur Pearson Club of Blinded Sailors and Soldiers, and we also have a representative of the armless, legless and otherwise disabled sailors and soldiers; and we have them in the persons of, in the first case, my good friend Colonel Eddie Baker, and in the other case in the person of my good friend Richard Myers. Now, Mr. Chairman, the Sir Arthur Pearson Club of Blinded Sailors and Soldiers has joined forces with the War Amputations of Canada in preparing for submission the brief we have with us. In preparing that brief I may say they have worked in close harmony; and believe me, Mr. Chairman, they known something of what they are talking. On our executive we have Lieutenant-Colonel Eddie Baker, who is not only managing director of the Canadian National Institution for the Blind and secretary treasurer of the Sir Arthur Pearson Club, but is also a member of the Dominion executive of the War Amputations of Canada; and we also have another member of that organization in the person of Mr. William Dies, who is not only a blinded soldier but has an arm off as well. We have these gentlemen on our executive and I am going to present one of them to you presently. But before I make that presentation I should refer also to Mr. Richard Myers, the honourary secretary of War Amputations of Canada, who has come down here to tell you something about our brief; and I want to say, Mr. Chairman, that there is no man amongst us who is more keenly interested, or who knows more about it than Mr. Richard Myers, who is going to submit our brief to you directly. We are going to divide our brief into two parts, the first will be the submission by the Sir Arthur Pearson Club of Blinded Sailors and Soldiers—that will take in pages one and two; then there will be the brief submitted by the War Amps of Canada, with which Mr. Myers will deal. And it is quite a long brief. However, I am sure it will not take very long to deal with it, because you are all conversant with much of it, just as I am. I will, myself, present the first part of the brief, reading it for my good friend Eddie Baker. The second part deals with treatment on rehabilitation after the war. And I want to say, Mr. Chairman, that we are greatly concerned, very greatly concerned, about the young men who are now serving us in this ugly Hitler war. Why really, it is a shame to come here, we really feel it is a shame for us to be coming up here while there is a war on. We ought to be minding our own business; and our business and the business of this committee, should not be going back over the old ground, we should be doing everything we can to help get on the the present war. We consider that our business as returned soldiers who showed what they could do in the last war is to go out and do everything we possibly can to help win this one; and so instead of being here in this parliamentary committee I would like to have the whole bunch of you mobilized into a battalion so that we could go over there to Yugoslavia and be there to be in on the victory that is going to be ours over there in a day or two. While these things may be serious to us all the most important thing we have in our minds in these days is the winning of the war. We shouldn't be worrying anything about pensions in times like these, you may have to take away all our pensions, and I am sure it is the feeling of all pensioners that if that should become necessary you may have them. Before you get through you may have to take them, you may even have to call on all us old follows to come back and help you out. We are the fellows who licked him in the last war—just keep that in mind—he can be licked and we have got to do it; and if these young fellows can't do it it will be up to us, and and if these young fellows can't go over and lick them this time call on us and we will go and show you how it can be done. That is my view in the matter, and my attitude towards this new war.

[Lt.-Col. Sidney E. Lambert.]

It seems to me, Mr. Chairman, that your committee have in their hands a great task; and I submit to you, Mr. Chairman, that you have got the most important task you have ever done in your life. This committee has an important and a great task in dealing with the potential question of how Canada's disabled of this war shall be cared for. Now, in my opinion, Mr. Chairman, this is the biggest job there is in Canada; and so your job is a very wonderful and great one, and all I do say about this is, God bless you in the doing of it; you just do all you can to safeguard the interests of these young men. They are the best we have, the fellows who have now gone and are going; the best we have in Canada. Let us take care of them, and if they come back disabled let us show our appreciation of them so there won't be any chiselling. It is your business to see they won't be chiselled while they are away and that their families won't be chiselled while they are away. We are glad to associate ourselves in the task of taking care of the young men of this new war.

Now, I have taken up a good deal of your time, but I just want to tell you how I first met Colonel Eddie Baker. It was at Kemmel Hill in Belgium in the early days of the last war. When we went back over there on the Vimy pilgrimage I took him by the arm one day and went with him back over the old scenes and we went to that splendid castle at Laaken, which you know is on the outskirts of Belgium and is the royal residence, and there we were ushered into the presence of King Leopold of the Belgians; and it was there that we met the young King of the Belgians who is in exile to-day but who, please God, will be the King of the Belgians again some day when we get through with this Hitler outfit. And when he saw Colonel Baker he said, "It is nice to see you, Colonel Baker". Colonel Baker replied, "I am sorry I cannot see your Majesty, but I have a great regard for you and for your country, for the last little bit of God's earth that I ever saw was the little bit of Belgium around Kemmel Hill." And that was my friend Colonel Eddie Baker. So, on his behalf—he is going to speak for himself in a minute or two—but, on his behalf I shall read to you this little statement which will just take a moment.

Sir Arthur PEARSON Club of Blinded Sailors and Soldiers. Statement to 1941 Parliamentary Committee, House of Commons.

The Sir Arthur Pearson Club of Blinded Sailors and Soldiers is an association of war blinded established in Canada at the end of the Great War with headquarters at Pearson Hall, Toronto.

The members are those who, while serving with the forces, lost the sight of both eyes. This association while independent of any other does work in closest possible co-operation with the Canadian National Institute for the Blind, whose national head office is also located in Pearson Hall; with St. Dunstan's which serves Imperial blinded soldiers and by arrangement Canadian blinded soldiers resident in Great Britain; and with the War Amputations of Canada which provides in its constitution for the eligibility of blinded soldier membership and with which a number of our men are associated as active members.

At the end of the Great War our membership numbered 150. Throughout the years that followed other soldiers who had suffered eye injuries during the great war lost their vision and came into our group. Every Canadian blinded soldier is automatically a member of our organization. At the present time our total membership is 164, of whom 34 reside in Great Britain, 1 in Belgium, 4 in the United States and the rest in Canada.

We are in regular touch with our members through meetings, local and general, held periodically, through correspondence and by personal contact direct from our aftercare headquarters in Pearson Hall, or through representatives of the Canadian Institute for the Blind in the various districts throughout

Canada. Some of our members are officials of the Canadian National Institute for the Blind and from time to time sons of our men have held official positions in The War Amputations of Canada.

Our members take a keen interest in all matters affecting veterans, their dependants, Canada and the present war effort. In working so closely with the War Amputations of Canada, it is only natural that there should be similarity in outlook on all such matters. In considering the matters on which representations should be made to this committee and after discussing these with the Dominion Council of The War Amputations of Canada and collaborating with the general statement to be presented by them, it was unanimously agreed that this statement in its completed form should be unanimously endorsed and supported by the Sir Arthur Pearson Club of Blinded Sailors and Soldiers.

Mr. Chairman and gentlemen, I present that to you, and I also present to you one of the greatest men in the British Empire, with brains to burn, a graduate of Queen's University, an engineer in the Great War, and one of the leading men in this world because of his care and aftercare of blinded ex-service men, and also his care of every man, woman and child in this country who is blind. I present to you the secretary-treasurer of the Sir Arthur Pearson Club of Blinded Sailors and Soldiers, member of the Dominion executive of the Amputation Association Great War and general manager of the Canadian National Institute for the Blind, my friend, colleague and comrade, with whom I have travelled almost all over the world, Eddie Baker, O.B.E.

Lieutenant-Colonel EDDIE BAKER, O.B.E., called.

The WITNESS: Mr. Chairman and gentlemen, my statement to you this morning will be very brief since our representations are very completely set out in the brief which will be presently presented to you.

May I first thank you for the privilege of being permitted to represent our Canadian war-blinded soldiers here to-day. I knew quite a number of the young men who twenty-seven years ago joined in the great war crusade, and I think I can safely say that these young men did not enter the service in any calculating way; that they were not considering the consequences; they knew little of what if anything might happen to them. During the war, casualties occurred. After the war, some difficulties were experienced, some inequities in pension treatment and rehabilitation provisions became obvious; and therefore we have in our associations discussed these problems and made our representations to the various parliamentary committees and departments concerned and we have enjoyed a very substantial measure of adjustment of these various difficulties.

Throughout this whole picture, however, we have endeavoured to be consistent, and, at the same time, reasonable. We realize that whatever restriction may be imposed in any regulation or provision put forward, somewhere around the point at which that restriction operates there is a borderline, and there will be borderline cases, some of them involving some hardships. We realize that in a spirit of generosity we may decide to remove that borderline and clear away those borderline cases, but, in so doing, we set up a new borderline and create a new group of hardship cases, maybe less difficult, but still there. We have always felt, therefore, that in making provisions for veterans and their dependants the great object at which we should aim was to make reasonable and equitable provisions, and then to provide an administration which would be so humane and be clothed or vested with sufficient discretionary authority that they would be able to pick up and care for any hardship case just on the edge or borderline. By so doing we have believed that the problem could be sufficiently and adequately dealt with, without leaving room for important

argument, to still further extend and broaden the provisions; in fact, remove largely the necessity.

I know that in the early days after the last war there was a feeling that you had to be extremely technical in the administration of all these things, and we have insisted down through the years that for every dollar saved by technical chiseling it has in the end cost this country four or five dollars. And so we suggest that in our approach, and I believe in your approach, that principle should be kept in mind. I believe, too, that the men who are entering this war—and I notice with interest and gratification that a very large percentage are the sons of men who served in the last war—I believe that these men are offering their service to the State not in a spirit of calculating either the consequences or the rewards.

But we must remember this, gentlemen, that they have a great deal more knowledge of the inevitable results of war. They have seen and participated in the memorial services to those who died in the last war; they have seen collected groups of those who were disabled in the last war; they know in much greater degree and more clearly the risks they are taking. And, therefore, gentlemen, I feel that we who entered the last war without that knowledge should take our hats off to those men who, in the face of that clear picture of what they must face, are still ready to go and serve. For that reason too, gentlemen, I feel that we should be extremely careful in our approach to their problems. We should be extremely careful in the choice of our language that we do not give any impression that we are seeking to restrict, curtail or in any way economize possibly at their future expense.

I do not think it is necessary for me to say anything more. I thank you for your kindness.

Colonel LAMBERT: Mr. Chariman, I should like to have the privilege of presenting to you now my friend, Mr. Myers. Dick Myers has the goodwill of everybody. He is very proud of his association with great war cases, and he served in that famous regiment to which we should all like to have belonged, that envied regiment, the Princess Patricia's Canadian Light Infantry. Since those days he has been one of the experts in the world of pensions. For instance, if General McDonald wanted to know anything about pensions, he would ask Dick Myers. Or if Dr. Wodehouse or Walter Woods or Reg. Bowler, or any of these people wanted to know anything about pensions, they would ask Dick Myers. On every occasion when he has appeared before parliamentary committees in the old days they have brought him back, after he got through with his deliberations, and they asked, "Now, give us the benefit of your advice." So, if you really want an expert's help, he is here to give it to you. And he has a passion for soldiers; he has a passion for sailors, and he also has a passion for widows. It is a strange thing, but this friend of the soldiers and this friend of the Department of Pensions and National Health, can walk into Dr. Miller's office, or he can walk into Dr. Wodehouse's office, or he can go in and see Hon. Ian Mackenzie, the minister and they all greet him as though he were an expert coming in to help them with their problems.

As the Dominion president of this organization, I want to say in front of the other organizations who are here, I want to say in front of the Army and Navy Veterans, I want to say in front of my friends the tubercular veterans, and I want to say in front of the Canadian Legion of the British Empire Service League, that it is rather a pity that we have to come as the Amps. It is a pity to have to come as the blinded soldiers; it is a pity we cannot come as the great united veterans of Canada, who could put the whole story down as representing all the veterans of this country. That is what we tried to do. When the war broke out long ago, I assure you, we tried to bring all these ex-service men together so that we could all speak in one voice, and I am sure you would like that. I am sorry to say that that has not been possible.

We have this splendid brief to present, Mr. Chairman, and I am sure you will get a lot of information from it. It is with a certain amount of pride that I present to you my expert friend and decent soldier. He gave his leg somewhere in the fields of Flanders, and he has always wanted to go back to try to find it. I present to you one of the fragments, a man who gave a great deal and perhaps lost a great deal, I do not know. He has certainly found something, and because of that he has rendered most vital and valuable service to the Canadian government and to the ex-service men and their families. Mr. Chairman and gentlemen, I present to you my friend, Richard Myers, honorary secretary-treasurer of the War Amputations of Canada.

Mr. RICHARD MYERS, honorary secretary-treasurer of the War Amputations of Canada, called.

The WITNESS: Mr. Chairman, I feel somewhat embarrassed. I can assure you that the references to myself which Colonel Lambert has so graciously made are not in accordance with the facts. I ought to be wearing wings instead of a wooden leg.

Mr. Chairman, this is a statement to the 1941 parliamentary committee, House of Commons.

Nature of Organization

The War Amputations of Canada was originally incorporated by Letters Patent under the Dominion Companies Act and amending Acts on the 11th day of May 1920, under the name of The Amputations' Association of the Great War. At that time and since, the association was frequently known as "Fragments from France." Later it came to be called "The Amps," which is the short title at present used to designate the membership of the association. The present name, The War Amputations of Canada, was granted by supplementary Letters Patent dated the 10th day of December, 1940. The change of name was rendered necesssary in order that soldiers who lost limbs or eyes in the present war would know that the organization was as much theirs as the veterans of former wars.

We now have records of twenty-five amputation cases of the present war. Arrangements with the Department of National Defence and the Department of Pensions and National Health enable us to make early contacts with the men and their families. Some problems in connection with discharge from the army, treatment, pensions and re-establishment in civil life have already arisen. A number of these men have been admitted to full membership in our association which is restricted to those men who are pensioned for amputation as a direct result of military service. Amputation cases not eligible for full membership are entitled to associate membership. However, service is extended to all amputations who have had military service whether members or not.

Membership

The objects of the association cover the entire field of service for ex-service men and women with special reference to treatment, pensions, artificial limbs, glass eyes, training, vocational guidance and employment. For the purposes of full membership a limb is considered the whole or such part of the limb as the bones of a foot (Symes amputation or greater), or at least four fingers and a thumb of one hand, the disability pension assessment award for which shall not be less than 40 per cent.

While the association has contacted almost every war amputation in Canada there has always been a difference between departmental and association figures, largely due to classification. The departmental figures include all Amps, even those who have lost a finger or a toe when association figures

are restricted to those who are eligible for membership as above described. The classification of 3,009 cases available at the end of the last war is as follows:—

Amputation of right leg	902
left leg	1,123
right arm	411
left arm	449
both legs	95
both arms	7
both legs and both arms	1
both legs and left arm	2
both legs and right arm	1
right leg and right arm	2
right leg and left arm	3
right leg and left arm	4
left leg and right arm	6
both arms and right leg	1
	3,009

A Dominion survey undertaken by the association in 1938 to record the employed and unemployed classified 2,637. There may be a few more but this is a reasonably complete list of the surviving amputations of the Great War. A check established that nearly everyone of these had paid dues to the association at one time or another. The active paid-up membership at the present time is 1,800. No amputation case is refused service and every amputation in Canada has benefited as a direct result of association activity.

Activities

Since the incorporation of the association seventeen Dominion conventions have been held in different parts of Canada. We have always endeavoured at all times to maintain unity of thought and action in order that our members in every section of Canada might enjoy the privileges and benefits which can be reasonably provided for their welfare. In all this we have thought of Canada as a whole and in the planning of conventions have endeavoured to take representative groups of our members to all the principal centres throughout. Important subjects dealt with and upon which association activity has been concentrated are:—

(*a*) Remembrance of the fallen.
(*b*) Pension administration, provisions and awards.
(*c*) Pension assessments.
(*d*) Dependents allowances and pensions.
(*e*) Treatment and hospitalization.
(*f*) Artificial limbs and glass eyes.
(*g*) Adjustment services.
(*h*) Employment, governmental and private.
(*i*) National defence.

Pension legislation finality

With the passage of the 1936 amendments to the Pension Act the Association considered that the days of experimental legislation were over when steps were immediately taken to finalize association pension program. With the commencement of hostilities, September 1939, the outstanding items not dealt with were:—

(*a*) The restoration of pension rights to a pensioner (without retroactive payments) in respect to a wife where marriage occurred subsequent to May 1, 1933.
(*b*) The restoration of pension rights to a pensioner (without retroactive payments) in respect to children born subsequent to May 1, 1933.

(c) The extension of time limit applicable in respect to a widow of a pensioner where marriage occurred subsequent to the first of January 1930, subject to no retroactive payments.

No requests made

It is a matter of keen disappointment to our membership that the completion of the association program was not achieved before the outbreak of hostilities. The latest Dominion convention of the association was held at London, Ontario, September 1939. This convention concentrated particularly on discussion of war effort, care of amputees of the new war, rehabilitation problems that would arise and the nature and extent of co-operation that the association might render to the government of Canada. It was decided as a patriotic duty to refrain from pressing requests for completion of outstanding pension items of association program until the whole question of pensioning was under review. Hence the association has not officially made any representations with respect to these items since the beginning of the war but has applied itself to those matters which, in its opinion constituted war effort.

Veteran associations

The convention decided that a supreme effort should be made to secure united veteran opinion and support for the war effort through the establishment of a veterans' council composed of the Dominion veterans' organizations in order that the unity and weight of veteran opinion might be applied most effectively. Unfortunately this plan could not be carried into effect because of previous undertakings by some veteran organizations.

War resolutions

Representations based on convention decisions September 1939 have been made as follows:—

National registration,
Military Service Act,
Physical training in secondary schools,
Mobilization of Canada's material resources,
Profiteering,
Medical research and treatment,
Dominion government responsibility for war hospitals,
Rehabilitation matters,
Patriotic Fund Act,
War Charities Act.

In addition we have been in active touch with the Chairman of the committee on general demobilization and have kept abreast of developments having worked very closely with the sub-committee dealing with major casualties such as the blind and the maimed. Special memoranda have been prepared and submitted to the Minister with respect to vocational guidance, training and aftercare for war amputations and other special memoranda on canteen funds which go into the question of the aftercare problems of ex-service men.

Pensioning, Rehabilitation, Objectives and Point of View:

Before embarking on a discussion of Bill No. 17 it is considered desirable to reiterate the point of view of our association in respect to disability pensions, rehabilitation and their objectives.

Young men of Canada, physically and mentally fit are in wartime accepted for service to the state after a strict medical examination. Young men especially are encouraged and urged as a patriotic duty to join the forces.

For most this involves a variety of sacrifices, including the establishment of home, material prospects of advancement and even of meantime income. When one of these men is killed on service the state should, without question, meet and continue to meet that man's obligations to his dependants. If a man is wounded and disabled then the state without question should fairly assess his disability and grant him compensation for the degree of disability he has suffered, and should co-incidentally make proportionate provision for his dependants. For this disabled man, however, the obligation of the state has not been discharged by mere pensioning. If he is an amputation then he should, without question, receive the best surgical care available to ensure a most satisfactory and practical stump of the limb lost on which he may wear a satisfactory artificial limb. He should be provided with the most practical artificial appliance known. This appliance should be kept in repair and replaced when necessary throughout life. He should be freely accorded treatment for the stump of his amputated limb and treatment for any reasonably related condition. When his artificial limb has been fitted he should be taught how to make the best and most efficient use of it. If he can return to his former occupation or profession, he should be instructed and assisted in making necessary adjustments. If he cannot return to his former occupation, or in the case of the boy from school, enter the occupation he would have naturally preferred or followed, he should be given skilful vocational guidance in selecting an occupation for which his aptitude will be most adaptable and vocational training to give him that start in his new life which may help to overcome discouragements and the period of time lost from the course of his normal development in civil life. Finally, as an amputation and an obvious major disability subject to some degree of misapprehension if not prejudice on the part of the average employer, he should be accorded the assistance of an experienced and capable placement officer, securing and settling down in the occupation he can follow and in enjoying subsequent friendly aftercare contact with the placement service standing ready to adjust minor or major problems that will inevitably arise in so many cases. This programme may, on the surface, appear to involve considerable care and effort with some expense. On this score, however, we should never forget that the state accepted this mentally and physically fit young man for service and paid him during that period reasonably but not in proportion to the risks he was required to meet. In the event of wounds resulting in permanent disability his compensation wlil be assessed only to the extent of his degree of disablement in the general labour market and without regard to his previous position or prospects in life. Therefore, from an equitable as well as a humane point of view we feel that the state should accept the responsibility and in fact take considerable satisfaction from the most effective and practical measures for the man's re-establishment in civil life. He should be recognized as a human asset capable of overcoming in large measure the adverse effects of his disability when encouraged and assisted by the state as a willing and considerate partner.

War Disability Compensation.

There is one further point on the subject of compensation for war disability which has been brought home to all disabled soldiers most forcefully, especially during the depression period. While we were aware that there was and is some public misconception as to the basis of compensation for war disability, we were shocked to find that partial disability pensions approximating relief rates were considered by some employers as an adequate basis of maintenance and a reasonable substitute for employment. In fact we were told by a responsible citizen while in public life that he knew many men who would be glad to have a leg cut off for the sake of pension. This idea of

pension and its relation in respect to employment in the Dominion civil service was even projected into public discussions. Disabled soldiers who had served honourably in the last war and had suffered much then and ever since, were hurt beyond description by this cold-blooded and wanton discount of honourable wounds which they had suffered in the service of the state and especially when expressions of this character were voiced by those who had taken no risks. In consideration of all this we have been led to question the use of the term "pension" and in fact have come to the conclusion that in order to safeguard the war victims of the future that the word "pension" be stricken from the Act and replaced by the term "War Disability Compensation".

By Mr. Green:

Q. Mr. Myers, do you often run across the suggestion by some people that if a man has a pension he should not be allowed to get a job; in other words, that he should be satisfied to have a pension?—A. Yes. We often come across that question to-day. It all arose out of the 1933 difficulties.

Q. I think you have an exceptionally strong point here in your suggestion that instead of calling the amount a man receives a "pension", it should be called "war disability compensation". If that were done, it paints the true picture.—A. Quite so.

Q. I think that is an excellent suggestion.—A. It would be the greatest single step towards the rehabilitation of the war disabled of this country that has ever been made.

By Mr. Cleaver:

Q. I should like to ask a question along the same line, Mr. Myers. What is your opinion as to a man who is receiving a pension for 100 per cent disability and is also receiving 100 per cent pay for a full time job?—A. There is a great deal of misconception as to the use of the term "total disability". Unfortunately it is widely used and misunderstood. The total disability award under the pension act is based upon a table of disabilities; depending on the extent of the man's injury, disease or whatever it might be, he is pensioned from 5 per cent, if you wish, to 100 per cent, according to the table of disabilities.

Q. I understand that quite well. I understand that 100 per cent disability means 100 per cent disability according to the terms of the pension act?—A. Exactly.

Q. It might not mean total physical disability. But I still return to my question. What do you think of that?—A. Let me answer you in this way: the other day a very well known person, one known to many members of this house, one who comes from the west and who was blinded in the last war, said to me: Can you do something about getting rid of this term "total disability"? He said, "If I were totally disabled, could I be holding down this job?" It is the misconception in the public mind that has given rise to these questions. If you were to ask the man who was completely disabled by blindness from the table of disability point of view, as to whether he would be willing to sit down for the rest of his life and do nothing and accept compensation for his disability, he would tell you he preferred to work, if given the opportunity.

Q. I was not wanting someone else's opinion, Mr. Myers; I do want your opinion. Do you agree or disagree with the suggestion that a pension should cease in whole or in part while a man is holding a full time job for which he is receiving full-time pay?—A. I would agree with the suggestion, if he could get rid of the disability during the period he was not working.

By Mr. Green:

Q. Mr. Myers, is the situation not that the man who suffered a disability, receives a pension to put him on an equal footing with the man who is fit?

Then having been put on that footing, there is no reason on earth why a disabled man should not go on and earn whatever money he can earn?—A. The fact is they have always been encouraged in that direction. The moment we depart from that principle you will have nothing else in this country but a large group of disabled men on your streets who will be known as poor soldiers. One of the greatest things that has happened as a result of the great war is the wonderful way these men have risen to overcome—if there is such a thing as overcoming—handicaps.

By Mr. Cleaver:

Q. The problem has arisen, and you must have encountered it. We ran into a very serious era of unemployment prior to the outbreak of war. Under our Civil Service Act not only is preference given to ex-service men, but there is a preference within a preference. A preference is given to ex-service men in receipt of pension. A great many men who are out of work and who are unable to obtain a job and had to go on relief are not very happy about the position of an ex-service man who is 100 per cent pensionable receiving a preference while they are denied the right to work.

Mr. GREEN: That is a very limited preference. The preference within the preference is very severely restricted.

Mr. CLEAVER: Mr. Myers is an expert on pension matters and I just wondered whether he had any suggestion to make that would help to modify or alleviate that condition.

The WITNESS: If I may be pardoned for making this observation, I may say that as we proceed with this discussion, all these points will come out in a calculated way, based upon experience. I think your question will be completely answered and that very likely you will be as great an exponent of this before we get through as we are.

The CHAIRMAN: Mr. Cleaver, I think that is dealt with later in the brief.

Mr. CLEAVER: I was simply following up Mr. Green's question when the point was under discussion. I thought it was only right that it should all be dealt with at the one time.

The WITNESS: Thank you very much. If you do not mind I will proceed. This is the war amputations statement on Bill No. 17, sections 1-2-3, which are pages 1 and 2 of Bill No. 17.

We have read the explanatory notes and have examined both the old act and the bill covering the amendments. We have also read the early proceedings of the committee and are satisfied from the nature of discussions covering section 1 that the committee is fully seized of its importance. We have nothing to add with respect to sections 2 or 3.

Section 4, page 2: We have also read the discussion with respect to section 4. This is a matter of policy. Mr. Riley, whose name has been mentioned is well known to this association as a keen, intelligent and understanding member of the commission. We also wish to pay our compliments to the commission in general whose friendly attitude is appreciated. The only observation we wish to make is that the Pension Act is an extremely technical document requiring skill of a very high order to administer. We believe that it is in the public interest to retain the services of men who have the proven qualities of compassion, good judgment and appreciation of their responsibilities of office.

Section 5, pages 3, 4 and 5: In the opinion of the War Amputations of Canada any amendment to this section will raise controversy and perhaps feeling. The proposed amendment restricts the insurance principle to those who served in a theatre of actual war as now defined. The residue will be entitled to pension when the injury, disease or aggravation thereof, resulting in disability or death arises out of or is directly connected with military or war service.

In considering the proposal we should first draw upon our experience. All our active members are wounded soldiers and pensioned for the loss of limbs or eyes of direct causation. The insurance principle is not involved. Many of these men suffered from multiple wounds, and terrible shock and experienced, in common with their comrades, the full rigors of war service. But major disability such as loss of sight overshadowed the ear condition even if the man had his face full of shrapnel. The loss of leg overshadowed lesser wounds, symptoms of nerve trouble, difficulties when walking, etc.

Every seriously wounded soldier had to go through a period of upset and adjustment but what credence is placed on this in relation to secondary conditions? The protection expected from the insurance provision of the Act is not borne out by the record as far as blinded soldiers and amputees are concerned. In many cases of death heart involvement is shown. A case in point is that of:—

(*a*) Private J. W. A. ♯737117
Enlisted 5-7-16
France 7-3-17 to 4-9-18
Discharged 27-9-19

He was pensioned for loss of forearm following gunshot wound on service.

20-7-28—B.P.C. Exam. Diagnosis: Chronic appendicitis; gastroptosis; coloptosis and myocardial weakness.

14-8-28—Admitted to Colonel Belcher Hospital as an emergent case and died 21-8-28. Cause of death: it was stated as myocarditis, high blood pressure and nephritis.

This case was dealt with by the B.P.C., F.A.B., Pension Tribunal and the Pension Appeal Court. None of the secondary conditions were acknowledged as due to military service.

Another type of case is that of:

(*b*) Private C. L. ♯613794
Enlisted 8-12-16 at age of 18
France 3-14-18 to 10-8-18
Discharged 24-6-19

He was pensioned for loss of left leg 3½ inches below knee.

3-11-31 B.P.C. ruling: Disseminated sclerosis not related to service.

He wears an artificial leg appliance but is in a helpless condition. He requires constant attendance for which the commission pays helplessness allowance. The disseminated sclerosis is by far the more disabling condition.

It has not been possible to establish that this condition is related to military service or derivative of the leg amputation. The commission very kindly granted 20 per cent pension under section 21 in addition to the 60 per cent for leg amputation. Mr. L. is only 43 years of age at the present time. He is bitterly disappointed that it has been impossible to prove the relationship of the secondary condition. It is also noted that this young man suffered the loss of leg in the trenches at the age of 19.

Another type of case is that of:

(*c*) Private H. E. ♯475836
Enlisted June 1915
France
Discharged November 1918

This man was wounded on June 3, 1916, by fragments from an exploding trench mortar while serving with the P.P.C.L.I. He lost the sight of right eye (which has recently been enucleated). Nevertheless he returned to his unit again serving in the field until February 1918.

He appears to have finally lost the sight in the remaining eye on or about the 23rd of September 1939. The reason for the loss of the second eye has never been established.

The commission's ruling is thrombosis central artery left eye with hemianopsia not attributable to service.

This man is blind. His pension rating has been increased to 70 per cent. He is in receipt of helplessness allowance as a blind person. However, it has not been possible to establish that the secondary condition or the loss of vision in the left eye is related to the shrapnel wounds suffered in 1916 which caused the loss of vision in the right eye or to his military service.

Some years ago we would have been prone to blame the Pension Commission but as experience developed we realized if it was not possible to establish the claim upon medical grounds especially when the medical doubt could not be overcome the entitlement provision of section 11 would not apply.

These cases are mentioned because within our association there has always existed a feeling, rightly or wrongly, that medical records of men whose service was restricted to Canada were more complete and readily available. We have always felt, rightly or wrongly, that the insurance principle gave a greater degree of protection to those men who did not actually do the fighting for the reasons already stated. We are not arguing that this section is unfair to the fighting soldier; on the contrary it has been of great value. But we do argue that the greatest degree of insurance should be given the man who does the fighting.

For instance, it is not conceivable that a military clerk or batman whose war service continues in Ottawa is entitled to the same degree of insurance as that of the man in the mechanical unit serving in Canada or even doing fairly continuous guard duty or continuing active training. It also follows that the soldier who is facing the blitz in England is entitled to greater insurance protection than the soldier serving in Canada because of the greater hazard.

Admittedly it is difficult to draw a dividing line without causing some hardship but if service in Canada resembles peacetime military service or service under normal conditions it is difficult to believe that the insurance principle should be applied to the same extent as to men serving in England. If some form of casualty or group insurance is needed it might not be unreasonable to work out a scheme which the soldier might elect to take out for his self-protection in order to provide against dangers not foreseen.

It has been suggested that the amendment might make it almost impossible to obtain a pension for "in Canada" cases. The section in some respects resembles the Workmen's Compensation law. Workmen's compensation law usually limits compensation as a result of direct injury to the workman. This section goes further. It admits pension for disease or aggravation of injury or disease which arose on service. In our opinion it will be difficult in some cases to establish claims for disability or death but in other cases it will be possible to establish pension for derivatives of conditions which arose on service.

Mr. GREEN: On that point, it has been suggested to the committee that the section as it reads is more severe than workmen's compensation legislation. I think perhaps you have missed that in making up your brief; that is, in this way, that one must go further if it arose out of service than a workman has to go in proving that his injury arose out of his work.

The WITNESS: I think if you will let me read on that is covered—

Mr. GREEN: You will check that during the recess?

The WITNESS: Yes, I will be very glad to check it. My impression actually was somewhat different; however, I may be wrong, the wording of the statute might be such as to confuse one and lead one to believe that it is to do what it is intended to do and perhaps do something else.

Mr. GREEN: Check the wording with that of the Workmen's Compensation Act.

The WITNESS: I will be glad to do that.

For illustration, under provincial workmen's compensation law a machinist loses his leg as a direct result of an accident at work and during hospitalization dies from Bright's disease or a heart condition. It is more than likely that his widow would not be pensioned if death was accorded to the secondary condition. Prior to May 21, 1940, had this been a soldier machinist instead of a workman his widow would have been entitled to pension under the provisions of Section 11 of the Pension Act. Under the amendment the commission might experience some difficulty in applying section 11 but could apply section 21 or 63 or both and still award pension to the widow. If the man had been assessed at a rate in excess of 50 per cent his widow would automatically be entitled to pension irrespective of the cause of death.

As men who served in a theatre of actual war it is extremely difficult for us to admit the principle of granting the same insurance provision to men whose assumption of risk is much less than those who come into direct contact with the enemy. If this principle is admitted and applied to men whose service may be less hazardous such as a man working in a clerical capacity in the city of Ottawa, then it is only fair to suggest that the rate of pension should be greater for the man in the firing line. We desire to be very fair and even generous and suggest that some plan be developed to meet hardship cases of non-pensioned widows of soldiers whose deaths occurred during service but not directly due to service and soldiers discharged on account of injuries not directly related to military service. A case in point is that of—

(*a*) A17289 George Wright.

He enlisted as a signaller 25-53rd Batt. R.C.A. While at Petawawa Camp on June 23, 1940, he met with a train accident resulting in amputation of right leg. He was not on duty at the time of the accident.

He is 21 years of age, married, one child. He is not eligible for pension or compensation. Our members are deeply interested in this young man's problem. He was visited in hospital not only for sympathetic and kindly consideration but for discussion of the practical aspects of his life problem as an amputee. This was done in the knowledge that his accident was not compensable. He was given the fullest information about artificial limbs. He is looking forward to the day when he will be fitted and again enjoy the pleasure of walking on two feet. He has been visited by our placement officer whose opinion is that this young man is good material for rehabilitation and if assisted in a practical way there is no reason why he should not be restored as a useful member of society.

I might put in there to complete that statement that owing to the interest of one of the members of this house, whose name I shall not take the liberty of mentioning, that man has been placed in employment in a little town in Ontario.

Mr. GREEN: Is he able to get an artificial limb, or to get treatment for it?

The WITNESS: Under the present provisions he is entitled to one artificial limb, nothing else. We are going into that later. That is another phase of this question.

When entering into a discussion of the merits of the case from a compensation point of view the fact remains that under the Order in Council the pension commission have ruled that he is not entitled to pension and the amendments to section 11 contemplated confirm the basis of this decision.

The reasons for discharge from the forces in Canada on account of medical unfitness may be reduced to at least three classes for the purpose of considering what the state might reasonably do for this young man.

(a) Those entitled to compensation.
(b) Those not entitled to compensation on account of no increase in the medical condition stated to have existed upon enlistment.
(c) Those not entitled to compensation by reason of medical conditions which arose during the service period and while in uniform.

A study of these classes discloses:

(a) This class is compensated on the same basis as those who served outside of Canada.
(b) This class includes those men who should not have been enlisted and are no worse off by reason of service.
(c) This class includes a group who are hardship cases.

The test we have applied to the proposed amendment is the reactions of many of our members and discussions with those interested. It has been a little difficult to separate sentiment from reason but broadly speaking there is a feeling that when a soldier enlists for war service there is a voluntary assumption of risk actuated by the highest ideals of patriotism. On the other hand when a soldier has been accepted for service as mentally and physically fit, it is not unreasonable to assume that the state will be actuated by similar high patriotic purposes and will assume the role of protector of the man's family if he dies on service or if he is disabled as a result of service. However, our members are not unmindful of the plight of a woman suddenly bereft of her soldier husband during war service, or a soldier seriously disabled during war service. They are convinced that the people of Canada will not wish to ignore such hardship cases, especially when the man volunteered for overseas service and expected to render such service.

It is therefore suggested:—

(a) That during service death claims should be compensated if there are dependants.
(b) That if during service a soldier suffers permanent serious injury which limited the possibillity of earning a livelihood during life he should be compensated without question.
(c) That for the residue of "in Canada" cases the proposed amendment does not seem unreasonable or unfair.

We have been led to these conclusions by:

(a) The application and effect of Section 11 as experienced by our own members.
(b) Study of provincial workmen's compensation acts which compensate for injuries and certain diseases and which protects the workman as he goes to and from work which is not the case with a soldier who proceeds on leave.
(c) The right a soldier enjoys to make a claim for compensation with the assistance of anyone of his own choice, bureau or solicitor, as well as the administrative processes of the Pension Act, and the right of appeal. These are factors which do not apply under workmen's compensation.

As a matter of policy if it is intended to proceed with section 2 in its present form, we still believe that hardship cases should not be ignored. The only other alternative we can think of is that a special accident fund be established along lines suggested in a communication dealing with canteen funds dated February 13, 1941, a copy of which is tabled for reference.

By Mr. Green:

Q. Do you mean Section 2 or subsection 2?—A. I mean subsection 2 of the new bill.

Q. Section 2?—A. It is Section 5 in the new bill. Subsection 2 of Section 5 of the new bill, and Section 11 of the old Act.

Q. You say "Section 2" in your brief?—A. I perhaps should have made that clear. Thank you for calling it to my attention.

If, however, policy may be subject to modification, the suggestions we have made cannot be accepted, then we believe it will only be fair to apply the insurance principle to all members of the forces, especially those who have volunteered. We, however, submit that if the insurance principle is extended to all who serve that recognition be given to the nature and/or extent of military service in order to be fair to those men who are exposed to the greater dangers by transferring the "onus of proof" from the applicant to the commission and by incorporating as part of Section 11 the following words:—

> "Provided, that service in a theatre of actual war shall ipso facto constitute a prima facie presumption that the disability or death in respect to each application for pension is made, as the result of injury or disease attributable to, incurred or aggravated during service."

We also respectfully draw to the attention of the committee the position of those severely wounded soldiers of the great war, few in number, who are in receipt of partial pensions but who are totally incapacitated by disease of unknown origin.

Is it reasonable to assume that these men because of the severity of wounds became an easy prey to disease?

Is it expecting too much to presume that such disease is the result of war service?

Are we right in broaching this question at all?

Was it intended that these war victims be not afforded the protection of the insurance principle during life?

Or is it fairer to say that when the section was originally devised it was impossible to foresee these contingencies?

Section 6

Our only comment on the suggested revision is that if this question is to be opened at all it should be made the subject of a special study by a sub-committee of this Committee for the purpose of considering a general review of pension policy for the group involved.

Section 7

We do not consider that time limits for men serving in this war should even be contemplated at this time. In 1936 after eighteen years of experience we were prepared to accept the idea of time limits on applications to stop continuing pressure and unjustifiable repetition of applications on behalf of weak or hopeless cases. But we have never been agreeable to a time limit restricting applicants with bona fide claims in respect to disabilities where there is reasonable evidence of direct connection with any condition arising on service. The time limit in respect to men who served in an actual theatre of war during the great war does not take effect until the first day of January 1942. We would prefer to gain some experience after that date as to the extent to which the commission will exercise its discretion in deserving cases. For these reasons we consider that the seven year time limit affecting the men of this war is premature and should be deleted.

Section 8

No comment.

Section 9

No comment.

Section 10

We are of the opinion that the responsibility for taking reasonable action to recover compensation, in the case of accident when legal proceedings are necessary, responsibility for taking or deciding against such action should be jointly shared by the claimant and the commission.

Section 11

Agreed. We are somewhat surprised to learn that the Auditor General has presumed to question the authority of the commission making awards under this section and in fact to assume the right of review. If this principle is admitted then it would appear that the Auditor General would likewise have the right to question every decision of the commission under every section of the Act where the commission has been given discretionary authority. The application of this principle may be even presumed to encroach on the character of evidence and even medical opinion heretofore accepted by the commission. This would seem to undermine the basis of authority granted to the Canadian pension commissioner under section 5 of the Act.

At this point we may state as an association we are deeply concerned over any action or influences which tend in any way to interfere with the authorities or responsibilities vested in the chairman and commission by parliament in respect to administration of the Act. In this connection we have been aware that some years ago the staff of the commission were brought under the jurisdiction of the minister for administrative purposes only. In 1936 this was dealt with by an amendment to the Act. We believe a mistake occurred when the chairman of the commission who previously enjoyed the status and rank of a deputy minister, was deprived of this status and consequently of direct approach to the minister. If the powers vested in the commission under section 5 are to be exercised as intended and free from interference it is essential in the public interest that this status should be restored. (See section 3, sub-section 9).

In our opinion it is also desirable that the tenure of office of members of the commission should no longer be subject to the disturbing influence of specified termination dates but should, as in other commissions of equal or lesser status, be placed on the basis of tenure during good behaviour. Administration of the Act and its provisions involves many complications which require keen understanding and experience. Frequent changes in the membership of the commission is disturbing to the administration of the Act. (See section 3, sub-section 4).

There is one further point affecting the administration of the commission which we have noted with some surprise. That is we do not see anywhere provision for per diem allowances when the commission is on duty in the field. This we feel is an oversight and should be corrected so that members of the commission should be on a basis equivalent to that of members of other commissions. (See section 3, sub-section 16).

Section 12

No comment.

Section 13

We suggest that the date limits with respect to wives, widows and children of this war be eliminated.

Section 14

Agreed. It also raises in our minds the question of the embodiment of the present table of disabilities in the Act.

We note with satisfaction under sub-section 4 of this section that while the unskilled labour unit basis of compensation is to be retained, that the principle of compensation for degree of disability incurred as a result of service is to be in no way affected by earnings or income which may be developed by ambitious and capable men in spite of disabilities incurred on service.

Since July 1933, the depth of the depression, disabled soldiers of the Canadian forces have been required to include for income tax purposes amounts received from the Dominion Treasury as war disability compensation.

Enquiries will establish the fact that Dominion income tax is not payable on war pensions or compensation in respect to the following categories:—

(*a*) Provincial workmen's compensation.

(*b*) Imperial war disability pensions.

NOTE 1: The British government does not tax war disability compensation paid out of the Dominion Treasury to wounded Canadian soldiers residing in Great Britain.

NOTE 2: The United States government does not tax war disability compensation paid out of Dominion Treasury to wounded Canadian soldiers residing in the United States.

NOTE 3: The Canadian government does not tax war disability compensation paid by the United States Treasury to wounded United States soldiers residing in Canada.

Canada is now in the position of collecting income tax from war disability compensation paid by the Dominion Treasury for wounds and war disabilities incurred in the service of the state while workmen's compensation for injuries incurred by men in private or public employment is exempt.

Further, the removal of the exemption on war disability compensation in respect to Dominion income tax has been taken advantage of by some provinces and municipalities in collecting income tax for ther own local purposes.

We respectfully draw the attention of the committee once again to subsection 4 of section 24 in respect to the above statement coupled with a further statement that as far as we have been able to ascertain Canada is the only country in the world which taxes wounded soldiers' compensation.

Whatever may be the outcome of these observations we respectfully submit that it would be very unfair to permit this practice to affect disabled soldiers of the present war who should not be asked to help finance the fighting in which they had already sacrificed and suffered more than the average citizen. We also consider that necessary protection from local income tax by provinces and municipalities should be afforded all war disability compensation.

Section 15

This refers to those sections of the Act which provide extra care allowances for totally disabled and helpless cases requiring constant care. We have never been able to understand the justification for reducing such allowances to the point of practical extinction in the case of senior officers. This does not seem to be equitable or in keeping with the general spirit of consideration the country shows to officers who have rendered good service.

Sections 16 and 17

We suggest the addition of the following words after line 16, page 11; line 19, page 11; line 7, page 12 and line 11, page 12: "or if married after the first day of January, 1930, providing she lived with and was maintained by the pensioner for not less than seven years or gave birth to a child in wedlock."

While we appreciate the dangers of so-called deathbed marriage which has always been avoided in pension legislation, we believe the time has come to clear the hardship which exists in the case of certain pensioners and widows of the last war and to avoid for the widows of pensioners of this war worry and hardship of which we have all been too well aware during the past twenty years. In any case we could not for one moment consider being responsible for restrictions of pension rights affecting members of the forces in this way while overseas, which are not in keeping with provisions of the Great War.

Sections 18 and 19; pages 12 and 13:

Agreed.

[Mr. Richard Myers.]

Section 20; page 13:

Agreed but recommend that the benefit of this section be extended to include those Canadians who, of their own volition, went over and joined the Imperial forces before the outbreak of war. We also recommend that in the case of pensioners in classes 1-11 the benefits of section 32-2 of the Pension Act be extended.

Sections 21-22-23-24-25; pages 14 and 15.

Agreed.

Section 26:

Our association has strong objections to restriction of pensions in respect to marriage and children born subsequent to May 1, 1933. This was the subject of much discussion at conventions of the association since 1933 and strong criticism of this restrictive measure even as a temporary expedient in the depth of depression was expressed as previously stated. In our opinion the privileges affected by this measure should be restored. This represents one of the two outstanding items of our association program to finalize pension provisions to men of the last war and their dependants. We are agreed, however, that no retroactive adjustments should be sought. For reasons already stated we are opposed to a restriction affecting allowances to children born and wives married more than ten years from the end of the present war. We cannot approve of any such plan in the absence of the men overseas who would be affected, also when we remember that men of the Great War enjoyed more extended provision.

Section 27:

No comment.

Mr. TURGEON: Mr. Chairman, have we the right to sit while the house is sitting.

The CHAIRMAN: We have.

Mr. TURGEON: If we have, I would suggest that we sit this afternoon for the purpose of letting the Amputations Association finish their case.

Mr. GREEN: Mr. Chairman, there are six members of this committee who are also on the War Expenditures Committee which is sitting at 4 o'clock this afternoon. I think it would be better if we started out with this brief after the recess. It is an excellent brief and it merits the closest consideration which it will not get this afternoon because only one-half the members are here and many of us have so many things to do.

Mr. CLEAVER: Mr. Chairman, I am also on the other committee, and I can assure Mr. Green that the work of the other committee will be very short. I understand it is simply to approve the questionnaires that go out, and I do not think we will be missed at all.

Mr. GREEN: I have got to go to the other committee.

Mr. TURGEON: Can these gentlemen come again from Toronto? I do think we ought to give them every opportunity of finishing their case to-day.

Mr. GREEN: Let us put it up to them. Half the committee have gone, and I think it would be far more effective if they were to carry on with the brief after the recess.

The WITNESS: I have in addition to this portion of the brief another brief dealing with rehabilitation which we had hoped to proceed with in order to get it all before the committee.

Mr. Ross (*Souris*): Mr. Chairman, many members of this committee have many calls on their time this afternoon. This is a very fine brief and a very important one, and I think if it is agreeable to these gentlemen we should continue after the recess when we will have many questions to ask. We would like all the members of the committee to be present.

The CHAIRMAN: There is another brief. I was not aware of this other brief which Mr. Myers wishes to present, and I understand it is a long brief. I think it would be impossible to present and discuss it this afternoon.

The WITNESS: It could not be done.

Mr. REID: I think it is so important that more time should be devoted to it.

The WITNESS: I am quite agreeable to meeting the wishes of the committee. As far as our delegation is concerned, I am quite prepared to come back after the recess, if that is convenient to the committee.

The CHAIRMAN: What is the wish of the committee, that we should suspend until after the recess or meet this afternoon?

Mr. ISNOR: Mr. Chairman, I am in accord with the opinions expressed by Mr. Green and Mr. Ross, that this presentation is so important that we should postpone further deliberations until after the Easter recess.

The CHAIRMAN: Mr. Myers, will you be able to come back after the recess?

The WITNESS: Yes, sir. We are at the convenience and call of the committee. We consider this a war duty, I do not mind telling you.

The CHAIRMAN: I take it that is the opinion of the committee.

Mr. TURGEON: Mr. Chairman, if Mr. Myers has his other brief printed, I wonder if he would let the members of the committee have copies so that we could study it during the recess?

The WITNESS: I shall be very glad to give copies to you right now.

Mr. ISNOR: Mr. Chairman, in view of the adjournment, I wish to make a motion. I wish I had had time to express my appreciation of the splendid manner in which Colonel Baker, as well as our friend and comrade, Richard Myers, presented their briefs, and the cheerful and breezy atmosphere created by Comrade Colonel Lambert. I know it has cost them money to come here. They consider it a duty, but the expenses must be met. I therefore move that the payment of travelling expenses of Mr. Richard Myers, Lieut.-Colonel Baker and Colonel Lambert of Toronto, Ontario, who appeared as witnesses to-day, April 8, be authorized.

Mr. REID: I will second the motion.

The WITNESS: Mr. Chairman, before that motion is put, we would much prefer not to accept any expenses. We consider this a part of our war duty. We appreciate that very much indeed, and wish to thank you.

The CHAIRMAN: You can arrange that with the secretary.

General MCDONALD: Mr. Chairman, the other day I submitted a comparative scale of pensions showing the amounts calculated at the current rate of exchange. Some members of the committee asked that a further statement be submitted calculating the outside of Canada rates at the current rate of exchange.

Mr. CLEAVER: At par?

General MCDONALD: At par. I am submitting that for incorporation in the record.

CANADIAN PENSION COMMISSION

COMPARATIVE SCALE OF PENSIONS

Annual Rate Awarded to Widows or Privates

Country	Widow only	Widow and 1 child	Widow and 2 children	Widow and 3 children	Add. for each subsequent child
Canada	$720.00	$900.00	$1,044.00	$1,164.00	$120.00
United Kingdom @ par $4.86⅔					
Great war	335.80	462.33	557.22	633.14	75.92
Present war	284.69	392.23	471.30	534.56	63.26
Widow not over 40 years and without children	196.12	.....	.....	.....	.....
Australia @ $4.86⅔	297.35	423.89	515.87	613.69	94.90
New Zealand @ 4.86⅔	379.60	632.67	759.20	885.73	126.53
South Africa @ 4.86⅔	316.33	442.87	559.67	676.95	117.04
France	93.60	132.67	171.74	210.81	39.07
*United States at par					
Under 50 years	456.00	576.00	672.00	768.00	96.00
Over 50 years	540.00	.....	.....	.....	.....

* When each child reaches 10 years pension increases by $66.00 per annum.
* Total pension payable to widow and children cannot exceed $1,095.00 per annum.

CANADIAN PENSION COMMISSION

COMPARATIVE SCALE OF PENSIONS

ANNUAL RATE AWARDED TO RANK AND FILE TOTALLY DISABLED BY WAR SERVICES

Country	Pensioner only	Pensioner and wife	Pensioner wife and 1 child	Pensioner wife and 2 children	Pensioner wife and 3 children	Add. for subs. child	Allowance for helplessness
Canada	$ 900.00	$1,200.00	$1,380.00	$1,524.00	$1,644.00	$120.00	Up to $750.00
United States @ par							
Temporary Disability	960.00	1,080.00	1,140.00	1,200.00	1,200.00	.....	" 600.00
*Permanent Disability	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	.....	" 600.00
United Kingdom @ par $4.86⅔							
Great war	506.13	632.66	727.55	803.47	879.39	75.92	" 253.06
Present war	432.31	537.75	616.82	680.08	743.34	63.26	" 189.80
Australia @ par $4.86⅔	531.44	759.20	885.73	980.63	1,075.53	94.90	506.13
New Zealand @ par $4.86⅔	506.13	759.20	885.73	1,012.27	1,138.80	126.53	Up to 759.20
South Africa @ par $4.86⅔	506.13	632.67	759.20	864.64	* 959.54	94.90	" 695.93

* For certain specified total and permanent disabilities the compensation is double this amount.

Mr. GILLIS: I wish to join, Mr. Chairman, with Mr. Isnor, in commending the members of the Amputation Association for the presentation of their case. I should also like to pay my tribute to Mr. John R. MacNicol for the interest he displayed in pension problems and for the presentation he made on behalf of the widows. I have this in mind, Mr. Chairman, that if every member of parliament shows the same interest in trying to find a solution for pension problems that John R. MacNicol showed here this morning, then it will not be necessary for parliamentary committees to sit and bring veterans' organizations here to call these matters to our attention. I wish to pay tribute to Mr. MacNicol.

The CHAIRMAN: The committee is adjourned until Thursday, May 1st, at 11 o'clock.

(At 1.05 p.m. the committee adjourned until May 1, at 11 o'clock a.m.)

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 12

THURSDAY, MAY 1, 1941

WITNESS

Mr. Richard Myers, Honorary Secretary of the War Amputations of Canada.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

May 1st, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Black (*Yukon*), Bruce, Cleaver, Cruickshank, Emmerson, Gillis, Gray, Macdonald (*Brantford*), MacKenzie (*Neepawa*), MacKinnon (*Kootenay East*), Mackenzie (*Vancouver Centre*), Macmillan, McCuaig, McLean (Simcoe East), Quelch, Reid, Ross (*Souris*) and Winkler—18.

The Chairman expressed regret on account of the absence of Mr. Turgeon due to illness.

Mr. Richard Myers, Honourary Secretary of the War Amputations of Canada, was recalled, further examined and retired.

The Committee adjourned at 1 o'clock p.m., to meet again on Friday, May 2nd, at 11 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

May 1, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order, please. Before we proceed I should like to express the regrets of Mr. Gray Turgeon for his inability to be present because of illness. He will probably be absent from the committee for the next week, but he is making rapid progress towards recovery.

Our first witness this morning is Mr. Myers.

Mr. RICHARD MYERS, Honorary Secretary of the War Amputations of Canada, recalled:

The CHAIRMAN: Proceed, Mr. Myers.

The WITNESS: Good morning. Just before the recess Mr. Green asked a question and I am going to place the answer on the record, since it follows in sequence to the portion of the brief we are dealing with at the time. The question was directed to section 5, subsection 2 of the bill.

Mr. Green asked whether the wording of subsection 2 of section 5 was in fact more restrictive than the workmen's compensation statute.

We believe the subsection as a whole is less restrictive than the workmen's compensation statute. All workmen's compensation acts in Canada refer to personal injury by accident arising out of and in the course of the employment. This section reads:—

> When the injury or disease or aggravation thereof resulting in disability or death in respect of which the application for pension is made arose out of and was directly connected with such military or war service, as the case may be.

Thus a soldier might be entitled to pension for injury or disease or aggravation while a workman is restricted to personal injury by accident. There is however, another important difference and that is the inclusion of the word "directly." This word does not appear in any workmen's compensation act and for this reason can and may be interpreted as limiting. In discussing the practice of workmen's compensation boards we find that although in general practice it must be shown that the injury was directly the result of accident yet there are many cases in which compensation is paid for indirect injury resulting from an accident. A case in point is that of a workman who breaks his leg in the course of his employment and is confined to bed as a result and develops pneumonia. The Workmen's Compensation Board would pay a death claim resulting from pneumonia which often arises from the man's confinement to bed. This is particularly true of the elderly man.

It is considered that the word "directly" may be troublesome. As a matter of fact we had not stressed its possible implication because the wording of the remainder of the section gives the soldier in Canada at least the same coverage as workmen's compensation acts give the workman. If this section can be administered in the spirit which we believe is intended the proposed amendment does not seem unreasonable or unfair especially if cases of death or serious disablement are otherwise provided for. The commission must of course

lay down its policy. This might reasonably permit of even more generous application than is the case with workmen's compensation boards. In connection with such policy, however, we must again stress the importance of consideration being given to the nature and extent of service.

At this point we must emphasize the responsibility which rests on this committee. We have repeatedly referred to the improved administration of the provisions of the Act. Practically every committee since 1920 has tried in one way or another to ensure a humane administration of the Act. Now, when administrative difficulties seem to have been ironed out, we find a fresh difficulty arising through review of decisions of the commission by the Auditor General's department. We can discuss broad interpretations and humane application of the many sections but, gentlemen, you must realize here and now that a critical audit of every decision has a more restrictive effect than even specific restrictions inserted in the Act because it makes necessary the elimination of any benefit of the doubt on border line or hardship case consideration. In fact it tends to limit in an even more restrictive sense than the highly technical administration of the Act about which members of parliament and veterans complained for so many years. Hence we hope that this committee will make certain that the parliament of this country is made aware of this condition in order that the status of the chairman and the commission be fortified to the point where extraneous influences and restrictive interference in the humane administration of the Act be definitely eliminated.

Whilst the word "directly" can be construed in a restrictive sense the answer to Mr. Green's question depends on the nature of policy laid down by the commission and the elimination of restrictive interferences.

By Mr. Reid:

Q. In other words, you are in favour of the present section but you ask that note be taken of the action of the Auditor General?—A. We go a step further. We are in favour of the present section providing that the hardship cases such as death and cases of serious disablement are provided for in some manner, plus, of course, the importance of freedom of administration, since in a statute of this character it is impossible to administer it unless the administering body is given an absolutely free hand.

By Mr. Ross (Souris):

Q. In other words, you might suggest the board may have certain discretionary powers?—A. The board has discretionary power by reason of the fact that power is vested in it under section 5 of the Act.

Mr. Cleaver asked a question on April 8. On April 8 Mr. Cleaver asked for my opinion as to the merits of a man receiving a pension for 100 per cent disability and also receiving 100 per cent pay for a full time job. In looking over the record and after some thoughtful consideration I came to the conclusion that I should give Mr. Cleaver a more complete answer.

In order to make my position on this question definitely clear I think that if a soldier disabled even to the extent of 100 per cent in the common labour market is compensated on this basis can efficiently perform the duties of any specially suitable job on a full time basis he should receive the usual pay for that job on a full time basis.

If the theory held good that a man 100 per cent disabled and compensated accordingly was not entitled to 100 per cent pay for the efficient performance of a full time job the man with a 5 per cent disability might only be entitled to hold down a job 95 per cent of the time or receive proportionate pay at the rate of 95 per cent. A man 50 per cent disabled might only receive 50 per cent pay and so on.

Such a principle would appear to be in direct conflict with the age old principle that any man who can do a given job is worthy of his hire. It would appear to be in conflict also with sections 15 and 24-4 of the Act now merged in this bill, on page 9, which reads:

> The occupation or income or condition in life of a person previous to his becoming a member of the forces shall not in any way affect the amount of pension awarded to or in respect of him. No deductions shall be made from the pension of any member of the forces owing to his having undertaken work or perfected himself in some form of industry.

It was thrown out when the basis of pensioning was established on the common labour market instead of taking into account skill, aptitude, intelligence and occupational status or prospects. In fact, the adoption of such a principle would be an application of the means test to be applied to a man receiving war disability compensation when he applied for employment. Then we must certainly insist that it be equally and strictly applied in the case of every other citizen in the country including members of the cabinet, members of this house, the judiciary, professions, etc.

I feel that the soldier who served in most cases made some sacrifice in undertaking that service and who incurred a permanent disability affecting every plan of his life should not be coerced into making further unnecessary sacrifices through being deprived of the right to earn and even serve in peace time the country which was so pleased to accept his services in war time. I receive the minimum compensation for my amputated leg. I have never been able to understand the point of view which for a moment would impose an additional burden on the life of another man who had been rated by our pension commission as a 100 per cent disability. Such a rating implies a major disability. I know of no citizen in this country who would deliberately change places with a man for the sake of his compensation much less accept the prospect of enforced idleness.

Since compensation is paid only for a given disability according to the table of disabilities based on the common labour market the adoption of such a principle would call for an upward revision of the scale of compensation as well as additional compensation for damages since the disabling condition is not only present during the working day but continues to be present for the remainder of the twenty-four hours.

By Mr. Reid:

Q. Might I ask one question right there. In reference to your statement and stand in regard to disabled pensioners in employment, certainly in the civil service, what are your views regarding the present system whereby those having a pension are given an added preference over the other ex-srvice men who may have given just as good service in the field of battle, when it comes to examination and appointment in the dominion civil service?—A. I am dealing specifically with that question a little later. If you don't mind, I will come back to it.

By Mr. Cleaver:

Q. Mr. Myers, just before we leave this answer—apparently you have misunderstood my question. My question was not as to whether the pensioner who receives a 100 per cent pension should receive less than the usual wage for a job. I asked you your opinion as to whether during the period that a pensioner has employment at full pay you thought the pensioner should receive either a total cut or a reduced pension payment?—A. You mean, what do I think—

Q. You state this in your answer: you say he should receive the usual pay for the job.—A. That is right.

Q. On a full time position?—A. That is right.

Q. That was not my question. I did not question the man's right to receive his full-time wage for the work which he did, but I was asking your opinion as to whether when he was receiving his full-time wage he should still receive 100 per cent pension?—A. My answer to that, if you want just a simple answer, is, yes he should.

Q. Then I will read to you again. if I may, what I asked you before, I am reading now from page 405 of the record of the committee:

> A great many men who are out of work and who are unable to obtain a job and had to go on relief are not very happy about the position of an ex-service man who is 100 per cent pensionable receiving a preference while they are denied the right to work.

That refers to a man who is receiving a 100 per cent pension as well as a full-time job and 100 per cent pay for that job.—A. I am dealing specifically with that phase of the discussion a little later under the question of civil service preferences. I took your question as meaning just exactly what the answer implies.

Q. My question, if you will pardon the interruption, meant this: This committee is finding that there are thousands of people who believe they are justly entitled to a war pension and who receive no pension. Mr. MacNichol, the member for Davenport, came before this committee and urged that the scope of the Pension Act be extended to take in a group of widows, running into a cost of something over $20,000,000; an increase of 50 per cent in our pension bill. My question simply directs you to the point as to whether we should not consider the whole problem and see whether there are some instances where we could effect economies without causing anyone any hardship: I would suggest that you should again consider the point as to whether a man who is receiving full-time wage and is able to perform a full-time job, should not be subject to at least a partial cessation of pension during that period, on the understanding that the pension would be fully restored when the time arises that the man cannot perform his full-time duties.—A. Perhaps I had better read into the record, in view of this discussion, a statement entitled, "Total Disability". This is all co-related. It is impossible to answer Mr. Cleaver's question by a simple yes or no unless you fully appreciate the entire circumstances surrounding the situation. The statement is as follows:

TOTAL DISABILITY

The application of the term "total disability" to blinded soldiers, double amputees and multiple wound cases is objectionable. The reasons for such objections are:—

1. The term total disability is used in relation to the common labour market which is the basis of compensation. This basis does not contemplate special training, experience, skill or aptitude.
2. The term total disability implies total incapacity for every kind of manual, clerical, professional or other work involving the use of intelligence and an eye, an ear or a hand.
3. The term total disability discourages and prejudices any prospective employer.
4. The term total disability discourages the man himself and saps his will to find real satisfaction and self-respect in life through occupation or adaption of his remaining talents.

5. The disability rating of 100 per cent is applicable within the limitations of the common labour market requirement of physical or mental capacity.

In that you have partly your answer, Mr. Cleaver.

When compensation for war injuries was under consideration various factors were taken into account. The ranges of mental and physical capabilities; the educational or trade skill standards; and of positions or prospects in life were so great that it was considered impossible to establish any equitable basis for war disability compensation which can possibly meet all circumstances equitably or avoid undue or continuing criticism. Therefore, for all ranks up to and including the rank of lieutenant the "common labour market" was chosen as the basis for measuring the degree of disability. Hence a man starting his career, or well established in the engineering profession might serve with the forces and lose his sight or both legs. He would be rated as 100 per cent disability for any job offering in the common labour market where physical capacity was a primary requisite. Even in his engineering profession he would be, for all practical purposes, out of luck. In the common labour market and in his own profession he is 100 per cent disabled and prospects in his chosen line are for all practical purposes nil. However, we have seen cases where in such circumstances men have adjusted their lives and their outlook, have trained and developed new skills and abilities and have, by the exercise of unlimited patience and ingenuity, developed a new niche in life or found one into which they could fit with little or no disadvantage in working efficiency and which yielded encouraging income return. It should be pointed out, however, that while the effects of the disability may be offset or minimized to a negligible point in any adopted or adapted occupation the disability itself continues to be present during every working minute as well as the remainder of the twenty-four hours and is perforce a constant source of irritation and frustration because of the limitation of normal activity which it imposes. Our members have had direct first-hand experience and can speak with full appreciation and feeling derived from personal experience. This applies to men drawn practically from all phases of employment who have suffered major disabilities such as the loss of eyes, arms, legs, etc., for which they may receive compensation ranging from 100 per cent down on the common labour unit basis.

The suggestion that a man who gives up his prospects in life, however promising, to enter the service of the state in war time and take all the risks in defence of his family and all other citizens of the community who may not be required to undertake such risks and who exhibiting the courage of which his countrymen are so proud incurs a wound and a permanent disability, should be satisfied for the rest of his natural life with compensation on the standard of living basis of the common labour unit, appears to be asking him to make an additional sacrifice by relinquishing his God-given right to utilize his remaining talents and receive what he may properly earn. This brings us to a consideration of the extent and importance of the effect of idleness forced on any man imbued with physical and nervous energy and ambition. We, and every member of our associations will never relinquish our right to employ remaining talents and develop capabilities in honest and productive effort. Any other view would spell prohibition of the useful application of energies and a sense of frustration which would aggravate our disabilities to the point where no basis of compensation which the state could devise, would compensate.

Therefore, since we acknowledge the existence of 100 per cent and lesser disabilities and while we admit that many men with major or minor war disabilities plus other conditions, including lack of initiative and perseverance making such for practical purposes unemployable, we still insist that no man disabled even to the extent of 100 per cent should under any circumstances

be taken for granted or ruled a total loss. Hence, we suggest the elimination of the reference total disability because of its adverse psychological effect in the mind of the man and the public.

We have one member who is a quadruple amputee. He travels alone; attends to many of his daily requirements; plays a good game of bridge and enjoys reciting poetry. We have an arm amputee who is totally blind. He is a sales manager. A triple amputee is a proofreader and so on. All these men are helpless in some special degree but none are totally disabled. All are compensated at 100 per cent according to the table of disabilities. If their separate wounds, according to the table of disabilities, were individually assessed and aggregated all would be in excess of 100 per cent. Many strange additions would result. This difficulty is overcome at least in one country by simply doubling the assessment of certain multiple disability cases and compensating accordingly. None of our members have complained of the practice followed in Canada although complaints were finally heeded and corrections made in those multiple wound cases whose aggregate assessments would have been in excess of 100 per cent but pensioned at less than 100 per cent. The term total disability has always been loosely applied. Unfortunately it has helped to create misunderstanding in the public mind to the point which so often in the past developed into public controversy, the aftermath of which has been discussed in this committee, leading to questions of—"Why should a man in receipt of 100 per cent total disability pension have a right to a civil service appointment?" or "How can a man who is totally disabled efficiently perform his duties?" or "Why should a man in receipt of a total disability pension have a preference to employment over a man who has no pension?" Our men have not been applicants for common labour market positions in the civil service. The thoughtless application of the term has done grievous injury to that gallant but small group of disabled Canadian soldiers whose cross is already sufficiently heavy but whose courage, fortitude and perseverance is an example to all who are heavily laden but who, by their very acts, demonstrate that nothing should be considered impossible until it has been proven so.

Related to this discussion is another point which superficially may not appear important but which has a deep underlying significance. In our experience we have received bitter complaints from men, and in some cases their wives or widows, about pensions rated at 5 per cent, 10 per cent and the like, when official documents in their possession state that the entire disability found upon examination was 80 per cent, 90 per cent or 100 per cent. It has always been a mystery to us why pension forms are printed calling for the typing in of a bald official disclosure of a man's entire disability assessment as well as pensionable disability assessment. The result of this practice has been to create misunderstanding, breeding discontent and often resentment. We do not feel that it is necessary to enlarge upon this question because we are satisfied that every member of the committee has had similar experience. This is a matter which, in our opinion, causes unnecessary worry and is difficult, if not impossible to explain. The elimination of this practice can do no harm and will, we believe, accomplish much good."

Q. Mr. Myers, I see that you have misunderstood entirely the motive behind my question; and since you have so vigorously protested, I feel that I also should enter my protest. My question was on behalf of—to use the same words that you used—the "gallant but small group" of ex-service men who assumed risks similar to the risks assumed by the men to whom you refer, who performed acts of heroism similar to the acts of heroism to which you refer—men who are now disabled but cannot relate their present disablement to war service to the satisfaction of the Pension Commission, who are receiving positively no pension at all and who are not employed. Those

ex-service men are the men on whose behalf I directed my question to you.—A. Are you suggesting by your question that these men who are totally disabled as a result of wounds and service should relinquish their jobs?

Q. No. But I am asking you for your honest opinion— —A. That is the only kind that I can give.

Q. When we have on the one hand a group of men who made a similar kind of war contribution to their country and are receiving positively nothing in the way of pension because they cannot relate their present disability to war service, do you think they should go positively without while others should receive 100 per cent pension plus full pay on account of the special provisions in the Civil Service Act?—Is it suggested that the remedy lies in our hands?

Q. I think a helpful suggestion from you would be of real help to this committee.—A. I will deal with the question in the civil service preference when we come to that.

By Mr. Gray:

Q. Might I ask a question about that questionnaire? I am not quite clear as to the conclusion of your statement.—A. I will read it to you again. It is very short and it will bear repeating.

> Related to this discussion is another point which superficially may not appear important but which has a deep underlying significance. In our experience—

We are men with higher disabilities, because our members have lost their eyesight, their arms, their legs and so on as the case may be; constantly we are asked by others to assist them and we never refuse anybody assistance. Therefore out of that experience we are drawing to the attention of the committee at the present time a practice which we think should be rectified, where it will cause no hardship to anybody concerned if it is.

> In our experience we have received bitter complaints from men, and in some cases their wives or widows, about pensions rated at 5 per cent, 10 per cent and the like, when official documents in their possession state that the entire disability found upon examination was 80 per cent, 90 per cent or 100 per cent.

Anyone who is familiar with the forms that are issued by the Canadian Pension Commission will know about this. This is a practice that has been carried on as long as I can recollect. On the top of the form, the one on the rice paper, there is a statement which might be to this effect, "Entire disability, 100 per cent; pensionable disability, 5 per cent." When the man receives that paper the effect on him is that he cannot understand why he is only 5 per cent pensionable when they tell him that he is 100 per cent disabled. That is the argument.

By Mr. Reid:

Q. I wonder if we could have an explanation by the chairman of the Commission as to why that policy is being carried out?—A. I think my next words answer your question: I state in here: "It has always been a mystery to us why pension forms are printed calling for the typing in of a bald official disclosure of a man's entire disability assessment as well as pensionable disability assessment." Our entire discussion presented to this committee is based upon our experience. We have taken the last 20 years, and we decided to come to this committee and place before it our experience. You can draw from it any conclusions that you wish. All that we can do is to

recite our experience. We have suggested a change in the word "pension" to "war disability compensation" for obvious reasons. I will refer to that again in a few minutes. We have referred to the elimination of the term "total disability" because of the adverse effect of the term and the objections raised by men who are socalled "totally disabled" or who are in fact in receipt of 100 per cent pension or compensation. We are now drawing attention to a practice which we believe should be eliminated. It is not going to cost anybody anything. It is going to save a lot of anguish, worry and anxiety and at the same time perhaps render a very useful service.

By Mr. Macdonald (Brantford):

Q. Do you not think that if a man were, say, an 80 per cent disability and received only 5 per cent pension, he would know that he was not getting a pension for complete disability? You could not keep him in the dark as to his disability.—A. That is perfectly true. The man would know that he is only receiving 5 per cent and that he is regarded as being an 80 per cent disability case.

Q. No. I will come back to your suggestion that you do not inform him of the 80 per cent disability?—A. That is right.

Q. He will know that without it being recorded?—A. I do not think so. I do not think it is possible for any man to assess his own disability.

Q. If he is an 80 per cent disability, the chances are he thinks he is almost a 100 per cent disability?—A. Yes. He probably figures so. That is perfectly all right; but it is bad psychology for the pension commission to tell him that he is 100 per cent and only give him five.

Q. Do you not think that immediately upon receipt of the information that he is to get a 5 per cent disability, he will sit down and write to the pension commission and say, "I know my percentage is more than 5 per cent. Why am I not getting more disability pension?"—A. In many cases undoubtedly he does. But I still maintain it is bad psychology.

By Mr. Cleaver:

Q. I think I understand this, but I should like to make sure. In the case you are citing, that of a man who has a disability of 80 per cent and who is only receiving 5 per cent pension. Does that mean that the remaining 75 per cent of his disability is not related to war service?—A. That is what it means.

Q. Then I take it you are coming around pretty close to my point of argument, namely, that these men who are now under very heavy disability and who are unable to relate that disability to their war service to the satisfaction of the pension commission should receive some consideration?—A. From whom?

Q. From the pension commission.—A. Well, the only basis that we know of in compensating a man is as a result of direct causation or the insurance principle. On any other basis we could not agree.

Q. Take that very same man who has 80 per cent present disability, 5 per cent only of which is related to his war service. Just how happy do you think that man would be when he knows that some friend of his who has been fortunate enough to relate his disability to war service is not only getting 100 per cent pension but is filling a full-time job with full-time pay? Would he not think that there should be a little bit of "community sharing" of the pension?—A. I still believe you are coming back to the point of asking the disabled soldiers who have been wounded in service to make an additional sacrifice.

Q. No, I do not think so.—A. I cannot understand your question in any other sense.

Q. I think that these men believe that so long as a 100 per cent pensioner is in the position that he can hold down a full-time job, he should be asked to give up not all of his pension, but say 50 per cent of it.—A. All right. I cannot agree with you at all; because if we agree with you on that ground at all, we would get back to your objection, to the question of 50 per cent pay for a full-time job, which we would not agree to.

The CHAIRMAN: Pardon me, Mr. Myers. But your opinion has been placed on record.

The WITNESS: Yes.

By Mr. Macdonald:

Q. Mr. Myers, I should like to ask one more question. Does not the 5 per cent pensioner and the 80 per cent pensioner get the same preference as far as the civil service is concerned?—A. Absolutely.

Q. That would be so where the 5 per cent man and the 80 per cent man competed and the 80 per cent man got more marks in the examination. Is that not correct?—A. In some instances. You are getting into a very technical discussion now, and I do not want to get involved in a discussion of that character.

Q. I am just asking for information.—A. I think the proper persons to ask for information are the officers of the Civil Service Commission.

The CHAIRMAN: I can say, Mr. Macdonald, that the officers of the Civil Service Commission will be here later. The chairman will be here. Proceed, Mr. Myers.

The WITNESS: I am coming back to the term "war disability compensation". We are deeply interested in this question, gentlemen. We do not want to bore you, but we are trying to place in the record the reference in order to make our position as clear as possible.

WAR DISABILITY COMPENSATION

War Disability Compensation

The historical reference on Canadian military pensions' legislation incorporated in the proceedings of this committee indicate that before the great war the use of the term "pension" in Canada was strictly limited. There is a broad and ancient background to the term pensioner which has many implications such as a mercenary, a hireling, one maintained by public charity or in a charitable institution, etc. It was especially applied in England to inmates of Chelsea and Greenwich hospitals.

During and after the great war workmen's compensation Acts became effective in a number of the provinces. About the same time public attention was increasingly focused on our casualties of the great war and disability pensions provided by the state.

During the early post war period consideration was also given to the tragic economic situation of aged and unemployable members of society for whom economic pensions were desired. These were finally granted to the old age and sightless groups. War veterans' allowances were added for the prematurely aged or incapacitated veterans and generally referred to by the public and many veterans as the "burnt out pension." Hence in public estimation the term pension has gradually come to be associated with the grateful recognition of service or a social allowance to meet economic maintenance needs granted by a considerate state as an act of grace. On the other hand, workmen's compensation has been especially associated with the payment of compensation for the loss sustained by reason of injury incurred during private or public employment.

The war disabled having sustained injury and loss as a direct result of war service for the state have fallen heir to the gradually developing comparison in public references resulting from the use of the term pension.

The injury and disability incurred by the soldier in the service of the state is the definite and only basis on which the soldier is due for compensation. Hence we feel that the only way this confusion can be cleared is to develop and promote the use of the term "war disability compensation" in respect to war casualties. This is highly important to every partially disabled soldier. The term pension in the past has been too often a bar to employment because it was considered in an economic light and not in its true relation to the disability which had to be endured for twenty-four hours each day.

The limiting effect of disability in the fields of employment, recreation and even home life should never be forgotten.

The members of this committe will, during this session, be seriously concerned with the development of practical plans for the rehabilitation of men who will receive compensation only, for the degree of disability incurred on service. These plans, being practical, should take into account any psychological factor which may operate against their success. Since pension is known to be a prejudicial factor in the field of employment, it must be eliminated. Likewise since total disability as a term has come to be a prejudicial factor it also must be eliminated. Obviously the term "war disability compensation," being self-explanatory, should place the disabled soldier on a parity at least with workmen's compensation cases in the given field and may even command a preference in some quarters.

By Mr. McLean:

Q. Did you suggest an alternative term to "total disability" when making your presentation the other day?—A. No. We have not suggested any alternative term. The only term that has gone through my mind is the term—it is strange you should ask the question—"partial total disability." Total is everything—whole, wholly.

By Mr. Bruce:

Q. Would it do to say "100 per cent compensation"?—A. That would be much better.

By Mr. Macdonald:

Q. Why do you not say "totally partial"?—A. I got the term "partial total disability" from reading material from the Workmen's Compensation boards. It is often used in that sense.

If I may, gentlemen, I shall proceed with the brief.

Section 6 of bill 17. Our only comment on the suggested revision is that if this question is to be opened at all, it should be made the subject of a special study by a sub-committee of this committee for the purpose of considering a general review of pension policy for the group involved.

Section 7. We do not consider that time limits for men serving in this war should even be contemplated at this time. In 1936, after eighteen years of experience, we were prepared to accept the idea of time limits on applications to stop continuing pressure and unjustifiable repetition of applications on behalf of weak or hopeless cases. But we have never been agreeable to a time limit restricting applicants with bona fide claims in respect to disabilities where there is reasonable evidence of direct connection with any condition arising from service. The time limit in respect to men who served in an actual theatre of war during the great war does not take effect until the first day of January, 1942. We would prefer to gain some experience after that date as to the extent to which the commission will exercise its discretion in deserving cases. For these reasons we consider that the seven year time limit affecting the men of this war is premature and should be deleted.

By Mr. Macdonald:

Q. Do you say that all time limits should be deleted, Mr. Myers; that wherever there are time limits in the Act they should be deleted?—A. I would have to think it out before answering that question.

Q. One question that is troubling me is the question of deathbed marriages.—A. We are dealing with that question. We, as a matter of fact, introduce a certain time limit in that connection.

Section 8 of the bill. We have no comment to make.

Section 9. We have no comment to make.

Section 10. We are of the opinion that the responsibility for taking reasonable action to recover compensation, in the case of accident, when legal proceedings are necessary, responsibility for taking or deciding against such action should be jointly shared by the claimant and the commission.

There has been extensive discussion in this committee on the legal position, generally speaking, of the pensioner. We feel that if legal proceedings are necessary the responsibility for taking or deciding against such action should be jointly shared by the claimant and the commission.

By Mr. Macdonald:

Q. And the cost?—A. I will not answer that question at the moment.

Q. I am just asking for information. If the action is brought jointly, are the benefits of the action going to accrue to the commission and the claimant?—A. If the action is a successful one it would benefit the commission. This question, in our opinion, arose by reason of Section 32 (2) of the Act, with reference to cases of widows of pensioners who at the time of death were in receipt of 50 per cent pension or more, and where the pensioner might get run over by an automobile. We do not think, as a matter of equity, that the pensioner should receive a pension on that basis, plus compensation from other sources. I think it is a matter that has to be studied out. It was a grateful recognition to have incorporated the amendment of 1938 or 1939. We have appreciated that, and, if there is to be any legal action in connection with an accident which may cause death, we think that the claimant and the commission should share the responsibility of deciding whether they should proceed. On the question of costs, I have not gone into that.

Mr. GRAY: I want to go on record as saying that I think Section 10 should receive very careful re-drafting before the adoption of any recommendation either by Mr. Myers or anyone else.

The WITNESS: Quite right.

Section 11. We are agreed. I should like to explain that this was written before the supplementary statement was made with respect to subsection 2 of Section 5. We are somewhat surprised to learn that the Auditor General has presumed to question the authority of the commission making awards under this section and in fact to assume the right of review. If this principle is admitted, then it would appear that the Auditor General would likewise have the right to question every decision of the commission under every section of the Act where the commission has been given discretionary authority, and I might even say where they have not discretionary authority. The application of this principle may be even presumed to encroach on the character of evidence and even medical opinion heretofore accepted by the commission. This would seem to undermine the basis of authority granted to the Canadian Pension Commission under Section 5 of the Act.

At this time we may state as an association that we are deeply concerned over any action or influences which tend in any way to interfere with the authorities or responsibilities vested in the chairman and commission by par-

liament in respect to administration of the Act. In this connection we have been aware that some years ago the staff of the commission were brought under the administration of the minister for administrative purposes only. In 1936 this was dealt with by an amendment to the Act. We believe a mistake occurred when the chairman of the commission who previously enjoyed the status and rank of a deputy minister, was deprived of this status and consequently of direct approach to the Minister. If the powers vested in the commission under Section 5 are to be exercised as intended, and free from interference, it is essential in the public interest that this status should be restored. I will simply refer you to Section 3, subsection 9 of the Act, which is the section involved.

In our opinion it is also desirable that the tenure of office of members of the commission should no longer be subject to the disturbing influences of specified termination dates but should, as in other commissions of equal or lesser status, be placed on the basis of tenure during good behaviour. Administration of the Act and its provisions involves many complications which require keen understanding and experience. Frequent changes in the membership of the commission is disturbing to the administration of the Act. (See Section 3, subsection 4).

I cannot impress upon this committee too strongly the importance of fortifying and strengthening the commission with respect to their administrative authority.

By Mr. Reid:

Q. Do you not think there might be some danger involved if you removed any tenure of office and left it to good behaviour, in the case of governments changing?—A. I do not see any danger in that. I have attended practically every parliamentary committee of inquiry since 1920, and I recall discussions which have obtained on this particular point. Personally, I do not see any danger involved at all. I think it is in the public interest. We are soldiers, and we look upon this thing from a very responsible point of view. The success or failure of this kind of legislation depends in a large degree upon the administrative authority. Certainly we are now entering upon a new phase of pension administration in Canada, introducing a new section to the Act with respect to men whose service will be restricted to Canada; and the importance of fortifying your commission as far as administrative authority is concerned is obviously very great.

There is one further point affecting the administration of the commission which we have noted with some surprise. That is, we do not see anywhere provision for per diem allowances when the commission is on duty in the field. This we feel is an oversight and should be corrected, so that members of the commission should be on a basis equivalent to that of members of other commissions. We feel very keenly about this business, gentlemen. I think the pension commission of our country is, shall I say, shabbily treated. I do not know how we can possibly expect good, solid administration, without fear or favour, if every decision that is made might be subject to review. Personally, if I was in the position of administering an act of that character back of me constantly would be the fear that somebody was coming along to question my decision. It would be an impossible situation.

By Mr. Macdonald:

Q. What do you mean by "per diem allowances", travelling expenses?—A. No, a per diem allowance. Every commission, as I understand it—I have looked up some of them—the Tariff Commission, the Civil Service Commission, the railway board, if you like, have per diem allowances. Every time these men go out on the road they are given a per diem allowance for expenses.

By Mr. Cruickshank:

Q. And the pension commission is not?—A. No; they have to submit, as I understand it, actual expenses.

Hon. Mr. MACKENZIE: Yes, actual expenses.

The WITNESS: If they spend 25 cents on a tip they have to report it.

By Mr. Reid:

Q. Do you not think that in actual practice the actual expenses might be a better system finally than a per diem allowance—A. I think it would help to stabilize the general administration. I think it is an invidious position to place the commission in to have them submit actual expenses. If I was chairman, for instance, of the Canadian pensions commission and I was asked to submit an expense statement of everything I did while on duty, I would not want some clerk in the office checking it over—

By Mr. Cruickshank:

Q. Would you be satisfied if they were treated as the one dollar a year men? If they were fixed up the same as the one dollar a year men who get $15 or so a day— —A. I do not know anything about the dollar a year men.

By Mr. McLean:

Q. What is the objection to paying a man what his expenses are?—A. The real objection to paying a man what his expenses are rather than a per diem allowance is in the first place a per diem allowance might mean anything. It might be $5 a day, $10 a day, $15 a day, $20 a day, $25 a day, or $1,000 a day, and so on. Somebody has said there are some very large allowances being paid now, but the advantage in it is that the administrative authority does not have to make themselves subject to check by some clerk or treasury official, I suppose, in the department.

Q. If that is the main objection that you have been labouring I think it is very very badly taken. Surely if a man is getting a salary and he is entitled to expenses when he goes out, the expenses that the taxpayers should give him should be the expenses that he incurs. I think for the sake of the civil service itself that it is very very bad to have flat per diem expenses.—A. Then you would suggest, Mr. McLean, there should be no per diem allowances?

Q. I would suggest if a man is on a salary and if in the conduct of his services he necessarily incurs expenses he should be paid those expenses. There is a very very grave suspicion on the part of the public that in the civil service generally a great deal of economy could be exercised in connection with expenses when they are out on the road. I am not speaking now in connection with this commission particularly.

By Mr. Reid:

Q. Mr. Myers, it might interest you to know that so far as travelling expenses of members of parliament are concerned, different systems are adopted at various times. One of these systems is that of a per diem allowance. The other system is that of actual expenses. The actual out-of-pocket expenses system is used in times of special sessions, and it often happens that the actual expenses submitted by members of parliament are greater than the per diem allowance granted at other times.—A. I find myself in disagreement with Mr. McLean simply on the ground that I do not think it helps to stabilize pension administration.

Mr. MCLEAN: I do not see the point at all.

The WITNESS: That is my experience. I am speaking only from experience. I shall now continue with my brief.

We have no comment to make with regard to section 12. With regard to section 13 we suggest that the date limits with respect to wives, widows and children of this war be eliminated. That is part of your question, Mr. Macdonald.

With regard to section 14 we say agreed. It also raises in our minds the question of the embodiment of the present table of disabilities in the Act.

We note with satisfaction under subsection 4 of this section that while the unskilled labour unit basis of compensation is to be retained, that the principle of compensation for degree of disability incurred as a result of service is to be in no way affected by earnings or income which may be developed by ambitious and capable men in spite of disabilities incurred on service.

Since July, 1933, the depth of the depression, disabled soldiers of the Canadian forces have been required to include for income tax purposes amounts received from the dominion treasury as war disability compensation.

Enquiries will establish the fact that dominion income tax is not payable on war pensions or compensation in respect to the following categories:

(*a*) Provincial workmen's compensation.

(*b*) Imperial war disability pensions.
NOTE 1: The British government does not tax war disability compensation paid out of the dominion treasury to wounded Canadian soldiers residing in Great Britain.
NOTE 2: The United States government does not tax war disability compensation paid out of dominion treasury to wounded Canadian soldiers residing in the United States.
NOTE 3: The Canadian government does not tax war disability compensation paid by the United States treasury to wounded United States soldiers residing in Canada.

Canada is now in the position of collecting income tax from war disability compensation paid by the dominion treasury for wounds and war disabilities incurred in the service of the state while workmen's compensation for injuries incurred by men in private or public employment is exempt.

Further, the removal of the exemption on war disability compensation in respect to dominion income tax has been taken advantage of by some provinces and municipalities in collecting income tax for their own local purposes.

We respectfully draw the attention of the committee once again to subsection 4 of section 24 in respect to the above statement coupled with a further statement that as far as we have been able to ascertain Canada is the only country in the world which taxes wounded soldiers' compensation.

Whatever may be the outcome of these observations we respectfully submit that it would be very unfair to permit this practice to affect disabled soldiers of the present war who should not be asked to help finance the fighting in which they had already sacrificed and suffered more than the average citizen. We also consider that necessary protection from local income tax by provinces and municipalities should be afforded all war disability compensation.

By Mr. Gray:

Q. Have you any facts or figures as to how many men did pay income tax on disability compensation?—A. It is very small; as a matter of fact, it is ridiculously low and was so before the new amendment came in. I do not know what has happened since. I understood it was extremely small. As a matter of fact the other day I had to call the dominion income tax office in Toronto. A

lady came in to see me who was in receipt of an annuity which was payable on a monthly basis. I think it gave her some $500 a year. The question I asked of the dominion income tax office was whether she had to include the annuity for income tax purposes. He said you include, but you take it off.

By Mr. Reid:

Q. What about the national defence tax, Mr. Myers?—A. It is applied; it is a part of the Income Tax Act.

By Mr. McCuaig:

Q. Does not the annuity question apply only when the annuity was bought up to a certain date?—A. I think there is a yearly limit, June something of last year. This was an annuity bought ten or fifteen years ago. That is the situation.

Q. It is also limited to $600 a year.—A. $600 a year? I did not know that. But this question of income tax becomes a very serious one to these men in so far as it is compensation that they are receiving. Had it worked out in this way. Had a man been paid a lump sum for his wounds, upon receiving it he probably would be assessable on the income that he received from the lump sum of money, if he invested it. As it is at the moment they are actually taxing the compensation of these men, which we feel is unfair.

By Mr. Macdonald:

Q. Can you revert for a moment to section 13? Your comment there is, "We suggest that the date limits with respect to wives, widows and children of this war be eliminated.—A. Yes.

Q. Now is your suggestion that the provisions in the Act as it now stands with regard to the last war should remain as they are?—A. We are coming to that in a minute or two. That is dealt with a little later in the section applicable. I shall now deal with section 15. This refers to those sections of the Act which provide extra care allowances for totally disabled and helpless cases requiring constant care. We have never been able to understand the justification for reducing such allowances to the point of practical extinction in the case of senior officers. This does not seem to be equitable or in keeping with the general spirit of consideration the country shows to officers who have rendered good service.

These special allowances, which come under the heading of "constant care allowances," may be payable in the discretion of the commission up to $750, I believe, in the case of the private soldier. In the case of the high ranks it pretty well terminates somewhere around $90. Our attitude with regard to that is, whether a man is a general or a private, if he needs care there is money provided for that constant care and it takes just as much to look after a man who is helpless whether he is a private or a general. We see no difference in it.

By Mr. Cruickshank:

Q. Would that work both ways with regard to a pension? Should not a private get just as high a pension as an officer?—A. I think we should try to keep the private's pension as high as possible. As a matter of fact there are no privates' pensions in the Canadian Pension Act. It is not generally understood but every soldier in the Canadian forces receives an officer's pension. Every soldier receives at least the pension of a lieutenant.

Sections 16 and 17

We suggest the addition of the following words after line 16, page 11; line 19, page 11; line 7, page 12; and line 11, page 12: *"or if married after*

the first day of January, 1930, providing she lived with and was maintained by the pensioner for not less than seven years or gave birth to a child in wedlock."

While we appreciate the dangers of so-called deathbed marriage which has always been avoided in pension legislation, we believe the time has come to clear the hardship which exists in the case of certain pensioners and widows of the last war and to avoid for the widows of pensioners of this war worry and hardship of which we have all been too well aware during past twenty years. In any case we could not for one moment consider being responsible for restrictions of pension rights affecting members of the forces in this way while overseas, which are not in keeping with provisions made for pensioners of the Great War.

We favour some such amendment. As a matter of fact such an amendment if adopted would improve and probably clear up this question entirely for the future. The difficulty with the 1930 amendment was, as I understand it, because we felt it desirable in the early days of the war to get at this question of deathbed marriages. That is what came up in the 1930 legislation, and that is probably what would happen ten years from now. This suggestion at least protects the state from so-called deathbed marriages.

By Mr. Macdonald:

Q. In your opinion there would have to be a legitimate marriage?—A. I cannot answer that question.

Q. If she lives with him—? —A. That is another feature. We are not suggesting that this is the final phraseology of this section at all. As a matter of fact it is a layman's wording. We are just bringing forward the idea in this particular instance.

By Mr. Gray:

Q. In other words, you intend to take care of the common-law wife; that is the purpose?—A. It is intended to take care of anything that you could provide for.

Mr. Ross: That is not quite the way of it.

By Mr. Macdonald:

Q. Under the Dependents' Allowance Board allowances are made to so-called common-law wives; is that not so?—A. In certain cases.

Q. For each woman who lived with a man for a certain period of time?—A. For a certain period of time; in certain cases, not in every case.

Sections 18 and 19

Agreed.

Section 20

Agreed but recommend that the benefit of this section be extended to include those Canadians who, of their own volition, went over and joined the Imperial forces before the outbreak of war. We also recommend that in the case of pensioners in classes 1-11 the benefits of section 32-2 of the Pension Act be extended.

We feel that as far as Imperial forces are concerned—they are Imperials—that the benefits of this section should be extended to those young men who left Canada of their own volition before the outbreak of the war to enter the R.A.F. and such services over there; and the benefits of section 32-2 should apply also.

Sections 21-22-23-24-25

Agreed.

Section 26

Our association has strong objections to restrictions of pensions in respect to marriage and children born subsequent to May 1, 1933. This was the subject of much discussion at conventions of the association since 1933 and strong criticism of this restrictive measure even as a temporary expedient in the depth of depression was expressed as previously stated. In our opinion the privileges affected by this measure should be restored. This represents one of the two outstanding items of our association programme to finalize pension provisions to men of the last war and their dependents. We are agreed, however, that no retroactive adjustments should be sought. For reasons already stated we are opposed to a restriction affecting allowances to children born and wives married more than ten years from the end of the present war. We cannot approve of any such plan in the absence of the men overseas who would be affected, also when we remember that men of the Great War enjoyed more extended provision.

Section 27

No comment.

We are very keen about the restoration of those rights which were taken away in 1933 because of an economic situation then existing in the country.

By Mr. Macdonald:

Q. Will you not have to relate that to the reference you have made under sections 16 and 17 where you suggest that, "or if married after the 1st day of January, 1930, providing she lived with and was maintained by the pensioner for not less than seven years or gave birth to a child in wedlock." Would you not have to add similar words to this section?—A. I would not just care to express an opinion at the moment whatever. In any consideration given to this question it is intended to affect the men of the new army as it is intended to affect the men of the old army.

If I may, Mr. Chairman, I should like to proceed with this preliminary statement on rehabilitation. We left with members of the committee just before the Easter recess copies of our statement on rehabilitation. This was designed to give the picture as we see it. When preparing it we draw upon our own experience with due regard to established facilities.

We have now had the opportunity of reading the Honourable Mr. Mackenzie's statement to the committee. Our views are generally in accord with his statement. We have also read the statement of General McDonald, Chairman of the Committee on General Demobilization, as well as the minutes submitted by Mr. Robert England, Executive Secretary. All our suggestions come within the frame work of existing services and can fit into services suggested.

Before proceeding we wish to first pay our compliments to the Honourable the Minister as a member of this committee. His keen insight and comprehensive review gives us renewed hope and courage. On behalf of the blinded soldiers of Canada and the war amputations we wish to extend through this committee our most sincere thanks. We also wish to say to the members of the committee that members of our association have been personally acquainted with the minister since 1920 and that friendships made in those days have continued throughout the years.

The minister's reference to reconstruction following the war demonstrates how important it is to plan now and for this reason how important it is for the minister and committee to give leadership and develop a practical basis. There have been many parliamentary committees on soldier welfare all of which we have attended since 1920. There have been many outstanding men

on these committees as well as illustrious ministers. Realizing all this we want to assure you gentlemen of our deep interest and concern. We can assure the minister that the blinded soldiers of Canada and the war amputations will support all practical measures of re-establishment and help in every way possible. The only reward we seek is the assurance of a well charted course, a defined objective to work for and comprehensive provisions which will be encouraging to those for whom they are set up, while commanding the whole-hearted co-operation of all interested.

Gentlemen, we are very proud of Gen. McDonald. He is doing a magnificent job for Canada. We know. Especially are we pleased that he was chosen to be chairman of the general committee on demobilization. His well-merited references to Mr. Walter Woods and Mr. Robert England are very much appreciated. Before proceeding with our general statement we wish to leave a thought with the committee, that during the reconstruction period departments of the government may have to be reorganized to fit into the scheme of things as they take shape. For a long time there has persisted in our association a feeling that the day will come when the Department of Pensions and National Health will be reorganized. We have always felt that there is little or no kinship between the functions of the health branch and pensions, treatment or soldiers' welfare. A step in the right direction is the establishment of the veterans' welfare division. There should be a division for pensions and treatment. Pension administration and technique is now playing a very important part in the life of the country. The payment of pensions and state allowances is no longer confined to disabled soldiers. Each year there is a civil list of state pensions to be found in the estimates. In addition the dominion treasury now finds 75 per cent of the cost of old age and civil blind pensions. The present day trend is indicated by requests even for soldiers' widows' allowances on a service pension basis. The Unemployment Insurance Act is another phase in the development of social security consciousness in Canada. It is impossible to foresee the ultimate form which reconstruction may take but it is not illogical to plan the present frame work so that it might be strengthened to carry existing services and capable of enlargement to include possible related activities in the future. The importance of correlating information, records and experience arising out of the payment of pensions, allowances, etc., leads us to the view that some thought might properly be given to the feasibility of the establishment of one compensation, pension and allowance administration for Canada under the authority of one minister of the crown.

I shall now proceed with the general statement on treatment and rehabilitation.

THE WAR AMPUTATIONS OF CANADA—STATEMENT—

TREATMENT AND REHABILITATION

Pre-Enlistment Conditions

In turning to matters of treatment and rehabilitation we have been greatly impressed by the improved method being followed in the matter of medical examinations and records on enlistment. We appreciate the difficulty which must be experienced in securing complete understanding of requirements by members of medical examining boards. However, we are definitely hoping and expecting that as a result of these more thorough medical examinations including X-ray plates, that members of the forces in this war will show a better average standard of health and therefore be more effective. Also because of the improvement in enlistment medical examinations and probationary period in the army

during which men with defects which come to light early can be eliminated, that we will be able to avoid after this war the description of almost any condition for which pension is claimed as being of pre-enlistment origin.

Army Records

We are also pleased to note the improvement and more complete system of records in use by the Department of National Defence. We had much complaint about records during and since the great war because in so many cases the man's file was far from complete and yet the onus of responsibility of proving a claim for pension was placed on the man whilst his evidence was often doubted in the absence of documentary reference. We hope that trouble from this source will be reduced to a minimum.

Medical Care

Before and since the outbreak of war we have been keenly interested in the matter of adequate and most appropriate medical care for men on service. Our association at its convention in September, 1939, passed a resolution strongly urging the desirability of mobile medical research units to study at first hand medical conditions and the effects of war amputations to determine necessary treatment, technique and supplies so that Canadian forces proceeding on active service could be properly and adequately equipped.

The context of the resolution passed by our association is as follows:—

> Whereas: The members of the Amputations' Association of the great war had first-hand experience in front line conditions and ample demonstration that medical services associated with the Canadian Expeditionary Forces were required to meet conditions not anticipated and for which they were not in the earliest stages prepared, resulting in the loss of many lives which might have been saved and many serious disabilities which might have been prevented or minimized, and
>
> Whereas: Present war time practices and fighting equipment present new problems for the medical services not experienced in the last great war, and
>
> Whereas: It is deemed desirable that the Royal Canadian Army Medical Corps should without delay be given an opportunity to study conditions which must be met and consider the most effective treatment methods, and supplies necessary, which should be employed by the Canadian Medical Services of any Canadian Forces,
>
> Therefore be it resolved: That we, the Amputations' Association of the great war, in 17th Dominion Convention assembled at London, Ontario, September, 1939, strongly recommend that the government of Canada be petitioned at once to authorize and make provision for comprehensive medical research including one or more mobile medical research units to operate with allied field forces and a central medical research unit in Canada to utilize the information gathered with a view to developing necessary treatments and medical supplies required.

This resolution was forwarded to the government departments concerned. We were pleased to note that research was undertaken and is being continued. In this connection we desire to express the appreciation of our association for services rendered by the late Sir Frederick Banting and to express our sense of loss through his tragic death during the performance of duty.

War Hospitals

On hospitalization of casualties in this war the opinion of members of our association is expressed in the following resolution as adopted at the convention of the association in September, 1939.

Whereas: During the last great war the Canadian government apparently utilized for war casualties some hospitals organized under the auspices of private individuals and organizations supported by public subscriptions as supplementary to hospitals operated by the dominion government, and

Whereas: It is deemed necessary in the interests of efficient, scientific and uniform medical care and strict continuity of medical records that governmental operated hospital services should be developed and maintained at home and abroad adequate to meet all needs and on the most efficient basis possible.

Therefore be it resolved: That we, the Amputations' Association of the great war, in 17th dominion convention assembled at London, Ontario, September, 1939, do petition the government of Canada to accept full responsibility for the development of adequate medical service facilities at home and abroad with strict supervision of medical care, nursing, food, special diets; cleanliness of wards, dining-rooms and kitchens; discipline of staffs, and further, that no hospital supported by private subscriptions or publicly subscribed funds operated or controlled by any private individual or private organization be utilized.

The context of this resolution with appropriate comments was communicated to responsible authorities of the government, the Canadian Red Cross Society and others, possibly concerned. Our association is more than ever convinced of the propriety and necessity of this point of view being strictly observed, both in Canada and overseas.

By Mr. Macdonald:

Q. I suppose you would have no objection to municipal hospitals being used? I notice your wording is "private individuals or private organizations." What about a municipal hospital?—A. The initial care of casualties is entirely a government responsibility and it is not a matter for the civil authorities at all.

Q. Then you might have included in there "municipal hospitals"?—A. As a matter of fact, it never struck us at the time.

By Mr. Bruce:

Q. Your intention would be to include municipal hospitals, I take it?—A. Our intention would be to include them.

Q. I would think so.—A. It is strictly a government responsibility. Proceeding with the statement:

Hospital Contacts—

In regard to special features of hospital care in the case of such categories as the blind and amputation cases our association convention September, 1939, passed the following resolution:—

Whereas: Canadian forces subject to enemy action will suffer casualties resulting in disabilities such as loss of sight, amputation, etc.

And Whereas: It is most essential that advice and encouragement should be offered to distinctive disability categories such as the sightless and amputations from the earliest stages of hospitalization, on

And Whereas: Such advice and encouragement can best be given to each disability category by ex-service men having similar disabilities and fully experienced in the problems which must be met and overcome.

Therefore, be it resolved: That we, the Amputations' Association of the Great War, in 17th Dominion Convention assembled at London,

Ontario, September, 1939, do strongly urge the government of Canada to make provision for appropriate representation from disability categories, especially the sightless and amputations of Canada for service in the hospitals at home and abroad as may be necessary.

And further be it resolved: That this association express a strong desire to be consulted when this provision is under consideration.

This resolution was communicated to appropriate departments of the government. We are pleased to note that provision by the Department of National Defence for a blinded soldier of the great war as a first friendly contact to any blinded soldiers in hospital overseas has been promised when this service becomes necessary. We are still of the opinion that similar provisions should be made for amputees when the number of casualties warrants such service overseas. Such contacts can be provided in Canadian hospitals on a voluntary basis by selected members of the association. This very valuable service is already in effect in Canada.

Blinded Soldiers

In the early months of the war representations were made to the Department of National Defence, and the Department of Pensions and National Health for arrangements for specialized care of blinded soldiers so far as circumstances would permit from the earliest possible date following casualty and determination of blindness, to the point in settlement in civil life in Canada. In these representations the Sir Arthur Pearson Club of Blinded Sailors and Soldiers and the Canadian National Institute for the Blind and our association participated. We are pleased to report that appropriate and satisfactory arrangements have been completed with the Department of National Defence for the care of blinded soldiers from the time of casualty overseas through treatment and preliminary training period at St. Dunstan's by arrangement to return and following arrival in Canada transfer to the Department of Pensions and National Health at Toronto. We are also pleased to report that arrangements under the Department of Pensions and National Health are already authorized providing for specialized training and care through the Canadian National Institute for the Blind. These arrangements have been subject to consideration and recommendations by the general committee on demobilization on the advice of the sub-commiteee on major disabilities.

Amputees

Similarly the care of amputees has been the subject of extended representations and discussion with the sub-committee on major disabilities and departments concerned. For amputees as for blinded soldiers we have not been seeking preferential service but only those Specialized Services so necessary to effectively deal with the problems of adjustment and rehabilitation which are occasioned by the very nature of the disability and the limitations resulting. With these considerations foremost in our minds accentuated by our own experience during more than twenty years, we have made specific recommendations affecting the care of amputees which we are still hoping will be recognized and given effect.

Recognizing that but few amputees may be able to continue in the service under special conditions and that the bulk must be returned as promptly as possible to civil life, our proposals may be summarized under the following headings:—

1. Early friendly contact overseas by an experienced amputee of the great war whose duties will include encouragement, early adjustment of outlook, advice as to facilities available and future prospects.

2. Earliest possible return to Canada commensurate with comfort and safety. We deplored the long retention in hospitals in England of so many amputees of the great war.

3. Initial concentration of all amputees at one special centre (Toronto) where specialized and uniform attention on the following points might be ensured.

(*a*) Discharge boards from active service to D.P. & N.H. for treatment.
(*b*) The most capable and experienced surgical attention to ensure most satisfactory and practical limb stump for the fitting and wearing of artificial appliances.
(*c*) Direct contact with the central orthopaedic and appliance depot where the greatest range of facilities is readily available for the measurement, fitting and making of artificial limbs.
(*d*) Where both functional training of the limb stump can be ensured under adequate supervision and the special training in the most efficient and practical use of artificial limbs may be ensured.
(*e*) Where the aptitude and characteristics of every individual amputee can be carefully studied by a vocational guidance representative experienced in the problems, capabilities and prospects of amputation cases.
(*f*) Where decisions as to return to previous occupations with or without special care or training or arrangements for vocational training in the most suitable occupations still feasible under the circumstances can be made.

Artificial Limb Service—

On reaching the final stage of initial centralized care the amputee can be given vocational training where applicable, medical care for any recurrent condition and adjustment of artificial limbs when necessary, etc., through the district office of the D.P. & N.H. in his home province.

We believe that the obvious mistakes, difficulties and delays which were experienced by so many amputees of the great war are inexcusable and should be avoided under present conditions. During the great war facilities were first being developed and no one had experience in meeting the requirements. Since then the D.P. & N.H. has developed very efficient facilities for amputees at Christie Street Hospital, Toronto, the main orthopaedic centre and in district offices. All this was designed to meet average requirements of amputees of the great war. We are now adding a group of new amputees to the service load. These facilities are undoubtedly capable of fairly rapid extension. Already twenty-five amputees of this war are on the list for service. There can be no reasonable excuse for any amputee of this war to suffer from lack of information as to service and prospects, misunderstanding, delays in treatment, fitting of artificial limbs, functional training or vocational guidance. The valuable experience of limb fitting staffs, many of whom are amputees of the great war will be freely available in helping to meet the problems of new amputees. This is a source of very great satisfaction and reassurance to us. We are definitely anticipating that in extending the limb fitting services to meet the new load that the department will utilize carefully selected amputees possessing the necessary aptitude.

By Mr. Macdonald:

Q. Did you say there were 25 men during the present war who have lost limbs?—A. That is right, yes.

Q. Was that overseas or at home?—A. Overseas and at home.

Q. Are they back in Canada now?—A. The majority are back in Canada at the present time, yes.

By Mr. Cruickshank:

Q. Where are they being treated now?—A. In their home districts.

Q. You advocate that they be taken to Toronto?—A. We advocate that they be taken to one central division where the facilities are best.

By Mr. Macdonald:

Q. Do you happen to have a record of the men who have lost limbs?—A. In this war?

Q. Yes, in this war.—A. I have a record. I shall be glad to show you the record. I have the name and regimental number of every man and the type of disabiilty. I have it, but I do not want to file it and put it into the record unless it is desirable.

Q. Oh, no. That is not necessary.—A. We are in touch with every one.

By Mr. Cruickshank:

Q. You say that after the last war amputation cases did not get the treatment they should have had. Are these boys being properly taken care of now? If not, we want to know, because they should be properly taken care of.—A. I think the department is extending its facilities to the utmost of its ability at the present time.

Q. Are they sufficient?—A. We advocate centralization at one point. We feel that if these men are routed through one centre, going through with the same surgical staff, the same orthopaedic facilities, they will come out the better men. The department feel that they have very fine services across the country and want to utilize those services across the country as much as possible. We have made this suggestion simply from our own experience.

Q. I do not care particularly what the department thinks; the reason I am asking the question is to ascertain what these boys think. Are they getting proper treatment?

By the Chairman:

Q. You have no complaint to make about the treatment, it is this lack of centralization?—A. No complaint to make about treatment, it is the lack of centralization.

Mr. CRUICKSHANK: That is all right.

The WITNESS:

Occupational Therapy

Occupational therapy as a treatment and recuperative aid was little known before the great war. During the war it was inaugurated, generally developed and widely utilized, for men who through injury or illness were confined to bed or hospitalized for lengthy periods. Surgeons and medical specialists of the progressive schools placed a high value on the therapeutic effects of the interesting handicraft and instructions utilized. It served to interest and occupy the man's time and even developed in many cases new skills. With most men it served to distract attention from troubles and illness, through reducing worry and consequently became a material aid to earlier recovery. During the past fifteen years we believe that occupational therapy facilities of the department have, through changing conditions for men of advancing age and economies considered necessary, dwindled until at the outbreak of this war they had reached the point of being no longer considered a vital factor in the treatment of any but a few of the great war cases. Since the outbreak of the war most of the departmental hospitals have been crowded with young men of the new forces. It has been necessary to largely extend some of these hospitals to care for

numbers involved. We know of no plans or provisions as yet for a material increase in the occupational therapy services beyond the pre-war level to meet the greatly expanding needs of this war.

Functional Training

Functional training is considered definitely essential for injury cases, especially amputation cases, during the convalescent period. It is generally recognized by surgeons and medical authorities that nerves and muscles lose tone during the period of immobilization when the injured limb, muscles, tendons and joint structures have been actually damaged. It is obvious that those portions of the structures remaining intact must be functionally trained to meet normal requirements as nearly as possible. In the case of amputees when a substantial portion of the limb has been actually lost, the disturbance to the whole physique must be overcome and the portion of the limb, muscles, tendons and nerves of the stump remaining must be redeveloped and trained to accept the special strain which will be imposed through the wearing of an artificial limb as well as be adjusted to and tolerate that limb. In leg cases the whole art of walking must be readjusted to the degree necessitated by the site of the amputation. Should these important adjustments be left to some hurried advice and the widely varying degree of ingenuity of the man satisfactory progress cannot be made. There was a definite instructional service organized about the end of the last war. We considered this whole matter as too important to be left to chance. In this day of scientific development of every field we feel that scientific knowledge and experience in this field which can definitely shorten the adjustment period a great deal and enhance the efficiency with which artificial limbs may be utilized should not be ignored. Orthopaedic departments of general hospitals and workmen's compensation boards are now very definitely utilizing functional training to minimize effects of injuries, speed recovery and to ensure more normal adjustment permitting return to previous occupation in so many cases.

While considering this field of physical rehabilitation, we are reminded of a disturbing and irritating factor which interfered so seriously with the early or complete readjustment of so many of our amputation cases. This was the nerve factor. Following the amputation of limbs and the healing of stumps many men complained of nightmare-like experiences with their stumps such as pain in the amputated foot or hand. These troubles were due to some involvement of the severed main nerves. Some of these men suffered more or less agony for months and years. Before these manifestations were understood men were suspected of malingering or were led to believe that the pain possibly was a figment of the imagination. Subsequently some of these nerves would grow out to the end of the stump becoming apparent and were referred to as "nerve buds". When these conditions obtained, the wearing of artificial appliances caused varying degrees of discomfort even excruciating pain. Finally these conditions were recognized and operations were performed to afford relief. We believe that during the period of functional training experienced personnel under instructions of surgical staff could collect much valuable data on the supersensitive areas of stumps which would show up during the functional training period. This careful and early detection would undoubtedly lead to much earlier treatment of such nerve difficulties.

The CHAIRMAN: I think we shall stop there and adjourn until Friday morning at 11 o'clock, when Mr. Myers will proceed.

The committee adjourned at 1 o'clock p.m. until Friday, May 2, at 11 a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 13

FRIDAY, MAY 2, 1941

WITNESSES:

Lt.-Col. Eddie Baker, O.B.E., Managing Director for the Canadian Institute for the Blind and Secretary-Treasurer for the Sir Arthur Pearson Club for Blinded Sailors and Soldiers, and a member of the Dominion Executive of the War Amputations of Canada.

Mr. Richard Myers, Honorary Secretary of the War Amputations of Canada.

Mr. Arthur Roebuck, K.C., M.P.

Mr. Angus Beaton, representing the Pensioners under the 1901 Pension Act.

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1941

MINUTES OF PROCEEDINGS

MAY 2, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 11 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present:—Messrs. Black (*Yukon*), Blanchette, Cruickshank, Emmerson, Eudes, Ferron, Gillis, Green, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), Macmillan, McCuaig, Reid, Ross (*Souris*), Sanderson, Winkler—16.

On motion of Mr. Reid, the brief of the Army & Navy Veterans in Canada was ordered printed as Appendix "A" to this day's evidence.

Lt.-Col. Eddie Baker, O.B.E., Managing Director for the Canadian Institute for the Blind and Secretary-Treasurer for the Sir Arthur Pearson Club for Blinded Sailors and Soldiers, and a member of the Dominion Executive of the War Amputations of Canada, and Mr. Richard Myers, Honourary Secretary of the War Amputations of Canada, were recalled and examined.

On motion of Mr. Reid, the evidence submitted by Col. Baker and Mr. Myers before the Special Committee on the Civil Service Act in 1938 was ordered printed as Appendix "B" to this day's evidence.

A letter from Mr. Myers to Mr. H. A. Dyde, Secretary Canteen Committee, Department of National Defence, making suggestions re Canteen Profits, was ordered to be printed as Appendix "C" to this day's evidence.

The witnesses were thanked and retired.

Mr. A. W. Roebuck, MP., by permission of the Committee, made representations on behalf of Pensioners pensioned under the 1901 Pension Act.

Mr. Angus Beaton, representing pensioners pensioned under the 1901 Pension Act was called and examined. He supported Mr. Roebuck's statements.

The witness retired.

The Committee adjourned at 1.15 p.m. to meet again on Tuesday, May 6, at 11 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

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MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

May 2, 1941.

The Special Committee on Pensions met this day at 11 o'clock. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Order, please. I have received a brief from the Army and Navy Veterans in Canada, through the Dominion Secretary-Treasurer, Mr. P. B. Mellon. This organization has not asked the committee to hear a delegation. I would like your permission to place this brief on the record.

Mr. REID: I would so move.

(Army and Navy Veterans' Brief appears as Appendix "A".)

The CHAIRMAN: I should also like to ask the committee whether they are agreed to meeting twice a day if necessary. It may be necessary for us to have two or three meetings in the afternoon. Will the committee leave it to the chair to decide?

Mr. REID: A great deal would depend on what is going on in the house.

Hon. Mr. MACKENZIE: It will be the budget debate for the next few weeks, very likely.

The CHAIRMAN: I take it then that is agreed; if necessary, and if possible. This morning Mr. Myers will continue his statement.

Mr. RICHARD MYERS, Honorary Secretary of the War Amputations of Canada, recalled.

The WITNESS: If permitted, Mr. Chairman, I should like to place on the record a statement which I intended to place there yesterday with respect to section 21 dealt with in bill No. 17, section 11 on page 7. This is a supplementary statement with respect to section 21.

When section 21 was incorporated in the Act it was our impression that the intention of parliament was to give the Board of Pension Commissioners wide discretionary authority to deal with cases which they did not feel were entitled to pension under the Act but which possessed real merit by reason of military service in the line of duty, and so designed the statute to permit of compassionate awards. To the best of our knowledge there was no intention to limit the grant of compassionate pensions or awards where an award was already in payment under the Act.

Whilst many parliamentarians and others held high hopes and sincerely believed that it would be a means of providing for meritorious border line or hardship cases the Board of Pension Commissioners seldom utilized or applied the section. We appreciate administrative difficulties but we always felt it was possible to lay down a set of administrative principles governing the operation of the section. The board seemed to take the position that they were administering state funds and had no right to award pension unless there was in the first instance, entitlement.

Of recent years there has been a change of attitude by the administrative authorities. They have approached an admittedly difficult problem with wisdom, compassion and good judgment. They have awarded, to our knowledge a number of pensions to both men and widows under the section. We have not heard of a single case which has been open to question. As a matter of fact had

this section been applied in some of the more controversial cases in the past, some of the agitations for remedial legislation both administrative and otherwise would not have materialized. Since this question has arisen and the powers of the commission have been challenged by the auditor general with supporting approval of the Department of Justice, it is imperative that this section as now amended be approved. The case of Pte. C. L. No. 663794 already mentioned, is one affected. Mr. L. has no idea that this question has arisen. It is just as well that he should not. Unless this whole question is now cleared the commission may find it necessary to cancel all awards in this category. The tragic hardships which will follow should be avoided. This all brings to light a strange conflict of opinions. The Board of Pension Commissioners for many years made little use of this section and were harshly and widely criticized. The present Canadian Pension Commission undoubtedly influenced by the evident desire of parliament and the people of Canada for a humane administration of the Pension Act and by the intent of that section of the Act now numbered 63, undertook to interpret and meet the wishes of parliament and the people of Canada in the application of section 21.

Now I proceed with the presentation of the brief we are submitting. It will be noted on page 32 that the next item I have to deal with is that relating to orthopædic appliances.

Orthopædic Appliances

Orthopædic appliances are of vital concern to blinded soldiers and amputees; for the purposes of consideration these may be listed as follows:—

(*a*) Glass eyes.
(*b*) Artificial arms.
(*c*) Artificial legs.
(*d*) Orthopædic boots.
(*e*) Wheel chairs.

(*a*) *Glass Eyes.*—Glass eyes for blinded soldiers and those who lost one eye have been provided as an issue as required since the great war. These are furnished from stock supplies or by special manufacture at the orthopaedic centre, Christie Street Hospital, Toronto. We deeply appreciate the efforts that the Department of Pensions and National Health have made to ensure proper and adequate supplies. We have in times past criticized the department for what was considered to be inadequate provision of opportunity for men resident in districts outside of Ontario to secure the special fittings they needed especially when their eye sockets presented fitting difficulties. We believe that the eye maker should visit all the departmental centres once each year but certainly not less than once in each two years. The life of an artificial eye is, on the average, one year, though in some cases they may be used with safety and comfort somewhat longer. We consider it most essential that men who have lost one eye and wear an artificial eye in its place should be carefully and repeatedly instructed in the care which should be taken of the eye socket, the artificial eye and the remaining good eye. In such cases special care should be taken that a man does not wear an artificial eye too long to the point where it perforates and its vacuum becomes filled with putrid mucous or explodes, sometimes causing serious cuts to the socket. Further, the man should be instructed in the extra care he should take of his remaining good eye. He should be afforded a periodic examination to determine the need of glasses or change of glasses which should be provided without question. In addition to this he should be provided with goggles, particularly where he is engaged upon bush or other work involving hazards to his good eye. Protective goggles are also required by, and should be a matter of unquestioned issue to blinded soldiers for protection from weather or other hazards as required.

(*b*) *Artificial Arms.*—As an association we deeply appreciate the quality of artificial appliances and surgical facilities which have been developed and are available to amputees. We have been somewhat discouraged by the percentage of arm cases who are not making regular or practical use to a reasonable extent of the artificial arms and appliances available.

In general, we do not consider that this is due to the quality or design of the appliances but rather to the lack or meagreness of practical initial training in their use. Some men of course, have short stumps so that control of an artificial arm will be extremely difficult if not impossible and therefore at best of very little practical use. Other men with good useful stumps do make excellent use of their arm appliances which include special fittings for particular occupations. However, a large number of men with good useful stumps make limited or little use of the artificial arm because in our opinion they did not receive initial training and encouragement to the point where they developed a sufficient degree of confidence in and dependence on the artificial appliance to offset the initial discomforts of adjustments and training rigors involved. We believe that definite encouragement and initial training should be provided for arm Amps in conjunction with their fitting. This should include instruction and demonstration in the actual use of the arm appliance in performing a variety of practical functions applicable to the individual case. Unless this period of accommodation is bridged the incidents of failure to utilize artificial appliances will be comparatively high as for amputees of the great war. If a man is not trained during his period of fitting but is allowed to take up occupation first the odds are strongly against him ever becoming a successful user of an artificial arm.

Included in this functional training should be special instructions in the adaptation of uses of the good hand. We have seen a keen and ambitious man using one hand for an amazing variety of functions which another man who is not so imaginative or ingenious would never initiate or develop by himself.

At this point we wish to draw attention to an inconspicuous but important item effecting arm amputees. Every man who has lost one arm develops a considerable use of and dependence on his front teeth in holding and otherwise assisting his one good hand in a variety of operations. Some men are not always as careful as they might be and damage to teeth results. In time these damages may have serious results as well as involving considerable repairs. Finally, when these men lose their front teeth they are faced with a serious problem since they find it difficult to secure an artificial substitute equal to the many tasks demanded. We believe that during the course of functional training these men should be instructed in the precautions to be observed when using their teeth and we believe consideration should be given to the dental problems either through augmentation of clothing allowances or the provision of dental treatment by the department.

(*c*) *Artificial Legs.*—Artificial leg appliances and service facilities have been developed by the Department of Pensions and National Health to a point where our association believes they rank with the best in the world. Artificial appliances for leg cases are more generally and steadily worn than the arm appliances. This is undoubtedly due to the greater dependence on them for the freedom of movement. Here, again, however, we feel that specific training in their use would improve the prospects for many men in walking and postural habits and would shorten the period of accommodation while relieving adjustment discomforts. Bad walking and postural habits especially in cases of knee-bearing or above knee cases are in our opinion directly related to ills which some members of our association have suffered due to maladjustments of the spine which have developed involving strains and interference with normal functions.

We appreciate the medical arguments favouring the use of a peg or pylon leg to facilitate shrinkage and toughening of the leg stump until a full-fledged artificial leg is properly fitted. We also believe that some functional training should be given to develop the good foot and leg to meet extra demands so that they may take the strains which will eventually be placed on them. When the completed artificial limb is available and fitted serious functional training should be given to ensure avoidance of bad walking and postural habits and the most effective use of the appliance. This training should include special instruction and precautions to be observed in keeping the leg and harness in proper adjustment and in reporting for check and necessary repairs periodically. Instructions should also be given in the precautions which should be observed to avoid accident which might cause serious injury to the good foot, leg or body. We, as amputations, place the highest importance on the good, efficient, well-managed artificial leg. Through its use a man may ordinarily move about in a fairly normal manner and because of this will be subject to less comment, embarrassment and discount in the employment field. This is especially important in industry where unless the average workman has apparently the full use of both arms and legs he is apt to be considered subject to employment prejudice.

The CHAIRMAN: I should like to ask you a question at this point, Mr. Myers. You were speaking of functional training for the correcting of bad walking habits and also for the care of the teeth where they are used to assist a good arm. Do you mean compulsory functional training?

Col. BAKER: May I answer that, Mr. Chairman?

The CHAIRMAN: Yes.

Col. BAKER: I think that in all this training, it must be a matter of leading rather than driving; but I think there are few men who would refuse to accept reasonable instruction.

The CHAIRMAN: If it were offered?

Col. BAKER: Yes. We do think it is very essential that the training should be provided, made available, and the men encouraged to take advantage of it.

The CHAIRMAN: Thank you.

The WITNESS: Continuing with our statement, the next subject is orthopædic boots. I might say this question of orthopædic appliances is a very vital matter in the life of men who have lost limbs or eyesight. Col. Baker is extremely interested in this subject and you will appreciate that the character of his answer was of such a nature that it would be impossible for me to make it as concise as that. Continuing the statement:

(*d*) *Orthopædic Boots.* Orthopædic boots have always been considered as an issue to a man with an injured foot or leg condition requiring their use. Our experience with men who have lost one leg in the last war has clearly indicated many conditions arising in the other foot or leg. This has been variously ascribed to additional strain in balancing, resting weight on the good leg when standing, extra tension and strain when walking over rough ground, up or down hills or under slippery walking conditions. This extra strain appears to have caused the development of conditions affecting the foot in particular. It has been suggested that an initial provision of an orthopædic boot for the good foot tends to develop a dependence on such special support. On the other hand, individual experience appears to indicate that the wearing of an ordinary factory boot designed for ordinary wear by a man balanced on and using equally his own two feet unless checked frequently may cause serious mal-adjustment to the foot structure. Following discharge of amputees at the end of the last war no frequent or periodical medical examination of the ampu-

tee's good foot was provided. Hence many men struggled along for many years under difficulties until finally they were forced to report and complain of some disabling condition of the good foot. In many cases the developed condition of the good foot was such that the cause was readily conceded and additional pension granted. To use this seems to be a hard and unnecessary road for the leg amputee. This has been the subject of widespread discussion throughout our association for many years. We believe that for all knee-bearing or above-knee leg amputations or below-knee amputations who have any special difficulties in walking orthopædic boots should be a matter of unquestioned issue if required.

(e) *Wheel Chairs.* We have appreciated the provision of hand-operated chairs by the department to double leg amputees and the reasonable consideration which has been given to inside and outside requirements. Our association and especially many double leg amputees of the great war have felt very keenly, even with some degree of bitterness, the lack of provision by the government of Canada of motorized wheel chairs for outside use, especially when a comparatively small number involved is taken into consideration.

The practice of the British Ministry of Pensions with which our membership is familiar, is clearly stated in the following:—

> The Ministry of Pensions has supplied about two thousand wheeled chairs to disabled ex-service men. (About five hundred of these have motor attachments.)
>
> When an application is made to the Ministry of Pensions for a motorized chair such application is referred to the Red Cross Society, the ministry at the same time stating whether the man is, from a medical standpoint, suitable to handle a chair and whether or not such a chair would be beneficial from a health point of view. The matter of deciding whether the man is able to handle a chair, is left to the licensing authorities.

We believe that a double leg amputee who must depend on a chair for outside locomotion and where the operation of a motorized chair would be licensed by the provincial licensing authority and where the medical authority of the department concedes that it would be safe from a physical point of view, that motorized wheel chair should be provided. Whilst our men of the great war through age and disappointment have become discouraged, we realize that this subject will become a live and keen issue for any young double leg amputee of this war. We therefore feel it to be our duty to ask for special investigation as to the sources of supply and provision of motorized wheel chairs without question where applicable.

By Mr. Green:

Q. Are there any of these chairs in use now by veterans of the last war?—A. Do you mean motorized wheel chairs?

Q. Yes.—A. In Great Britain there are quite a few, yes.

Q. But in Canada are there any?—A. Yes, there are quite a number; not very many.

By Mr. Cruickshank:

Q. How many double amputation cases are there in Canada?—A. About 95. But not all of these would be eligible for a chair, because some of them would have other wounds in addition to the two legs off.

By Mr. Green:

Q. Has this request ever been made to the Canadian Government?—A. The request has been made by resolution of the association on several occasions to the Department of Pensions and National Health.

Q. What is the answer?—A. The answer is we have not had any action. I might tell you that we have had some difficulty with the double leg amputees. There are some particularly fine chaps whose legs are off to the hip, just below the hip. They feel very bitter about that. There is one chap by the name of Hines in Toronto whom I remember very well. He would not come around to the amps. association because he felt we had not pressed the matter far enough.

By Mr. Cruickshank:

Q. How much do these chairs cost?—A. Around $500 or $600.

By Mr. Green:

Q. The policies of the different governments have been that they would not put up the money. Is that the idea?—A. I would not put it just that way. Perhaps we did not make the case strong enough. We want to be fair about these things. Experience develops a lot of answers which might not have been available previously. We should like, Mr. Minister, to have the matter considered. We have not pressed it, I might say, in recent years, because these chaps have got so discouraged that they feel it is a sort of hopeless thing to ask for.

Continuing:

Research:

We would like to see some established provision within the orthopædic branch of the department for the conduct and encouragement of research in respect to orthopædic limbs and appliances. We suggest that this might take the form of selecting a member of the staff of the orthopædic branch having an inventive turn and mechanical aptitude to be officially known as in charge of research and testing of new ideas. This officer of the department should be given necessary encouragement and his efforts should be supplemented by a bonus provision available for any member of the staff or any war amputation for an acceptable improvement. We consider that the most efficient appliances are essential and that the government and the people of Canada will prefer to have the satisfaction of knowing that the standards of Canadian government orthopædic appliances for their war injured are kept among the foremost in the world.

We appreciate the efforts which have been made to improve these appliances in past years, especially in connection with metal limbs, ankle joints, stump socks and glass eyes. However, we are definitely of the opinion that the staff of the orthopædic branch should be given the recognition they deserve and the degree of encouragement which will ensure continuing interest and effort.

I am specially drawing that to your attention, Mr. Minister.

Purchasing arrangements—Orthopædic Appliances

Before we leave the subject of orthopædic appliances there is one item in which our association will deeply appreciate the considerate co-operation of the Department of Pensions and National Health. From time to time veterans with good service records suffer non-compensable accidents and require an artificial limb. Those who come under the provision of workmen's compensation are usually served by the departmental orthopædic centres under agreement which also covers non-soldier workmen's compensation cases.

Where any veteran has suffered a non-compensable accident resulting in the loss of a limb the association would appreciate the privilege of purchasing from the department orthopædic appliances on a basis similar to that enjoyed by workmen's compensation boards.

We are keenly interested in these men. We make them associate members and we help them in every way possible to become re-established.

[Mr. Richard Myers.]

By Mr. Green:

Q. Mr. Myers, what is the reason that that cannot be done now?—A. It has not been really pressed. We have had the individual cases come up from time to time, and probably the main reason has been perhaps the attitude of the private orthppædic limb makers.

By Mr. Reid:

Q. Is it not a fact that they have protested very strongly to the government against promiscuously supplying men with orthopædic shoes and that that has been given some consideration by past governments?—A. We must face the fact that the provincial workmen's compensation boards are able to purchase through the department and obtain apparently what is a satisfactory price to them; and after all, they are merely protecting the accident funds of industry. I do not think that the complaints that have been made will hold water when the numbers involved are taken into consideration.

By Mr. Green:

Q. Can they be purchased by your association from the government now at any price?—A. No.

Q. They cannot be purchased?—A. We cannot purchase them, no. The government is not in the business.

Q. I know. But that is the situation?—A. For instance, I will give you a case in point. I had a man who came to see me. He was a fireman for the city of Toronto, a veteran and a fine fellow. I might say that this was in the last six months. Something happened which made it necessary for him to have his right leg amputated. He had a very good service record. His comrades in the fire department, the returned men, were prepared to purchase for him an orthopædic appliance, but the man wanted more than anything else an appliance similar to that issued to the soldiers. We tried very hard to do something for that man.

Q. Was he a veteran?—A. He was a veteran.

Q. You are asking for permission to buy these appliances for all veterans, whether they belong to your association or not?—A. That is right; for any veteran. We want to help these fellows, and we do help them. As a matter of fact, we have a man in the Ottawa Civic Hospital at present with two legs off. He is right in the Ottawa Civic Hospital this very day. One of his legs has been re-amputated. That man is in need of two artificial appliances at the moment. We have got to do something for that young man and our Ottawa branch has undertaken to see that he gets two legs.

By Mr. Cruickshank:

Q. Is he a veteran?—A. Yes, sir.

By Mr. Green:

Q. Would your request not be met if the government would sell to any veteran who needed a limb? For example, is it necessary that it should go through your association?—A. Oh, no. I think from the point of view of the government that would be much preferable. It is a matter of protecting the government and the men themselves.

By Mr. Gillis:

Q. What is the government's objection to an arrangement of that kind?—A. I do not think there is any really serious objection; it is a question of pressing the issue.

Q. They do not want to go into competition with private manufacture?—A. Naturally, that is one of the objections.

Mr. GILLIS: I, myself, do not see it as an objection where veterans are affected.

By Mr. Cruickshank:

Q. Does the government purchase them originally from private manufacturers?—A. No; the government manufactures their own. It has all developed around the Amps of the last war. They have wonderful facilities. It would be a fine thing if this committee could visit the orthopaedic centre in Toronto; you would understand why we are asking for centralization of this work.

Mr. CRUICKSHANK: I think it would be a better idea if Mr. Graham Towers went up and saw some of these fellows.

The WITNESS:

Treatment Entitlement Certificates

Since the Great War we have studied the difficulties encountered by pensioners securing treatment consideration without delay, especially if they happen to be working or residing outside of the treatment district in which their files were located. We have suggested before, and again urge that every disabled man discharged from active service forces be given a treatment entitlement certificate on which will be listed the injuries or conditions of service connection and for which he is entitled to treatment. This certificate should as well carry his identification particulars and should be acceptable to any departmental treatment authority in Canada.

By Mr. Green:

Q. That is to avoid delay?—A. Avoid delay, and it would save an awful lot of work for the department.

Q. That, of course, would apply only to pensioners, would it not?—A. It would apply to any man discharged from the forces who is entitled to a certificate. A man might not be pensionable but he might be entitled to treatment; he might have had some minor condition, or he might break down, of course.

Q. It would only apply to treatment for that particular condition?—A. For that particular condition.

Q. Otherwise, he might have half a dozen other things?—A. That would not help him.

By Mr. Reid:

Q. You do not make that clear in your brief. Your brief states "every disabled man discharged from the active forces."—A. One of the difficulties in drafting these things is to get the point over.

Mr. REID: I realize that.

By Mr. Green:

Q. What delay is there now, Mr. Myers?—A. I will put it this way: my home district is in Toronto. I go to Vancouver. I am unknown. My artificial limb breaks down, or my injured leg breaks down. It would be necessary for the departmental medical authorities to contact Ottawa to ascertain that there was such a man and what his conditions were, and to get a report from Ottawa, before they could do anything for that man.

Q. Have you made this request to any of the governments of Canada?—A. We made the request years ago, but it was an involved matter at the time.

By Mr. Cruickshank:

Q. What was their objection? I cannot see why the government would have any objection; there is no money involved.—A. There are always difficulties involved in administration which even we, who are very closely joined together, appreciate.

By Mr. Green:

Q. Were you given any specific reasons why your request was not granted? —A. I have rather found the reactions somewhat favourable lately. As a matter of fact, all these suggestions are based upon our experience—every suggestion that is made to the committee.

Pension Status While on Treatment

For many years the association has felt that each time a pensioner enters hospital accounting procedure, disturbing delays and even mistakes could have been avoided if during hospitalization pension payments were continued without interruption and in the case of partial pensioners treatment allowances necessary to supplement up to recognized standards were provided. This would avoid stopping the man's pension on admission to hospital and starting treatment pay and allowances and at the end of hospitalization stopping pay and allowances and starting pension again. Difficulties were multiplied in some cases when several periods of hospitalization succeeded closely. Whatever may be the necessity and point of view as to the maintenance of essential family income while in hospital it has been nevertheless the fact that frequent disturbances of a man's pension income with attendant delays seems to introduce avoidable elements of worry from both the economic and psychological point of view.

Q. Mr. Myers, why has a change of that type not been made? What reason do you give?—A. I have never really been able to understand why it has not been made.

By Mr. Cruickshank:

Q. Have any reasons been given to you? It makes it much easier for us to understand. Personally, I am quite in favour of these things, and I would like to know what the objection has been?—A. They operate under an order in council known as P.C. 91, and that order in council lays down procedure as affecting all these cases. The net result is that there has been built up a very efficient accounting system. Any suggested change in the system is naturally a matter of concern.

By Mr. Green:

Q. Have you in mind any particular changes that could be made in P.C. 91? This is a matter of interest to us, and it seems to me that you people are the right ones to suggest what you think should be done to meet this requirement.

Colonel BAKER: Mr. Chairman, in connection with this matter we are simply suggesting what appears from our experience to be a reasonable change. We realize that it would be a change of an accounting policy which has been in existence for a long time. We have seen the adverse effects of delays and disturbed state of mind on the part of some of these men, and we have felt that if we could eliminate stoppage of the pension and then having to start it again, with some delays and, as in the best regulated accounting departments, occasional mistakes which later have to be rectified after some arguments, it would simplify the matter considerably.

The reason as to why the change has not been made in the past, I suppose, is that the authorities have not been sufficiently impressed with any arguments

we have been able to bring to bear to lead them to go to maybe considerable effort and some expense in readjusting their whole system.

By Mr. Reid:

Q. Is it not a fact, Colonel Baker, that in most instances when a pensioner goes to the hospital and receives pay and allowances, the pay and allowances are greater than his pension?—A. That is quite correct.

Q. So that if a change is made some adjustment would have to be made, because it would be a distinct loss if we changed the Act now and simply continued the man's pension?—A. Our suggestion, sir, is simply that the pension be left undisturbed. If the pay and allowances would be in excess of the pension received, then without disturbing his pension you would simply supplement it to bring him up to the level which he would receive on full pay and allowances. If, on the other hand, his pension was equal to or in excess of the allowable pay and allowances during hospitalization, there would be no supplement and no disturbance.

Mr. REID: Personally, I think there is a great deal of merit in the suggestion made, but I for one would not like to see the ex-service men lose.

Colonel BAKER: They could not lose.

Mr. GREEN: As I understand it, the question is not that they will lose but that the pension should be continued. As it is now, it is cut off and there is a gap between the time of cutting off the pension and the time of receiving pay and allowances.

Mr. Chairman, have we anybody from the department who could explain why that could not be done now? There is no doubt that it does cause great worry to these men and their families.

The CHAIRMAN: Yes, Mr. Green, we will call Dr. Ross Miller, later.

Mr. GREEN: Who is the head of the particular branch responsible for this?

The CHAIRMAN: Dr. Miller. I take it we can defer our questions on this point until Dr. Miller appears.

The WITNESS: We have referred to the position of seriously wounded soldiers. We are very close to these men. We have some knowledge of their mode of life, helplessness, home surroundings, etc. Fortunately of the few cases we have in mind, the devotion of wife and family is unquestioned. These men have to be given constant attention. In the odd case continuing home care has become impossible and removal to a civil hospital for incurables a necessity. As an association we feel that soldiers' hospitals should be open to these men even if secondary conditions have not been given recognition and it is necessary to continue pension payments to keep home intact.

We also feel that these men should be permitted to enter soldiers' hospitals for brief periods even if treatment is not required in order that they might enjoy companionship and fellowship of comrades. This would also afford those at home who have been in constant attendance day and night, a respite. As an association we are very interested in these courageous but sometimes disappointed men who expect that Canada will do everything possible to make their remaining days as happy and as comfortable as possible.

By Mr. Green:

Q. These are all pensioners?—A. These are all pensioners. There are cases of men who are utterly hopeless. I had a call just recently from one of these men. I happened to know the family very well. His wife is a charming lady. This man said to me, "My wife's health has broken down; I have to get a male attendant to bathe me and look after me." He said, "My wife should go away." He said, "Will they let me go to Christie

Street Hospital?" I had to answer "No." After making some inquiries, that was substantiated. They would take that man in as a class 4 case. In other words, they would take him in as an indigent veteran. This type of man feels entirely different about it.

Q. That is for institutional care?—A. That is for institutional care. I do not think there are more than twenty-five men in this particular category in the country. We know them, and they need to go in probably once in six months to get a change of surroundings, or in the case of family necessity because of the tremendous burden which they impose upon their families. They need to be given hospital care and attention according to the circumstances.

Q. What reason do they give for not taking them in?—A. No provision.

Q. P.C. 91?—A. P.C. 91.

Q. This is another question for Dr. Ross Miller?—A. I think Dr. Miller would be interested in the question.

Soldiers' Insurance

While discussions are occurring throughout our association in respect to insurance we are not in a position to express association opinion as a whole at this time. We realize, however, that soldiers' insurance was developed at the end of the great war to meet certain conditions. There were many features which were most commendable and undoubtedly benefits were far-reaching. However, we also realize that some conditions have changed; also that definite objections, especially to clause 6 in every soldier's insurance policy has been the cause of much controversy and complaint. This clause provided that if the dependent beneficiary became eligible for pension then the insurance policy was voided subject to the payment of an insurance bonus plus return of premiums with interest compounded.

We believe that the operation of the Soldier's Insurance Act for veterans of the great war and the present status of the fund should now be carefully investigated with a view to careful determination of an equitable basis on which soldiers' insurance provisions may be made available to men who have served in this war. Also, we believe there should be determination as to whether great war veteran policy holders whose insurance has been in effect for ten years or more should now be relieved from the restrictions imposed by clause 6 of their policies.

Mr. GREEN: May I ask the minister if there has been anyone in his department working on the question of returned soldiers' insurance for men of the new force?

Hon. Mr. MACKENZIE: Yes, one of the subcommittees is going into that question at the present time.

Mr. GREEN: Will they be making a report to us?

Hon. Mr. MACKENZIE: I doubt if there will be time to finish the subcommittee's report for this session. It will be available next year. Mr. Woods, do you remember how that report is getting along now?

Mr. W. S. WOODS: I am not sure, sir.

Mr. CRUICKSHANK: May I ask the minister a question? Will there be anybody before this committee from the department whom we can question in connection with this particular class? There has been an awful lot of trouble and difficulty in paying pensions. In some cases widows have to wait six months to get their cheque.

Hon. Mr. MACKENZIE: With regard to the present war?

Mr. CRUICKSHANK: No, the last war. Men who were insured in the last war and died. Their widows have had to wait six months. I know some

typical cases. I brought one to the attention of the department in the last two months. I want to have somebody before the committee whom I can ask about this delay. I should like to ask him should there be any earthly reason in not paying the pension of a man who is dead. When he dies, he is dead. If the doctor gives a certificate he is dead surely there should be no difficulty in the payment of the insurance right away. There should be no question of delay. I do not mind telling you of one case. It was my own brother. We had to wait six months before the insurance was paid.

Hon. Mr. MACKENZIE: You are speaking of insurance?

General McDONALD: Mr. Cruickshank brought it to my attention.

Mr. CRUICKSHANK: That was the one I brought to your attention and it was paid right away.

General McDONALD: There should be no delay.

Mr. CRUICKSHANK: It happened in this particular case; I know that.

General McDONALD: I think there may be cases where the information was not made available by the beneficiary.

Mr. CRUICKSHANK: That did not happen in this case because I happened to do the making. There is something lacking somewhere. I should like to ask some official why this laxity takes place and insist that they see it is rectified.

General McDONALD: If the information comes from the beneficiary, together with the necessary information as to death, there should be no reason at all for delay.

Hon. Mr. MACKENZIE: Will you give us the information with regard to that?

General McDONALD: The Returned Soldiers' Insurance Act is under the administration of the Minister of Finance.

Mr. GREEN: Is there not a delay because of clause 6?

General McDONALD: In what way?

Mr. GREEN: Where a widow is beneficiary and is entitled to pension as a widow.

General McDONALD: As soon as the cause of death is ascertained a ruling is given by the commission and if pension is awarded the woman who is the beneficiary gets $500 plus return of premiums, and there is no delay in that.

Mr. GREEN: But she does not get full insurance?

General McDONALD: Not if pension is awarded.

Mr. GREEN: Is there any delay pending decision as to whether she is entitled to widow's pension?

General McDONALD: That does not affect the payment of $500. Most of the policies are on an annuity basis. Very few are payable in a lump sum.

Mr. GREEN: You should pay out the $500 at once.

General McDONALD: Yes.

The WITNESS: I shall now continue with re-establishment.

Re-establishment

We have now come to the vital function of actual re-establishment in occupations and civil life. Our association has gained much experience in the placement field through the first-hand knowledge of the problems involved and through the contact of a specialized service for unemployed amps of the great war, since October 1937. For some years previous to that time we realized that the unemployment problems of amputees scattered through Canada were not always understood and fully appreciated by existing general

employment services. The average employment officer with general experience usually is in full enjoyment of and dependent on both arms and both legs and finds it extremely difficult to imagine himself or anyone else being fully efficient in almost any job if deprived of one of them. No salesman can be reasonably successful in selling a bill of goods if he is not fully familiar with their quality or convinced of their full value. We therefore decided that we must arrange for a placement representative with first-hand experience with amputees who could study the problems of each man unemployed and determine the particular type of occupation that could be followed and whether the employment opportunity could be found. The provision of this specialized placement service was the subject of representations to the Minister of the Department of Pensions and National Health who, after consulting officers of his department, agreed to provision for an experimental period. This was done by the association under the authority and with the fullest co-operation of the department. The results to date have been not only encouraging but the most effective proof of the necessity and efficiency of such a service. Hence, it is planned that this specialized placement service for amputees as developed for the men of the great war shall be continued and amplified to meet employment service and aftercare requirements of amputees of this war. Already encouraging results in some of the new amputee cases arising in this war have been achieved.

By Mr. Reid:

Q. What year was that in?—A. 1937.

By Mr. Green:

Q. Mr. Myers, there has been an employment officer appointed by the government whose duty it is to deal with amputation cases?—A. No; that employment officer is appointed by the amputation association. The government subsidizes—

Q. The government contributes towards its cost?—A. That is correct.
Q. He is still working?—A. He is still working.
Q. Who is that?—A. He happens to be present—Mr. Hodgson.
Q. He covers the whole of Canada?—A. He covers the whole of Canada.

By Mr. Blanchette:

Q. Has this been done only since 1937?—A. Yes, in this way, since 1937.

Q. I might say for the benefit of the committee that I have had some experience in this regard. Shortly after the last war I had experience with the Walter Reed hospital in Washington, D.C., which was associated with the American army in reconstruction work. Immediately after the last war the American government took steps to see that something might be done as has been suggested here. The results were simply wonderful. All surrounding industrial classes came in contact with the department of the Walter Reed hospital. Just as soon as a man could do effective work in any particular line with the training he had received at the hospital he was placed in work.—A. Yes, I understand the work of the Walter Reed hospital has been very wonderful, and their construction habits have been very fine. As a matter of fact some of them are patterned on reconstruction plans that obtained in Canada at the end of the last war. There was some form of specialized placement as far as amputations were concerned carried on by the department itself at the end of the last war; but that continued only for a short time after the end of the last war. I do not want my answer to be misunderstood as giving the impression that nothing has been done. There was a lapse of many years between the cessation of one and the commencement of the other.

At this point we wish to most definitely reiterate our statement that this specialized placement and aftercare service for amputees is not a preferential service but simply auxiliary to the general existing departmental rehabilitation service which in present or amplified form will ordinarily deal with amputees for all general requirements. This specialized service will, because of special understanding and experience, aid the general service in accomplishing more effective and speedy solution of the individual amputation problems involved.

Re-employment Certificates

At the association convention September, 1939, we considered general employment difficulties following demobilization at the end of the great war. We dealt with this matter as follows:—

> Whereas: Canada's war effort will apparently involve service at home and abroad, and
>
> Whereas: At this time the voluntary system of recruiting for necessary forces is being employed, and
>
> Whereas: Both married and single men in a fairly broad age group are being accepted for active service, being drawn from governmental, private employment, business, industry, agriculture, etc., and
>
> Whereas: Our experience following the last great war clearly showed that apart from dominion government services, some provincial and municipal services and some private employers, no protection was given in respect to re-employment on return from active service,
>
> Therefore be it resolved: That we, the Amputations' Association of the Great War, in 17th Dominion Convention assembled at London, Ontario, September, 1939, with much experience and the desire to see those who serve in this war protected, express our earnest appreciation of the undertakings already definitely given by the government of Canada, some provincial and municipal governments and some private employers ensuring re-employment of men who enlist on their return from active service,
>
> And be it further resolved: That we petition the government of Canada to immediately anticipate the problems of demobilization by considering the enrolment of all employers of men enlisting for active service in this war in a scheme providing for the issuance of Honour Re-employment Certificates in which they will agree to re-employ such men on release from active service.

By Mr. Green:

Q. Has anything been done along that line?—A. No, not that I am aware of. We have made submissions. I will read the rest.

Copies of this resolution were forwarded to appropriate government authorities. The resolution is now being drawn to the attention of the committee as an indication of opinion throughout the association concerning problems which caused so much distress to so many deserving men more than twenty years ago. We are of the opinion that a scheme of this character should be adopted otherwise there will be a definite public demand for legislation covering employment quotas for ex-service men in private industry.

Careful study of employment experience for ex-service men in general and disabled ex-service men in particular through prosperous, normal and depression periods has led us to a very definite opinion, amounting to a conviction, that failing a regulation or inducement for employment the old difficulties in greatly accentuated form will be experienced after this war. Obviously private business and industry operating on our highly competitive profit motive basis will, through fluctuating business and production periods represent considerable instability of employment for most. Social legislation and municipal relief is

not a satisfactory solution for unemployment. Unemployment insurance may tend in some degree to stabilize employment and protect employees but will not in our opinion, be the complete or satisfactory solution.

Before this war business and industry were applying, to an ever increasing extent, the policy of employing only the young and obviously fit, 18 to 40 years of age. Men past this age were discharged right and left while their family responsibilities for maintenance of the home and education of the children were at or just reaching a peak. Such men could scarcely hope to maintain the established standard of living especially when dependent on casual or unskilled employment left open to them.

Also many mining corporations and industries employed strict medical examination and supervision of employees; defects in vision, hearing, etc., being regarded as sufficient to disqualify men for employment or to warrant discharge. This policy is apparently dictated by a desire to reduce types of accident risks actual or presumed and to promote increased production. There is a very large question in our minds as to where this mania for efficiency and profit in the face of ruthless competition will lead us. If men with physical defects, even slight, and others who have passed the age of 35 to 40 are to be excluded from employment in many businesses and most industry then what chance will there be for the employment of the average returned soldier and especially the partially disabled, including the amputations?

We are prepared to discuss fully with the general committee on demobilization all questions affecting the re-absorption of the general group in employment on demobilization. We have already discussed with the minister of the department and the sub-committee on major disabilities, the provisions we considered necessary for the treatment, training and re-establishment of major casualties, especially those who are blinded or suffer amputation. A comprehensive statement on this subject was prepared and presented to the minister and the sub-committee for consideration.

Workmen's Compensation

There is one important feature which should be mentioned in respect to the employment of the disabled. Early in the rehabilitation programme for the disabled of the great war the late E. H. Scammell, former secretary of the department, recognizing much fear and some prejudice on the part of employers in respect to the employment of partially disabled men because of presumed increased risks of accident, negotiated with Mr. Wormwith, former secretary of the Ontario Workmen's Compensation Board, a scheme under which the department undertook to accept responsibility for all accident costs and reassured employers across Canada.

The order in council has been adjusted from time to time but for some years the arrangement has been that the department assumes compensation responsibility for all partially disabled veterans whose war disability is rated at 25 per cent or more while workmen's compensation boards assume responsibility for administration and without question any liability for those who have less than a 25 per cent war disability.

In our experience this is a very helpful scheme but unfortunately has not been as effective as intended. Some of the larger employers of labour are familiar with and take advantage of the arrangement but with those few exceptions employers are practically unaware of the existence of the scheme. We recommend consideration be given to the maintenance and even extension of present provisions subject to the understanding that every employer in business and industry in Canada be officially notified from time to time.

By Mr. Green:

Q. Has that ever been done, do you know?—A. I do not think it has ever been done.

Q. Perhaps the minister could tell us.

Hon. Mr. MACKENZIE: I do not think it has ever been done.

Mr. GREEN: But, it is quite possible.

Hon. Mr. MACKENZIE: Oh, yes, quite. I know that payments on this account have to be made under governor general's warrant for the reason that it is impossible to know in advance what number of cases may develop during any one year. I recall at the moment that we just recently secured a warrant for $50,000 for one year's payment under this arrangement.

Mr. GREEN: Then it would be quite reasonable for the department to send off notification to the different employers?

Hon. Mr. MACKENZIE: I think so.

Mr. GREEN: That might have a very decided effect on employment.

Hon. Mr. MACKENZIE: Yes.

The WITNESS: It would.

Mr. BLANCHETTE: Supplementing what the minister has just said, I have a case in mind which happened just recently which shows the lack of knowledge on the part of industrial interests with regard to this special compensation for disabled soldiers. Last week I was down to Quebec city and tried to have a chap with one leg missing placed under the youth training plan with a view to having him take some mechanical course. Immediately I was told it was impossible for him to follow that course because even if he did he would not be able to get employment afterwards on account of the workmen's compensation restriction. Evidently this chap didn't know anything about it. If this arrangement exists it should be publicized as much as possible so employers will be acquainted with it.

The WITNESS:

Civil Service Employment

Our association is satisfied with the present provision of a preference in the civil service of Canada for returned soldiers in general and the disabled soldiers in particular. This preference should without question be fully and freely extended to men who serve in this war and who may desire to enter the peace time public service of Canada. However, on or before the end of the war the government of Canada should adopt the policy of retiring women (and perhaps I should say in some cases, men) taken into the public service during the period of this war, as ex-service men of this war are available and apply. This is an established policy with the British government.

In our experience, however, we have learned that the civil service preference in respect to the disabled did not operate successfully for amputees until we established a specialized placement service capable of selecting our men with necessary aptitude for specific jobs in the civil service and then following through to make certain that prejudice resulting from ignorance or misconception did not operate against the applicant. Our specialized placement service for amputees which operates in respect to general employment is available to clear difficulties in the path of our civil service applicants. We propose to continue this service, amplified if necessary, to serve amputations of this war.

We know from experience that the example set by the dominion government, establishing the preference for disabled and returned soldiers during the great war had a far-reaching effect on the attitude of provincial and municipal bodies and private employers leading, in many cases, to the adoption of equivalent or similar preferences. Actually a conference was called by the dominion government in 1915 and was attended by representatives of the provinces and municipalities. At this conference the question of a

preference to be extended to disabled soldiers was determined and adopted by the dominion government with some of the provinces and municipalities following suit. We feel that some definite action of this kind should be taken to focus interest on the more definite and widespread extension of this preference for disabled ex-service men of this war. In fact we feel that unless the government of Canada, who will be responsible for the rehabilitation and re-employment of disabled and ex-service men of this war take active steps now to cultivate interest and practical measures throughout provincial, municipal and private employment channels and emphasize the good example they are setting that eventual re-establishment responsibility may bear heavily.

By Mr. Reid:

Q. That, Mr. Myers, does not fully answer the question I asked you the other day when you told me you would come to this part in your brief. What I had in mind is this, and I am going to cite one case to show how it operates: we had on the staff of the New Westminster post office a vacancy for a janitor, and until such time as the Civil Service Commission had time to advertise and get the position in order there was an ex-service man put in as janitor and he was there for some three and a half months. He gave most excellent service; in fact, he was rated as one of the best janitors that they ever had. He had served three and one-half years in France. After three and one-half months service as janitor the competition was held in accordance with the provisions of the civil service procedure and he naturally applied for this position as janitor, but when the returns came out it was found that a man with a 20 per cent disability pension was rated first, over him, although the man with the 20 per cent disability had had no experience with janitor work previously, having been a merchant. They neglected the fact that this ex-service man had given three years service in France, and he lost the position due to the fact that he had no pension. And now, I think, throughout my district at least and throughout British Columbia, you will find the feeling there that every consideration should be given to ex-service men; preference should be given to them, but the feeling is that no added preference should be given a man in a competition where he is competing with his fellow ex-service men, just because he may have a 15 or 20 per cent disability; hence the reason for my question about that.—A. I think it is a very fair question, Mr. Reid. I will proceed with the added statement which might possibly explain the general position.

Mr. GREEN: Of course, Mr. Chairman, that arises out of the fact that there is as I understand it a preference within a preference.

Hon. Mr. MACKENZIE: That is right.

Mr. GREEN: In other words, when a man has been disabled overseas and as a result of his disability has never been able to re-establish himself after coming back he gets this preference within a preference, but it is really very narrow.

The WITNESS: Very narrow.

Mr. GREEN: Comparatively few cases have been benefited by that, and in the case Mr. Reid mentioned, the man who had this job for three months must have known when he went on that it was only temporary; he never really had the position in the sense of being properly appointed by the Civil Service Commission.

Mr. REID: He realized that very fully. His argument to me was, I did equally as good service for my country in France because I was there three and a half years, but because I was fortunate in not being wounded and the other man who had only seen one year in France had received some slight wound and was in receipt of a 20 per cent pension—and on account of that he was given the position over this other very competent ex-service man. And I am

thinking of this war; I mean a man may be in the air force in Great Britain, he may risk his life, and come back safe but with a heart condition which probably is not pensionable; and I maintain it is hardly fair to cut a man of that type who has given valuable service and to give someone else preference, as in a case such as I have just mentioned.

Mr. GREEN: You are really attacking this preference within a preference; that is the sum and substance of your statement.

Mr. REID: Yes, but I want the preference maintained.

Mr. EMMERSON: The application of this preference has not been held only to the re-establishment of veterans.

Mr. GREEN: I think the wording of the Civil Service Act is that it only applies where a disabled man is unable to re-establish himself.

Mr. MCCUAIG: I gather that this man to whom Mr. Reid referred had re-established himself as a merchant.

Mr. REID: Yes.

Mr. MCCUAIG: If that is so, why should he have any added preference.

The CHAIRMAN: The chairman of the Civil Service Commission will be appearing before this committee and then we can have a general discussion of this question and that will probably give us some light on the problem.

Mr. GREEN: I think what it says is, to re-establish a man in an occupation he had before the war.

The WITNESS: Of course, you must clearly understand this; that this disability preference is a general preference. It is a prior preference. It is a prior right by reason of being a prior preference. The term used, preference within a preference, is hardly strictly in accordance with the facts. I perhaps had better get on with this statement.

Mr. GREEN: You presented a brief on this very question.

The WITNESS: Yes.

Mr. GREEN: And my recollection is that you covered the point very effectively. Could you give us that again?

The WITNESS: I will refer you to my statement.

Col. EDDY BAKER: Mr. Chairman and gentlemen, if I may say a word, I think that we should remember that the original idea of creating the preference was for the purpose of assisting men disabled during the great war to become re-established on their return to Canada. They were gradually returning even during the middle and latter years of the war, and the original preference therefore was a preference for disabled men. On or about the end of the war, however, that was extended in order to assist in general demobilization to cover the men who might not have been disabled.

The WITNESS: It is all outlined very adequately in the proceedings of the special committee on the operation of the Civil Service Act, report No. 33, of Friday, June 17, 1938.

Mr. GREEN: Perhaps you could read that statement later.

The WITNESS: I will get on with this portion of it.

The war amputations and blinded soldiers of Canada appear before this committee in the interest of the rights of disabled soldiers, dearly bought on our battle fields and to safeguard those rights for our courageous sailors, soldiers and airmen who are at this moment holding the line and fighting our battles in defence of our lives, homes and institutions. There are, perhaps, some people in Canada who might want to take advantage of their absence but thank God, the vast majority of the people will see that the game is played fairly and that the stricken will be succoured and in our victory they shall be held in high esteem.

In this spirit we must first pay tribute to the leaders of Canada who in the dark days of 1915 felt it was the wish of the people and their duty to lay down the following rule adopted by the interprovincial conference held in October of that year which is to be found in sessional paper No. 35A (1916):

> That all dominion and provincial government and municipal positions as they fall vacant be filled by partially disabled men if they are capable of doing the work required.

As a direct outcome provincial legislative action or orders in council followed. Provincial soldiers' aid commissions were established. Some of the provinces even provided vocational training. Municipalities absorbed returned men, industry likewise. Parliament by statute in 1919 set an example and provided a preference to the war disabled as well as to ex-service men with overseas service. This principle was extended to other acts and the policy of preference to the war disabled and ex-service men has been the policy of every successive government of Canada since the great war. We are convinced that the people of Canada desire that this policy be continued and strengthened if need be to the point of exclusion from the civil service of Canada of any person who is not prepared to defend our country or ready to give life itself if need be in the defence of our way of living which makes a democratic public service possible.

Our enquiries establish that the public services of Canada have been enriched by the presence of these men and that wherever ex-soldiers are located the standard of public service is high, ranking in calibre with any other public service in the world. If there is any doubt on this point the proper officers of the Civil Service Commission, provincial and municipal governments, are within call.

While there may even be a desire in some quarters to abolish the Civil Service Commission and return to the patronage system, not a single member of parliament has publicly registered a complaint as to the efficiency of ex-soldier employees. There has been a suggestion that the preference is not working out as intended or that it is unfair for a pensioned disabled soldier to enjoy a preference over the soldier who is not disabled. We have never seen a provision which was entirely free of criticism about some one of its details. Such criticism of details cannot be construed, however, as an indication of fundamental weakness or undesirability of the principle. If the preference needs strengthening we wholeheartedly agree that this should be done and we will co-operate.

As soldiers who know the full measure of the word comradeship we are firmly convinced that the vast majority of the real fighting soldiers earnestly desire that their wounded brothers be compensated for their wounds and be given opportunity for employment in a job they can do and be happy in. We have never known a real fighting soldier who was not an unqualified exponent of the golden rule and was as ready to concede to his fighting comrades who had been hit up the line, all the care and protection that he himself would expect under similar circumstances. Hence we have never known a real soldier who actually criticized the disabled soldier preference when it was applied in the case of another real soldier.

There have been complaints registered with members by front-line soldiers over the odd civil service position going to a pensioner whose service has been restricted and in Canada only. As a matter of fact many amputation cases with good front-line service have failed to obtain position for similar reasons. Whilst the soldier concerned was sometimes bitterly disappointed, as an association we have refrained from registering complaint. However, as front-line soldiers we must stand with our comrades who fought at our side and if experience demonstrates that both the disabled soldier preference and the soldier preference should be strenghtened to function properly, then we are prepared to assist in working out a formula but will have nothing to do with any scheme

or plan which might set returned soldier against returned soldier or anything which might tend to lessen a soldier's will power and determination to succeed in spite of any handicap.

The greater the disability the more restricted is the field of employment. The disability preference, however, is extended to all amputees on the same basis. We have always felt that a double amputee should enjoy a preference over a single amputee if he is capable of efficiently performing the duties required. Both of these men are unable to enter many of the competitions for positions as they fall vacant because of physical limitations. So they bide their time and wait until a position is advertised which they know they can fill. Since the position is advertised and many men want employment our men have to compete for the job they wait for with all comers. They also have to face the additional handicap of obvious disability which creates an immediate employment prejudice because, all things being equal, departments of the government prefer fit men or nearly so in preference to a man using a wooden leg or displaying an empty sleeve or wearing an artificial hand. They also face another handicap of competing on equal terms with men who have lesser disabilities even to a minimum of 5 per cent.

We have never complained. We are not starting now. It is only out of a sense of duty to seriously disabled soldiers of this war who perforce must depend on your consideration that our own experience is now placed in the record."

By Mr. McCuaig:

Q. Mr. Myers, is there a different regulation with reference to the disabled soldier's preference than with reference to the ordinary soldier's preference? I notice that you said that in some cases disabled soldiers who served only in Canada occasionally had a preference over some who served overseas. I thought the preference was only for those who served overseas.—A. No. There is a preference for all soldiers who served overseas and there is a preference for pensioners irrespective of where their service was.

By Mr. Green:

Q. Mr. Myers, is that submission you read to the civil service committee a very long one?—A. It is fairly long. It is a very interesting statement.

The CHAIRMAN: Could we not put that in the record?

The WITNESS: I shall be glad to table it. It is a very interesting study of the whole question, as Mr. Green knows.

Mr. GREEN: It refers to the whole history of the preference.

Mr. REID: I move that it be tabled and put into the record.

(Submission to Civil Service Committee appears as Appendix "B").

Mr. MCCUAIG: Could P.C. 91 be put into the record to-day? You referred to that, Mr. Myers.

The CHAIRMAN: We will obtain that.

The WITNESS: You can place it in the record.

The CHAIRMAN: Yes. We can place P.C. 91 in the record also.

Mr. GREEN: It is very long.

Mr. MCCUAIG: If it is long, I will withdraw my suggestion.

Mr. GREEN: You can get a copy of it.

The CHAIRMAN: We will get a copy of it for the committee.

Mr. REID: I would suggest that each member of the committee get a copy of P.C. 91.

The CHAIRMAN: We will try to do that, Mr. Reid.

Gentlemen, there are four paragraphs remaining in Mr. Myers' statement: one on war service gratuities, one on bonuses and service pensions, one on veterans'

bureau and one on a hand-book of information. I wonder if the committee would agree to allow Mr. Myers to just place those on the record? They are very short.

The WITNESS: I could read them into the record in three or four minutes, Mr. Chairman.

The CHAIRMAN: We have another witness whom we should very much like to hear, because he comes from a long distance.

The WITNESS: Whatever you wish gentlemen.

Mr. MCCUAIG: I suggest that we put it in the record.

Mr. GREEN: It will take only about three or four minutes, and it is much easier to follow if it is read. Then if there are any questions to be asked we can do so as we go along.

The CHAIRMAN: Very well. Proceed, Mr. Myers.

Mr. MYERS: Continuing with the statement:

War Service Gratuities

We naturally assume that provision for war service gratuities will be made for the men of this war as for those of the great war. Any reduction or economizing variations will be subject to misinterpretation and will create unfortunate impressions and attitudes.

We quite understand and sympathize with the view we have sometimes heard expressed that war service gratuities were wasted by certain men. These cases were, we believe, the exceptions to the rule. Our definite impression is that by all but a small minority the war service gratuity was appreciated and usefully applied, eliminating in many cases the necessity for other more costly re-establishment provisions. We should not forget that most of the men who served made substantial sacrifices in earnings and prospects and for this reason, if for no other, the war service gratuity should be awarded with good grace.

Bonuses and Service Pensions

Our association is already on record in the matter of continuing bonuses or war service pension provisions. The responsible self-respecting soldier who returns in reasonably fit condition from his war service is not, in our experience, seeking permanent subsidy. He does not want it and we do not think it develops a healthy attitude or that the country can afford it. If Canada meets to a reasonable extent its obligations to the disabled, their dependants and widows, and facilitates the re-establishment of all reasonably fit ex-service men on demobilization, together with the reasonable regulation of employment and general welfare provisions, then there should be no need for real soldiers to be brought into disrepute by the importuning few.

In this connection much will depend on the humane and practical administration of treatment, war disability compensation, veterans' allowances, re-establishment and other welfare provisions. If the administration is sufficiently considerate and elastic to take care of any case involving a reasonable degree of hardship, then arguments for omnibus benefits will be weakened if not eliminated.

Veterans' Bureau

We have participated in representations and negotiations which for many years continued around adjustment services intended to help veterans with their treatment, pensions and other problems. We have observed the operation of such services under both governmental and veteran auspices. Many changes and adjustments have occurred especially in the departmental services now known as the veterans' bureau. We appreciate the friendly and helpful attitude which in the main has been observed, especially in recent years. We see much in both the public and private services to commend but we also believe that there are inherent weaknesses in each.

If the best features of both could be continued in a veterans' service or welfare bureau financed with canteen and surpluses of other war service funds with or without governmental assistance and administered or administrated by an independent soldiers' welfare commission appointed by the government, then a most important step in the development of a comprehensive and adequate aftercare service for veterans will have been accomplished.

We believe that the possibility of establishing an adjustment service on a basis of this character should be carefully investigated. We feel that such a basis would insure efficiency of staff, records and services and promote confidence in the mind of the soldier having a practical problem. This suggestion is outlined more fully in a communication dated February 13, 1941, addressed to the Secretary of the Canteen Committee, Department of National Defence, and is tabled for the information of the committee.

We will place it in the record, if you do not mind.

Handbook of Information:

Coupled with the service of the veterans' welfare commission should be the publication of a handbook on information for veterans. This should contain authoritative information on treatment, pensions, veterans' allowances and other welfare provisions both governmental and private and would save many a veteran from worry; from the effects of unduly delayed treatment; from uncertainty as to provisions available for him under certain conditions; from uncertainty as to where he may turn for advice in his particular difficulty and from the effects of uninformed, ill-advised, idle or definitely subversive gossip and propaganda, calculated to undermine his stability or even his patriotism.

We believe that one of these booklets should be handed to every soldier on or before discharge. He will then have no excuse for ignorance or misunderstanding as to what he may reasonably expect or be entitled to since, if it is not covered in this book there will be definite directions as to an accurate source of information.

I am filing with the chairman a copy of the handbook of general information for ex-service men published by the Soldiers' Aid Commission for the province of Ontario.

By Mr. Green:

Q. Have you seen this little booklet "Notes on War Pensions"?—A. Yes.

Q. Published by the Canadian Pension Commission?—A. Which one is that?

Q. "Notes on War Pensions" published by the Canadian Pension Commission. Is that the type of publication you mean?—A. I have never seen it.

Mr. GREEN: Then I will ask General McDonald to tell us what this is.

General MCDONALD: That was merely a brief compilation which was sent out for the guidance principally of medical officers of the forces emphasizing to them the importance of records, and so on, during service. It is not intended to be a comprehensive guide for the public.

Mr. GREEN: Was that sent out since the present war started?

General MCDONALD: Oh, yes.

Mr. GREEN: Is there any good reason why a handbook such as Mr. Myers suggested should not be written?

General MCDONALD: I think it is a very excellent idea.

The CHAIRMAN: Mr. Green, the handbook submitted by Mr. Myers contains a lot of general information and very excellent advice.

Colonel BAKER: I may say, Mr. Chairman, that that was published by the Soldiers' Aid Commission of Ontario several years ago, simply as a trial effort. We had nothing to go by, and we can see where it could be improved. I have

no doubt that if proper consideration were given by the government, a really helpful but concise book of information could be got out.

The WITNESS: That is all I have to submit, Mr. Chairman, and may I thank you all for your very attentive hearing and express my regret to the witnesses who are waiting to be heard for having taken up so much time.

Mr. REID: Mr. Chairman, I should like to compliment Mr. Myers on his splendid brief.

The CHAIRMAN: I am sure the committee would wish me to express to Colonel Lambert, Colonel Baker and Mr. Myers our sincere gratitude for the very excellent presentation that they have made. They have given us a lot of information and helped us greatly, and we assure them that we will take into sympathetic consideration everything that they have said. Thank you very much, gentlemen.

Now we shall hear from Mr. Roebuck.

Mr. ROEBUCK: Mr. Chairman, perhaps I should apologize to the committee for multiple appearances, but I rely on your great courtesy, sir, and the indulgence of my colleagues on the committee.

I have the honour again to be before you to introduce a witness. Before doing so I should like to make an explanation which he desires me to make. You have just been listening to the case of the men suffering from physical injury, chiefly the result, no doubt, of violence. Mr. Angus Beaton, who will be the witness, is here on behalf of men suffering from the disability of old age, a disability equally disastrous and equally claiming our sympathy. If I were to choose a text for such an occasion as this it would be from the Psalmist: Cast me not off in the time of old age; forsake me not when my strength faileth. That is the condition of the men whose case is being presented to you this morning.

Back in the early days of Canada's war efforts, there was a permanent militia of men who served for great lengths of time, and, in 1901, the parliament of Canada passed a pensions Act. This will be found in the Statutes of Canada, 1901, Chapter 17. Section 9 sets out the amounts of the pension to be paid, as follows:—

(*a*) If he has completed fifteen but not less than twenty years' service, an annual sum equal to one-fiftieth of his annual pay for every completed year of service;

(*b*) If he has completed twenty but less than twenty-five years' service, an annual sum equal to twenty-fiftieths of his annual pay, with an addition of two-fiftieths of his annual pay for every completed year of service above twenty years;

(*c*) If he has completed twenty-five years' service, an annual sum equal to thirty-fiftieths of his annual pay, with an addition of one-fiftieth of his annual pay for every completed year of service above twenty-five years, so, however, that the pension shall not exceed two-thirds of his annual pay at his retirement.

Those amounts are very small, due to the fact that the men in those days were paid very small wages. In 1919 the government of Canada recognized that the pensions paid at that time were totally inadequate, and so another Act was passed re-establishing the amounts.

You will find them now in the Revised Statutes of Canada, Chapter 133, section 14, where the percentages are increased.

Mr. REID: What year?

Mr. ROEBUCK: The Revised Statutes of Canada, 1927.

Mr. GREEN: Do they not go back to 1919?

Mr. ROEBUCK: Yes, the references back are to the Revised Statutes 1919, chapter 42 and chapter 61; also to 1923, chapter 58, sections 2 and 3. The modern law is to be found in the Revised Statutes of Canada, 1927, chapter 43, section 14. I need not go into the details of that, except to tell you that the increase has been very considerable.

Mr. Beaton has asked me to read on his behalf a statement which he will supplement. It is his desire that I read it rather than that he read it himself. He says:—

> I am here to plead the case of the old permanent force men who were discharged on pension from the Canadian permanent army prior to the raise of pension in 1919.
>
> It is hard to know where to start, for the history of these men is woven into the history of Canada. They came from the farms, the backwoods and the tiny villages in the 1880's, to join and in some cases to found the regiments that made Canada famous. I came from Hunter's River, P.E.I., to join the Royal Canadian Hussars in Quebec, under Colonel Turnbull, in 1892. Then General Herbert came from England to take charge of the Canadian militia and the Hussars became the Royal Canadian Dragoons, for they were such big men they were too big for Hussars. I need not give their records. Wherever Canada is spoken of there are the Dragoons known. Some of the other soldiers joined the Royal Canadian Garrison Artillery and went to Kingston and the Maritimes and others were in the Royal Canadian Regiment and went to London, Ontario, and others to the garrison at Quebec. They went with the Royal Northwest Mounted Police to the Yukon expeditionary force and fought beside them in South Africa. The Canadians played a great part in the Boer war, and then came home to take up their job of keeping Canada safe.
>
> The permanent army at that time was practically a group of schools of instruction. It was the work done by these men at that time that enabled Canada to build the wonderfully efficient army of 1914. I think that your colleague, Mr. Emmerson, can tell you about this, for I met him at the Sussex Camp shortly before the world war. On through the war of 1914-1918 these men served, some overseas, some, much against their wishes, in Canada, where they were needed most. But as the war ended and their terms of service expired, these soldiers, now tired old men, were retired on pension for long faithful service.
>
> They found living conditions sadly changed and their tiny pensions of from $9 to $20 far too small to live on. They had no savings to fall back on, for their pay for the majority of the service had been only 40c. a day with washing, polish, pipeclay and mess dues to be paid out of that. They had, in most cases, very little education and found themselves unable to get work for the country was flooded with young well-trained men. The government realized conditions and raised the pensions of both the permanent militia and the Royal Northwest Mounted Police approximately 400 per cent. But, as I told you in the synopsis I sent, the old soldiers and police already discharged were forgotten.
>
> Well, at least the people granting the pension forgot them. But not the officers under whom they had served. They started to fight for justice for their men. In 1925, Hon. Ernest Lapointe, by an Order in Council, placed the old police on the new rate. General Rutherford and General Lessard were fighting to get the same justice for their men, but died before anything was done. At the request of General Lessard, I took up the fight and it was then I really found out just how my old comrades were up against life hard. They were scattered all over Canada and

had no organization to back them. They did not even know where their comrades lived and were too poor to spend any money to get together. I could get no co-operation from the officials at Ottawa, so I went to the officers of the permanent army of to-day. They, too, had come across bad cases and gladly co-operated and circularized their old men. I wrote to the Press and they were grand, and published editorials and letters. Then the old soldiers began to write me pitiful letters—one even on brown wrapping paper, telling how the writer was trying to live on his pension of $8. He slept in barns as long as the weather was warm enough, working when he could get an odd job to enable him to live in a house in the winter. It is too late to help him. Another came to my door one cold winter day, shivering, with no overcoat. He was trying to keep a wife on $9.99 a month. I wrote to Ottawa—nice letters, respectful letters—and always came the reply, "The matter is under consideration." Do you know what it is to ask for bread and wait year after year while the matter is considered? At last I wrote to Hon. Ian Mackenzie, who was Minister of Defence—the department responsible for this condition—and asked him if these men did not need food and a home the same as other men. I think that he had not known how these men were situated, for he immediately ordered an investigation and said that our claims were just.

Then the Legion and the Corps began to take up the case and approached the minister and he stated that something would be done the next session. But when the next session started the Hon. N. Rogers was Minister of Defence and I started all over again. When Mr. Rogers was in Kingston the old veterans there met him and he said, "I am with you 100 per cent and will take it up when I return to Ottawa." But death intervened.

So once again I started. I wrote the whole story and sent it to every member of the House and letters poured in promising help. I have here nearly 100 letters from cabinet ministers and members of the House pledging their support. Various Dominion-wide organizations learned of the fight for justice and contacted Ottawa. The Imperial Daughters of the Empire at their Dominion convention pledged their aid; the Orange Order, the Knights of Columbus, the Kiwanis and the Lions Club. The entire city council of Toronto and mayors of other cities, entire church congregations, all took up the cause and wrote to Ottawa. I have documents from 85 organizations, and backed by all this I was sent to Ottawa to see Col. Ralston, now Minister of Defence. But he was leaving Ottawa and delegated Col. Phelan to hear my case. Col. Phelan was very sympathetic and I came home thinking my long fight was over. But in less than a week Col. Phelan was transferred to London and my old soldiers were still hungry. And there, gentlemen, the matter stands. I wish I was an artist to make you see the need of these men. I cannot help them much more for I am old now and soon I will have no job, and will have to live on my pension of $20. I have spent all my savings trying to help them and I appeal to you not to let my efforts be in vain. On behalf of these old soldiers I would ask you to so amend the Pensions Act so as to take them from the Department of Defence and place them under the Department of Pensions and give them the same rate of pension as their comrades. The amount of money needed is not very great and as they are all over sixty-five the need will not be for very long.

I wish to table on behalf of Mr. Beaton a list of people who have pledged their support:—

Hon. Geo. Graham, Hon. Ian Mackenzie, Hon. J. E. Michaud, Hon. Ernest Lapointe, R. T. Graham, Douglas Ross, the late A. E. MacLean, Clarence Gillis,

John MacNicol, Lt.-Col. Strieght, Agnes MacPhail, Angus MacInnis, G. T. Purdy, H. H. Hatfield, Hugh Plaxton, Howard Green, Fred Hoblitzell, Sam Factor, Chas. B. Howard, H. R. Emmerson, Geo. Cruickshank, Mr. Macdonald, Dr. Bruce, W. G. Sanderson, Lt.-Col. Cockeram, Mr. Wright, Hon. Cairine Wilson, Hon. James N. Gardiner, Hon. J. A. MacKinnon, Hon. Col. W. Mulock, Norman Jaques, the late M. Vital Mallette, A. B. Damude, A. W. Roebuck, Arthur Slaght, G. H. Castleden, Dorise Neilson, J. S. Woodsworth, Brooke Claxton, Olof Hanson, Earl Rowe, Denton Massey, T. L. Church, M. Ernest Bertrand, Geo. Blackmore, Thos. Vien, P. W. Ross, Duncan Ross, George B. Isnor, Tom Reid, Victor Quelch

List of organizations:—

Imperial Daughters of the Empire, Kiwanis Club, Knights of Columbus, Orange Order, Loyal Order of the Moose, Catholic Veterans' League, Canadian Legion, Canadian Corps, Boer War Veterans' Association, Knights of Pythias, The Old Comrades' Association Royal Canadian Dragoons, Ontario Disability Pensioners' Association, Chalmers Red Cross Women's Association, Trinity Veterans' Wives, The Congregation of the Shrine of Edith Cavell, Grace Tabernacle, Citizens of Matheson and surrounding district in Northern Ontario, The Royal Order of Forresters, South African Pensioners, General Victor Williams, former provincial police chief, the entire Council of the city of Toronto, 10,000 Toronto residents, the editor in chief of the *Globe and Mail*, Mayor of Kingston, Mayor of Brockville, Reeve of Scarboro, Reeve of North Gower, Canon Armstrong, the officers at Kingston and London, The Lions Club.

Then may I clear the way for Mr. Beaton by also placing on the record the names of the men whom he represents. These are all that are left of that group.

Mr. GREEN: Have you worked out figures to show what they get and what they would get if they were under the Act?

Mr. ROEBUCK: Yes. I will come to that in just a moment. But I want to precede that by this letter which I myself wrote to the department explaining their disabilities. I wrote to the Department of Pensions and National Health on the 30th of April, 1940, as follows:—

> There has been considerable discussion of the case of the non-commissioned men of Canada's permanent military force, mostly more than 60 years of age, discharged from the service prior to the increase in pensions in 1919. It is said that many of them are veterans of the Boer War and the Great War, with twenty to twenty-five years' service. For the greater part of the period of their enlistment, these soldiers received 40 cents a day, on which, of course, they could save nothing for old age.
>
> Now I am told that the pensions of these men run from $9 to $20 a month only, some of them receiving one-half of what is paid in the case of old age pensions.
>
> I am told that there are only about thirty of these old permanent military men left surviving.
>
> On the face of it, these men appear to have a very just cause, and their friends have appealed to me for support. Would it be too much to ask for accurate information as to the facts from your department? If there are only thirty men in this class still surviving, perhaps you could let me have the exact details in each case, listing the name and residence and the amount of the pension, and such explanation as there may be, justifying the amount.

I never got any answer to that letter, so we had to go to work to find out just who remained. From the information we received from all over Canada we have built up this list. It is so short that I can read it.

Rank and Name	Regt.	Years served	Pension	Pension now paid for equal service
Sergt.-Major Bramah	R.G.A.	25½ yrs.	$17.93	$93.00
Sergt. Camm	R.C.R.	22 yrs.	17.31	66.00
Pte. R. Major	R.C.R.	22 yrs.	9.99	48.06
Pte. S. White	R.C.R.	20 yrs.	20.06	41.81
C.Q.M.S. Askey	R.C.R.	25½ yrs.	29.23	80.03
Pte. P. Guy	R.C.R.	20 yrs.	25.35	44.06
Sergt. A. Beaton	R.C.D.	26 yrs.	20.08	78.00
Pte. Keddy	R.C.R.	20 yrs.	20.30	44.06
R.Q.M.S. Connolly	R.C.R.	24 yrs.	59.81	85.06
L/Cpl. Hawes	R.C.R.	16 yrs.	19.89	39.86
L/Cpl. Wren	R.C.R.	11 yrs.	11.12	27.78
Sergt. Pike	R.C.R.	13 yrs.	29.28	39.00
B.S.M. Henderson	R.G.A.	21 yrs.	18.07	67.40
Sergt. Castle	R.G.A.	17 yrs.	34.76	51.00
Sergt. Skipton	R.C.H.A.	24 yrs.	46.86	72.00
Pte. Dixon	R.C.R.	12 yrs.	19.78	26.23
Sergt.	R.C.R.	12 yrs.	27.31	36.00
1st Class Warrant Officer Boutillier	R.C.H.A.	32 yrs.	77.00	137.82
Pte. Aylett	R.C.R.	10 yrs.	15.02	33.04
Pte. Day	R.C.R.	11 yrs.	18.22	23.32

As this list shows, Sergt. A. Beaton served 26 years. He enlisted in 1892. He receives $20.08 a month. He has a wife and daughter to support. He of all this group has a job, and having a job is the only one capable of paying his expenses to come down here and lay these facts before you for himself and his comrades.

Mr. REID: May I ask Mr. Roebuck if a change in the Act of 1919, making it retroactive to the class he is speaking of, would solve the difficulty?

Mr. ROEBUCK: It would. That is what we are asking. Now, of course, the figures I should point out are necessarily approximate. They are not official figures because they would not send them to us when we asked for them. We got them from the men themselves. It may be that a man has been overlooked in making it up. These men are fairly well known to each other because of their long service.

Mr. REID: What is the highest amount being paid at the moment to anyone?

Mr. ROEBUCK: $59.81 to R.Q.M.S. Connolly and $77 to 1st Class Warrant Officer Boutillier. The highest that a private receives is $25. As you will note, these are modest figures. There is one point more I should like to touch on, and it is a little statement that Mr. Beaton asked me to read. The statement is as follows:—

> In July, 1919, the government at Ottawa realized that, owing to the increased cost of living, the pensions paid to the long service men of the R.N.W.M.P. and the permanent army, were entirely inadequate. They therefore raised them approximately 500 per cent. But the men whose terms of service had ended just prior to the raise were overlooked. Yet these men needed this raise even more for they were older and the greater part of their service had been under the old pay scale of 40 cents a day, with washing, mess dues, polish, etc., to be paid out of that. So they had no savings to call on and being untrained could not compete against the young expert men who were flooding the employment market in the hectic years following the war.
>
> In 1925 the Hon. Ernest Lapointe, then Minister of Justice, saw the injustice of this as applied to the mounties and by Order in Council had the pensions of the mounties, discharged prior to the raise, placed on the new basis. But still the old soldiers were overlooked and suffered real hardship. This was really only in the case of the non-commissioned men for the officers' pensions were at least enough to pay for food and shelter. These non-commissioned men hold honourable records. Many of their names are legends in military circles for their great exploits. They

are veterans in most cases of two and even more campaigns and yet they get less for their long years of service than any naturalized alien can get as old age pension just for the privilege of living 20 years in this grand land which these soldiers made safe.

There is one point more and I will call Mr. Beaton. Some questions have arisen and have been called to my attention as to the jurisdiction of this committee to hear these cases. That is to say, is it covered by your instructions? Now, gentlemen, I should like to meet that if possible. I find that a resolution was passed by the House of Commons of Canada resolving "that it is expedient to amend the Pension Act to make its provisions applicable to certain members of the Canadian forces serving in the present war and in future wars and to their dependents, to extend the benefits of the act to certain persons serving in the forces of the United Kingdom and also to make further changes and adjustments in the procedure and administration of the Pension Act."

I am reading it, gentlemen, because it shows the intention on the part of the House of Commons to pass to you the problems of the soldiers, the pensioned men. That is what is expected, and then parliament appointed you under these instructions. This is the resolution.

> Resolved,—That a select committee be set up to which shall be referred for consideration the general provisions of the Pension Act and the War Veterans' Allowance Act, and to which shall be referred specifically such questions connected with pensions and the problems of ex-service men as the house may deem advisable.

That is to say, it is your job to take care of the problems connected with ex-service men, and these are ex-service men.

If there is any technical difficulty the house will no doubt refer this matter to you if it is so requested, and any member on the committee I think would father the request. The technical difficulties are negligible; they can be met and I do hope that you will function on this problem. If you have not got the power now then get it. I think you have the power.

Mr. CRUICKSHANK: You are not asking that it be made retroactive?

Mr. ROEBUCK: Let us ask Mr. Beaton that. I now introduce Mr. Beaton to you, gentlemen.

ANGUS BEATON called.

The CHAIRMAN: Before Mr. Beaton speaks, I should like to express my opinion that strictly speaking this case is not within the terms of our reference. It is, however, an allied problem and I would suggest that we receive his brief and hear Mr. Beaton, and that we consider the question and if necessary pass it on with whatever recommendation we deem advisable to the department concerned. Will you proceed, Mr. Beaton.

The WITNESS: Mr. Chairman and gentlemen: I would like if you could possibly do anything for these old soldiers, because they are really in need. Their clothes are all worn out, their utensils are all worn out, they are in a pitiful position to-day. I have been lucky to have a job, and I have helped them all I can. Now I am just about at the end of my tether; I only have $20 a month myself to live on, unless it is adjusted, and I don't see that I can do a great deal more for them. But you gentlemen if you will can aid them by seeing that these old soldiers get what they are really entitled to. They are not asking for charity; I want you to understand that, they are asking for justice, something they rightly deserve. So, I think, it will be within the jurisdiction of you gentlemen to help us.

The CHAIRMAN: Thank you, Mr. Beaton.

By Mr. Roebuck:

Q. Tell us, Mr. Beaton—don't run away so soon—tell us about some of these men, how are they fixed?—A. Well, I have seen a lot of them and they are living in one or two rooms—they are married men, and that sort of thing—trying to get along by doing little odd jobs—men of 60, 65, and 72 years of age—nobody wants them very much, and when he can he gets an odd job doing some little thing like cutting grass or something like that.

Q. How about Private Walsh?—A. He is the one who is getting $8.08. He used to go around during good times doing odd jobs in the summer so as to earn enough to be able to find a room to live in during the winter.

Q. How about Private Major?—A. He is a very fine fellow—72 years of age—a good clerk and a good waiter, but he is too old for that now. He used to make a living in that way waiting on table and that sort of thing.

Q. He has a wife?—A. He has a wife; and she is a beautiful personality, too.

Q. How much does he get?—A. $9.99.

Q. What happened to Pike?—A. He used to be up at the university, but he is too old for that job now.

Q. He is too frail to do it now?—A. Yes.

Q. What about Sergeant Camm?

By the Chairman:

Q. Mr. Beaton, in general these men are getting a very small remuneration?—A. Very, very small.

Q. And, to your personal knowledge, they are all men who have had meritorious records?—A. Yes. I had my name on cups; and so has Henderson of Kingston—marching and filing cups and all of that sort of thing.

Q. And your claim now is that the committee consider these cases with the object of deciding whether they should make any recommendation or not?—A. Yes.

Mr. GREEN: Would it be possible for us to have these cases pointed out to the Department of National Defence and ask that the proper officials from that department come here and explain what difficulties there are.

The CHAIRMAN: Yes, Mr. Green, that is quite in order.

The WITNESS: I might say that the minister, Mr. Mackenzie, has been very sympathetic; and members of the committee have written very sympathetic letters and said we were really entitled to consideration.

The CHAIRMAN: I am sure every member of the committee is of that opinion, but it is just a question of jurisdiction and what we can do at the moment.

Are there any other questions? Have you any questions Mr. Roebuck?

Mr. ROEBUCK: No, I think that is all, Mr. Beaton, isn't it?

The WITNESS: That is all. I just wanted you to know the case properly.

The CHAIRMAN: You have placed it on the record very clearly.

The WITNESS: Yes, I sent a synopsis to each of the men explaining the case, and I got some beautiful letters back from this committee saying that they were with me 100 per cent.

The CHAIRMAN: But, you were not satisfied with beautiful letters.

The WITNESS: Of course, they do not help to feed me.

Mr. ROEBUCK: Let me add this one line. These old men gathered the other day around the grave of one of their comrades, and one of the members, one

of the old war veterans, Captain J. Milton State contributed these lines, and I would like to have them on the record.

Our comrade, lost to us this day,—
Old England's son, to you we say,
You came and played your worthy part,
And gave to Canada your heart.

This day to God we yield our thanks
For having known you in our ranks,—
While Boer and Briton grieve your loss
Who fought beneath the Southern Cross.

The WITNESS: Thank you, gentlemen, for your kindness.

Witness retired.

The CHAIRMAN: The committee will meet again on Tuesday next at 11 o'clock a.m.

The committee adjourned to meet Tuesday, May 6, 1941, at 11 o'clock.

APPENDIX "A"

RECOMMENDATIONS BY THE ARMY AND NAVY VETERANS IN CANADA TO THE PARLIAMENTARY COMMITTEE ON THE PENSION ACT AND THE WAR VETERANS' ALLOWANCE ACT MAY 1, 1941

Benefit of Doubt

Section 63 (old 73) in the present Act reads as follows:—

> Notwithstanding anything in this Act, on any application for pension the applicant shall be entitled to the benefit of the doubt, which shall mean that it shall not be necessary for him to adduce conclusive proof of his right to the pension applied for, but the body adjudicating on the claim shall be entitled to draw and shall draw from all the circumstances of the case, the evidence adduced and medical opinions, all reasonable inferences in favour of the applicant.

It is appreciated that more attention has been paid lately to the spirit of the above Section, but it is still felt in some cases that there are occasions when the adjudicators are not fully seized of the implications of the Section.

We desire to stress that in applications for pension by veterans the strongest presumption to entitlement should exist in cases where the applicant had lengthy and meritorious service in the front line and in a theatre of war. In such applications regard should be had for the conditions of service such as weather, strain and the like which would tend to affect the health of the applicant. Much of this information is obtainable from war diaries, affidavits and other evidence. In the case of prisoners of war presumption of ill treatment and malnutrition should be assumed.

In the present war many new conditions are being faced which will inevitably result in a complexity of disabilities the causation of which will not be demonstrated by documentary proof or otherwise. Records and institutions are being destroyed by bomb explosions, ship sinkings, fires and other totally destructve means.

Advancing Age

Owing to advanced age among pensioners there is a corresponding increase in disability, and while in the 1938 amendments to the Pension Act provision was made for an automatic increase in the case of certain pensioners who were suffering from amputations and disabilities caused by gunshot wounds, etc., no provision was made in the case of other pensioners suffering from other disabling conditions occasioned by other than the causes specified.

While it is possible for the departmental medical officers to estimate the degree of disability from visible wounds and physical conditions, it would seem only just also to take into account the advancing age of pensioner on the occasion of examination with a view to equalizing the benefits of the present system of automatic increases.

Hospitalization

We feel that in all cases where records show that the applicant for pension has had long periods of hospitalization during service the disability for which he was treated should be accepted and should establish entitlement, even though evidence of continuity is lacking.

Final Date For Pension Applications

In respect to Subsection "B" of Section 12 of Bill 17, we feel that the restriction as to the period within which a pension may be granted (January 1st, 1942) should be abolished.

It is true that discretionary powers are granted the Chairman of the Commission, and so long as the present Chairman, Brig.-Gen. H. F. McDonald, holds that position, these powers, we are satisfied, will always be exercised with fairness and sympathy. A change of Chairmanship, however might not have as satisfactory results. It should be laid down that any veteran who saw service either in the Great War or the war with the German Reich and is suffering a disability as a consequence should at all times be entitled to obtain his pension if rightly entitled to it.

War Veterans' Allowance

It is respectfully suggested in relation to Section 13 (1) " B " that recipients of the Allowance should not be deprived of it because they no longer reside in Canada. It is suggested that so long as the recipient is resident within the British Empire the Allowance be continued.

Section 13 (1) " C " and Section 13 (2) " B " provides that in the case of a married man living with his wife the Allowance of $20 per month made on behalf of the latter continues to be paid her, while the $20 for the man is discontinued when he is in hospital or some other institution.

It is suggested that the costs of rent, light, heat and food form the bulk of upkeep, and continue as a drain on the resources of the family while the man is absent. It is suggested that some portion of the $20 allowance to the man be devoted to the family upkeep.

On behalf of the Army and Navy Veterans in Canada.

per. P. B. MELLON, M.D.,
Dominion Secretary-Treasurer.

APPENDIX " B "

EVIDENCE SUBMITTED BEFORE THE COMMITTEE ON THE CIVIL SERVICE ACT, 1938

BY

Lt.-Col. E. A. BAKER, O.B.E., M.C., Member of the Dominion Executive Council of the Amputations Association of the Great War, and secretary-treasurer of the Sir Arthur Pearson Club of Blinded Sailors and Soldiers; and

RICHARD MYERS, Honorary Dominion Secretary of the Amputations Association of the Great War, called.

The CHAIRMAN: Now, gentlemen, it is my privilege to introduce to you Colonel Baker who represents the Amputations Association. He is welcome here. He is president of that association, and he is accompanied by Mr. Myers, secretary of the association. We are to have a few introductory remarks by Colonel Baker and then Mr. Myers will present the brief for the association, a copy of which has been supplied to each of you.

Will you please proceed, Colonel Baker? Sit down, if you wish to, please.

Colonel BAKER: I think that possibly I prefer to stand, sir; if I may.

The CHAIRMAN: Make yourself just as comfortable with us as you possibly can.

Colonel BAKER: Thank you very much.

Mr. Chairman and gentlemen: First may I say that we esteem it a very great privilege to be permitted to come and meet with you in this way to-day. I think probably this is the first opportunity that has been given for such a discussion, particularly as to the veterans' preference and more especially the disabled veterans' preference so kindly granted by Canada during the war.

In approaching you to-day we have in mind that there have been some misunderstandings as to the inception and some of the reasons for establishing the veterans' and disabled veterans' preference; and in that connection I would like to preface the reading of our statement—which will occur in a moment when I will ask Mr. Myers formally to present it to you—I would like to preface that by just a few thoughts that have come to me in past years as this question has been discussed. In the autumn of 1914 a great many prominent people and those not so prominent in this country spent much time and effort in presenting to the citizens of Canada and particularly to the young men the fact that it was their duty to serve their country in time of war; and as a result of these representations altogether during the period of the war some 600,000 men, for the most part employed, surrendered voluntarily their positions and served the state in its armies. Now, during the war and in view of the absence of these men who had been drawn from employment in the civil service of this country, and of the various provincial and municipal government bodies, and of private employment and from independent activities on the farm and elsewhere —as a result of these withdrawals others in the community had to step in and take their places or in some cases do double duty. At the end of the war those who survived came back, less some 60,000 who were not privileged to return to us. Now, of those who were privileged to come back, we now have on our pension list ranging from the smallest recognized disability up to the greatest some 79,000. Those men, I say, returned. Those who were fit found it necessary to find places again in the working life of the country, but they found that during their absence their places had been taken by others—men, but to a large extent by women who were introduced into business life and even into industries light and heavy to an extent never known in this country before. When the men returned it became evident that those who had secured positions as a result of their absence were not generally stepping out of those positions to make way for the men returning; and therefore this country was faced with a very difficult problem, that of re-absorbing these men into the life of the country; and that at a time when war-time industry was closing down. And to aggravate the problem still further we had these thousands of men who might formerly have been bricklayers, stone masons or other active tradesmen requiring certain physical capabilities. A large number of these men were disabled to the extent that they were not able to return to their previous occupations and it became very difficult and a distinct problem recognized by the government and the country as a whole, that something had to be done in the way of vocational training and vocational guidance, and a great deal of educational work was done in this country with the expenditure of quite a bit of money on trying to re-introduce these men into the working life of the country in jobs which they could still do in spite of their handicaps. Now, in all that the finest possible spirit was shown by the government and the people of this country; and that is something the veterans of this country will have reason to be proud of and grateful for for the whole of their lives. Then as time went on we began in groups of veterans to study the situation and we were forced to a realization that there were some of our men who were still not placed. Now, I must admit that in the earlier post-war years we were not as fully aware of conditions existing as possibly we should have been. I suppose that was because we were all so much engaged, each in his own sphere, making good ourselves; but as time has gone on we have had borne in on us the problems affecting these other men. At the same time we have been just a little disturbed in our minds by evidences of misunderstandings, and misapprehensions that have been expressed in public about disabled men who may be earning and at the same time drawing a pension from the country.

Now, let me just say this word about that feature of it; the men who went overseas were on the average fit men, and on the average young men; but those

who came back with disabilities were awarded pensions by this country under the general labour market according to their lost disability in the general labour market. All these pensions for the lower ranks of officers and other ranks also were on a uniform basis; but such pensions were in the nature of workmen's compensation for actual disability as enumerated in the Pensions Act. From a number of public sources it was clearly indicated that these men should be encouraged to work so that we should not have in this country 60,000 to 75,000 or 80,000 idle men on part pension, and so an effort was made to get them into employment. Now, regarding the man with a partial pension; and after all we have comparatively few in this country with high pensions—I do not think we have among all of our pensioned veterans a quarter of the total who would be considered as having a high pension. As a result, however, of the suggestions which have been made, I do feel impelled to bring this to your attention: if the man who is partially disabled, and therefore in receipt of a partial disability pension from the country, is to be discouraged from taking work because of that pension—in other words, if he is to have visited on him in addition to his physical disability, an economic handicap or disability—and if that precedent were to be established by our dominion authorities, it would undoubtedly be followed to a large extent by provincial, municipal and other employers throughout the country—then it would become necessary for us to promptly consider the necessity of applying for an economic pension, because of the economic handicap that has been forced on these men. Now, we do not like to contemplate that. We would rather see these men in work which they can do. It is from that angle, gentlemen, that we have prepared our considered presentation for your information. After Mr. Myers has read this presentation to you, I am going to ask him to read, with the chairman's permission, a letter from the chairman, followed by a statement in answer to certain questions which the chairman very kindly suggested to us. After that we will be very pleased—speaking on behalf of Mr. Myers and myself—to do our best to answer any questions about conditions among our particular group, the amputations, representing as they do a section of the total group of partially disabled men.

The CHAIRMAN: Thank you, very much, Colonel Baker.

Will you please read the presentation, Mr. Myers?

Mr. MYERS: Yes.

SUBMISSION OF THE AMPUTATIONS' ASSOCIATION OF THE GREAT WAR OF CANADA TO THE SPECIAL HOUSE OF COMMONS COMMITTEE ON THE OPERATION OF THE CIVIL SERVICE ACT (1938).

There are two proposals before the Committee which the Amputations' Association of the Great War of Canada would like to comment upon.

1. *Permanent—Temporaries*

It is noted that the Select Committee of Parliament in 1934 recommended the absorption of certain temporary employees of the Civil Service into the permanent staff. In view of information now before this Committee our statement in this connection might be narrowed down to full approval of the recommendation of the Select Parliamentary Committee of 1934 and concurs in the observations so ably made by the Chairman of the Civil Service Commission in his evidence on Thursday, March 17, 1938.

2. It is understood that the report of the Veterans' Assistance Commission has been drawn to the attention of the Committee with particular reference to reasons why the disability preferences in the Civil Service Act should be removed. Such statement is found on page 51 of the report in the following words:—

> The attention of the Commission was directed to the difficulty that an otherwise qualified veteran has, when he is not in receipt of a war

disability pension, in competing for positions in the Civil Service of Canada. Under present regulations, the veteran in receipt of a disability pension is given preference over the non-pensioned veteran.

As it is now many years since the termination of the Great War, the Commission feels that this discrimination between the pensioner and non-pensioner, which may have been justified in the early years after the war, should be removed.

There is no doubt that non-pensioned veterans have time after time competed for Civil Service positions and that some of them would have been appointed had extra preference not been given to the pensioner.

As there are a number of non-pensioned veterans suffering from disabilities that they cannot prove to be due directly or indirectly to war service, the members of the Commission feel justified in giving consideration to the representations of the veterans who are not in receipt of pensions for war disability.

The Commission also made a recommendation in this connection to be found on page 67 of the report in the following words:—

> That veterans of the Great War not in receipt of pension, but who are otherwise qualified and who served in His Majesty's Forces, providing they saw service in a theatre of actual war, be given preference for positions in the Civil Service of Canada on an equal basis with pensioners when granted marks in the Civil Service examinations.

It is also noted that the Chairman of the Civil Service Commission, out of his experience in the administration of the Act, has made certain observations in this connection. Since present proposals would limit or entirely remove the disability preference—I might preface that by a remark here that "the present proposals" referred to proposals of the Veterans' Assistance Commission, and not of the chairman of the Civil Service Commission. Continuing:—

—which affects a right which may be claimed by any one of the 2,800 blinded and limbless soldiers in Canada whom this Association represents, it is felt that a statement in this connection would now be in order.

Disability preference is a preference which holds a prior position to any other preference in the Civil Service Act for the employment of ex-service men and is there because of an agreement entered into by reason of the Inter-Provincial Conference held October, 1915, when the following rule was adopted (to be found in the 1916 Sessional Paper No. 35A):—

> That all Dominion and Provincial Government and Municipal positions as they fall vacant be filled by partially disabled men if they are capable of doing the work required.

As a direct outcome provincial legislative action or Orders in Council followed. Soldiers' Aid Commissions were established, some of the provinces even providing vocational training. Municipalities absorbed returned men, industry likewise. Parliament by Statute in 1919 set an example and provided a preference to the war disabled as well as to ex-service men with overseas service. This principle was extended to other acts and the policy of preference to the war disabled and ex-service men has been the policy of every successive Government of Canada since the war. This Government has given no inclination of change in this well-established rule. The question only arises now as far as we know by reason of the said report of the late Veterans' Assistance Commission and the attitude of some returned soldiers who are not criticizing the principle of the disability preference, but only some phases of its application such as preference being given to small pensioners who did not render service in an actual theatre of war over non-pensioned veterans who had front line service. There is no general public demand for a change; however, if the preference is not working out as

intended, this Association agrees with the Chairman of the Civil Service Commission that the whole question should be examined in the light of experience.

We have felt it our duty to draw to the attention of the Committee these facts since it is quite obvious once the history of the disability preference is traced it will be found that agreements were entered into to give expression to the wish of the people of Canada who felt at that time and still feel that the public services of this country would be enriched and rightly so by men who had rendered faithful service to the State in the time of war.

It is regretted, however, that the Veterans' Assistance Commission did not elaborate their report by reference to the origin of the disability preference and the prior rights of disabled ex-service men or give more substantial reasons for the recommendation. They can only be excused on the ground of great anxiety to find avenues of employment for ex-service men, but before doing so they should have at least asked those entitled to prior rights what their views were and to have so worded their recommendation as to benefit the group they had under consideration without imposing additional hardship on disability cases affected.

Representatives of this Association have consulted with the Chairman of the Civil Service Commission and have agreed in the light of experience the Statute governing the disability preference might, with the consent of those enjoying prior rights and the approval of Parliament be strengthened so that positions as they fall vacant could be filled by partially war disabled men if they are capable of doing the work required. If the reservation of selected positions for seriously handicapped veterans can aid this purpose, this Association on behalf of its members only, is willing and ready, out of a sense of patriotism and duty to the State as well as the efficiency of the public service of Canada to agree to co-operate in every possible way.

Unemployment has continued to bear heavily upon our membership, greater proportionately than on the general population. Whilst partial pension is received for obvious disabilities incurred on war service, it too often acts as a bar to remunerative occupation because of a feeling in some quarters that it represents an independent livelihood. The right to earn and live the life of normal citizens cannot be surrendered no matter what price. Unfortunately it has been next to impossible to re-establish obviously wounded soldiers. Avenues of employment which used to be open to these men in a restrictive field have been closed because of obvious disability and pension. The indications are that very few seriously wounded veterans have been admitted to the Civil Service of Canada during the past few years. Customs and Excise, as well as the Post Office Department, have laid down age and disability restrictions for certain positions in these departments which do not permit war amputations to compete for vacancies advertised. There are even instances of where disabled veterans have won first place in an open field in competitive examination but have been denied employment because of disability incurred on war service.

The disability preference in its effect as far as amputations are concerned is very limited in its application. Whilst in law the preference in fact established prior rights for the war disabled, our experience has led members of this Association to look upon it as a means of equalizing the chances of the men with war disabilities with those who have no service disability. To now entirely withdraw this preference would be an act denying obvious war disabilities the last shred of opportunity to enter the peace time Civil Service of the country they served in time of war.

During the past six months with the assistance of the Department of Pensions and National Health the Association has been experimenting in the field of specialized placement. We have, we believe, justified the effort. At the

moment we are completing a survey of all war amputations across Canada whether employed or not. These men are being classed into groups of—

(*a*) Employed
(*b*) Problem cases
(*c*) Unemployed and unable to work
(*d*) Unemployed and desirous of work
(*e*) Unemployed and desirous of work but not likely to be employed because of serious handicap.

The CHAIRMAN: Just a minute. Will you please tell me what you mean by "problem cases"?

Mr. MYERS: Problem cases are those cases of men that have always been difficult to deal with, ever since the war. Some are suffering from a form of mental difficulty.

Mr. GREEN: Semi-mental?

Mr. MYERS: Semi-mental cases.

The CHAIRMAN: Yes; at intervals?

Mr. MYERS: At intervals, yes; quite so.

The CHAIRMAN: It is a mental disability?

Mr. MYERS: Yes, a mental disability.

Continuing:—

"To say the least the employment situation affecting these men is a very serious one. Our survey based on intimate knowledge of the whole position has reached the point where we must ask that a place be found in the public services of Canada for the employment of every employable war amputation. If, in view of the special effort now being made to finally solve the employment problem of employable amputation cases in direct co-operation with the Government of Canada is now taken to not only remove the disability preference in the Dominion Civil Service, but to set an example on such a line to Provincial and Municipal Civil Service as well as private employers, then the extended efforts of our Association as well as the Government and private agencies interested will be substantially set at naught.

We find that employed war amputations are fitted into positions where they have been able to utilize their talents to the greatest advantage and are rendering highly efficient service, comparable to that which could be given by any fit man. In this the Amputations' Association has rendered a public service at practically no cost to the State since many of those men were placed by the Association at a time when avenues of employment were open and many such positions were considered as not sufficiently attractive by non-disabled men. During the past few years and in a marked degree during the past five years most avenues of employment once open in industry, etc., have been closed. Skilled unemployed workers such as brick layers, carpenters, mechanics, etc., have taken jobs which previously they would not look at. Minimum wages have established standards which have made the employment of girls in positions such as elevator operators, switchboard operators and the like profitable to employers. In other words, positions which could be efficiently filled by the handicapped are no longer open to them because of changed conditions."

The CHAIRMAN: Just a minute, Mr. Myers. Are there cases of members of your Association having been released from their jobs and their jobs given to girls or women?

Mr. MYERS: Oh, yes.

Mr. GREEN: Not in the civil service.

The CHAIRMAN: No, outside the civil service.

Mr. MYERS: Oh, yes, there are cases. I might even go so far as to say there are cases—we have never made a noise about it—

The CHAIRMAN: In stores and—

Mr. MYERS: In industry and in stores in some degree, not so much in stores, but in industry men have been released because these positions could be filled by girls and others who perhaps might be employed at minimum wages, if you like, and yet render very efficient service.

The CHAIRMAN: Yes; but there are large department stores in Montreal where girls run elevators.

Mr. MYERS: Quite so.

The CHAIRMAN: Did they take the place of some of your men and in other places?

Mr. MYERS: Not specifically. I would not single Montreal out as an example.

The CHAIRMAN: I know Montreal better than I do any other city; but now, Mr. Myers, my question is were some of your men released from their jobs and the jobs given to girls?

Mr. MYERS: During the depression—may I make a statement this way: during the depression and beginning early in 1930 and by 1933 quite a large number of our men were released from industry generally because they were in receipt of a pension.

The CHAIRMAN: During the depression?

Mr. MYERS: During the depression.

The CHAIRMAN: I hope you do not mind me asking you questions?

Mr. MYERS: Not at all. I am very glad that you do. The brief continues:—

"Our figures show 35 per cent to 40 per cent of all war amputations as being unemployed as against possibly 10 per cent to 12 per cent of the general population. After unemployables, including problem cases, are deducted, we still have 25 per cent unemployed or about 600 men across Canada. Had none of the unemployed war amputation group suffered amputation it is estimated that 10 per cent would be unemployed by reason of general conditions instead of 35 per cent to 40 per cent.

There has been created in Canada a viewpoint not of our making, that returned soldiers are a Dominion Government responsibility. Amputations with obvious disabilities are marked men and are generally assumed to be in receipt of a living from a Dominion Government pension. Actually the partial disability pension is intended to compensate only for the loss of earning capacity in the general labour market due to serious injury. The Dominion Government in paying part pension recognizes the principle of disability compensation just as Provincial Governments or industry recognize the principle of Workmen's Compensation, but men are still expected to work and earn as much as possible. This is to provide sufficient on which to maintain a standard of living that might have reasonably been expected. At this point, however, it must be obvious to all that seriously wounded men with amputations must endure the absence of limbs during every waking moment of their lives and be subject to the limitations they inevitably experience not only in the employment field, but in their homes and recreation as well. Each economic disturbance or adjustment seems to develop new problems and employment limitations. The primitive principle of the survival of the fittest is too often applied without regard to the circumstances which brought on handicap or the fact that modern industry is so designed as will permit of the employment of

handicapped veterans in operations, processes of which are so simple that even blind people can do them efficiently."

The CHAIRMAN: I think you will admit, Mr. Myers, that the mechanization of industry had a lot to do with the release of civilians as well as returned men?

Mr. MYERS: Quite right.

The CHAIRMAN: Thank you.

Mr. MYERS: The brief continues:—

"Without going into many other factors which play a part it is respectfully submitted that disabled ex-service men have a prior right in their claim upon the Government for employment. The results of our employment survey to date are sufficiently advanced to show that industry is not prepared to assimilate the severely wounded employable veterans. Had these men not been injured in war service the vast majority would now be employed. Whilst partial pension has been awarded for disabilities incurred on service the standard of living for these unemployed men is reduced to a point where it is hardly in excess of relief rates in some areas. This we don't think the people of Canada intended. These men are too young to be put on the shelf. It is not fair. They are able to work if they are permitted to enter employment when work is available.

They are surely entitled to this consideration and in the light of these facts alone they would appear to have a reasonable claim for consideration from the leading authority of Canada.

This discussion has not been precipitated by the war Amps of Canada. We submit that the opportunities for employment in the Dominion Civil Service which may be freed to non-disabled veterans by the elimination of the disability preference are not sufficient in number to warrant the recommendation of the Veterans' Assistance Commission or extended consideration. Serious disability cases may compete on even terms with the lesser disabilities in Civil Service examinations, but are seldom selected for vacancies because of the impression that the limitations imposed by disabilities will not permit them to be fully efficient. At this point we do not care to suggest special preference for specific types of disabilities, including amputations, but we are definitely of the opinion that more practical effect could be given to the disability preference by a scientific selection and reservation of certain types of Civil Service positions in which the duties could be definitely performed with normal efficiency despite handicap. Further we are of the opinion that the Government of Canada which has in addition to the acceptance of the responsibility for pension has set a good example to the Provinces in respect to the provision of employment opportunities through the disability preference should at this time avoid giving any adverse lead to Provincial and Municipal Governments as well as private employers in respect to employment consideration.

The foregoing statement is made in accordance with information and experience. Before concluding, however, we wish to definitely state that during the past several years seriously wounded and obviously disabled veterans have been subjected to a species of persecutions due to propaganda throughout the country leading to the view in some quarters that soldiers with even a moderate pension have no right to a job. The propagandists, however, failed or carefully avoided any reference to other employed persons possessing other income or substantial means. If this principle is being accepted as the forerunner to equal pay and opportunity for all, then it should operate equally for all from inception. Some of our members and others have lost their positions in public and private employment because of pension, many others for the same reason cannot obtain work.

In this connection it will be well to record with the Committee a pamphlet issued under the authority of the Government of Canada in 1917 to wounded soldiers returning from the active front."

The CHAIRMAN: I do not like to interrupt you too much, Mr. Myers, but before you start to read the last part I should like to ask you a question about what you have said. You say: "The foregoing statement is made in accordance with information and experience. Before concluding, however, we wish to definitely state that during the past several years seriously wounded and obviously disabled veterans have been subjected to a species of persecution due to propaganda through the country leading to the view in some quarters that soldiers with even a moderate pension have no right to a job. The propagandists, however, failed or carefully avoided any reference to other employed persons possessing other income or substantial means. If this principle is being accepted as the forerunner to equal pay and opportunity for all, then it should operate equally for all from inception. Some of our members and others have lost their positions in public and private employment because of pension, many others for the same reason cannot obtain work."

Well, there is a distinction to draw between men who are out of work on account of their pension and those who get a super-preference on account of their pension or their disability. It is not the same thing at all. I shall ask you that after you are through.

Will you please finish your brief and I shall ask you this question after the other members have put their questions.

Mr. MYERS: May I proceed?

The CHAIRMAN: Surely.

Mr. MYERS: The brief continues:—

WHAT EVERY DISABLED SOLDIER SHOULD KNOW

That there is no such word as 'impossible' in his dictionary.

That his natural ambition to earn a good living can be fulfilled.

That he can either get rid of his disability or acquire a new ability to offset it.

That the whole object of doctors, nurses, and instructors, is to help him in doing that very thing.

That he must help them to help him.

That he will have the most careful and effectual treatment known to science.

That interesting and useful occupations form a most valuable part of the treatment in Convalescent Hospitals and Sanatoria.

That if he cannot carry out his first duty by rejoining his comrades at the front, and if there is no light duty for him with the Canadian forces overseas, he is taken home to Canada, as soon as his condition and the shipping facilities make this possible.

That his strength and earning capacity will be restored there to the highest degree possible, through the Military Hospitals Commission.

That if he requires an artificial limb or kindred appliances it will be supplied free.

That every man disabled by service will receive a pension or gratuity in proportion to his disability.

That his pension cannot be reduced by his undertaking work or perfecting himself in some form of industry.

That his pay and allowances continue till he is cured or till his pension begins.

That an extra three months' pay, field pay, and separation allowance when there are dependents receiving such allowance, will be paid to all men returned from overseas and honourably discharged after at least six months' service,—

with certain exceptions, such as members of the Permanent Force and Federal or Provincial Civil Service who can step right back into their old positions.

That if his disability prevents him from returning to his old work he will receive free training for a new occupation.

That full consideration is given to his own capacity and desires when a new occupation has to be chosen.

That his own will-power and determination will enable him to succeed, both in the training and in the occupation afterwards.

That his maintenance and that of his family will be paid for during the training he may receive after discharge, and for a month longer.

That neither his treatment nor his training will cost him a cent.

That his home Province has a special Commission to assist him in finding employment on discharge.

That hundreds of towns and villages have committees, associations, and clubs, to welcome him on arrival, and to help in securing a position for him.

That the Dominion and Provincial Governments, the Municipal authorities, and all sorts of employers, give the returned soldier preference in filling vacant positions.

That the returned soldier wishing to take up land and farm it, will be helped to do so, under Federal and other settlement schemes.

That the Military Hospitals Commission exists to carry out his restoration and training in Canada.

That the Board of Pension Commissioners exists to distribute the pensions provided by his country for him and his dependents.

That the Military Hospitals Commission and the Board of Pension Commissioners are in the position of Trustees, appointed for his benefit, and representing the whole people of Canada.

That, therefore, he should write direct to the Commission or the Board if he needs advice or help.

Canadians are unanimously resolved that every returned soldier shall have a full opportunity to succeed. When that opportunity is put within his reach, his success will depend on his own good sense in seizing and using it.

That is signed "Military Hospitals Commission, 22 Victoria street, Ottawa. Board of Pension Commissioners, Union Bank Building, Ottawa."

Brief continued:—

"As an Association we don't wish to labour this matter but repeatedly the question has been raised in this committee and elsewhere. In order to clarify the general position and as a matter of record the following sections of the Canadian Pension Act are brought to your attention.

15. The occupation or income or condition in life of a person previous to his becoming a member of the forces shall not in any way affect the amount of pension awarded to or in respect of him, 1919, c. 43, s. 15.

24. (4) No deduction shall be made from the pension of any member of the forces owing to his having undertaken work or perfected himself in some form of industry. 1919, c. 43, s. 25; 1925, c. 49, s. 5.

After all we represent seriously disabled men and no money or position can adequately compensate them for their loss. Disabilities which remain every minute of the day to say the least are a burden. If these men courageously try to minimize their handicaps and the State rightly encourages them to do so it is something of an anticlimax to question the right of these men to earn and live the life of normal citizens. Let us hope the last has been heard of this.

We do wish, however, to close this statement with the reaffirmation of our belief that Canada will hold steadfast to her undertakings on behalf of disabled soldiers. We also wish to express the deep appreciation of our entire membership to the many members of Parliament and the public service of Canada for many kindnesses and practical assistance. Especially do we wish to remember

the members of committees of Parliament who laboured so much on our behalf but who have now passed on and whose magnificent work stands on the Statute Books of Canada as a memorial to the difficult days of 1914-1918."

The CHAIRMAN: Thank you, very much, Mr. Myers. I must tell you, Colonel Baker and Mr. Myers, that your presence here to-day is highly appreciated by the members of the committee as will be seen by the large attendance this afternoon not only of members of the committee but also of brother members of the House of Commons. Moreover, I see amongst us now the Honourable the Minister of National Defence, who came to hear your representations.

Now, gentlemen, as was stated before by Colonel Baker, I understand that he and Mr. Myers are ready to answer your questions. Is that so?

Col. BAKER: Yes, Mr. Chairman. I wonder, sir, would you care to have a statement in answer to your questions?

The CHAIRMAN: Please.

Col. BAKER: If I might ask Mr. Myers to read your letter first.

The CHAIRMAN: Yes.

Mr. MYERS: This is dated Ottawa, June 13, 1938, addressed to Mr. Richard Myers, Honorary Dominion Secretary, Amputation Association of the Great War.

The CHAIRMAN: This letter is already on file. I read it to the committee the other day. Will you please read your answer, Mr. Myers?

Mr. MYERS: Thank you, very much.

In 1919 the statement was made that there were nearly 4,000 Canadian war amputations. It may be that the mortality rate was heavy at the end of hostilities, but we were never able to find them and, according to a statement in association records, the following figures, which we have not been able to verify, are now recorded:—

The CHAIRMAN: I asked you for approximate figures.

Mr. MYERS:

Amputation of right leg, 902.
Amputation of left leg, 1,123.
Amputation of right arm, 411.
Amputation of left arm, 449.
Amputation of both legs, 95.
Amputation of both arms, 7.
Amputation of both legs and both arms, 1.
Amputation of both legs and left arm, 2.
Amputation of both legs and right arm, 1.
Amputation of right leg and left arm, 3.
Amputation of right leg and right arm, 2.
Amputation of left leg and left arm, 4.
Amputation of left leg and right arm, 6.
Amputation of both arms and right leg, 1.
Total—3,097.

According to the latest Department of Pensions and National Health report, the figure is 2,596 amputations in receipt of pension. This figure may be slightly excessive according to our membership requirements, since those eligible for membership must have suffered at least the loss of four fingers and a thumb of one hand, or the loss of a foot at the ankle joint, known as a Syme's amputation, or more, as the direct result of war service. There is at this time something in excess of 1,800 on the membership roll. We have never had more than 2,200 members at any one time who pay annual dues of $2 to $5, that in fact we have files on 2,449 living amputation cases.

Whether a man is an active paying member of the Association or not, he is always welcome and is never refused assistance if it is in our power to render any. All our members are free to belong to any other soldier organization, and some do.

Our members are all in receipt of war disability pensions, ranging all the way from 40 per cent to 100 per cent.

By the Chairman (to Mr. Myers):

Q. How much is it?—A. I will give the figures in a minute.

Q. Thank you.—A.

The vast majority receive a pension of 70 per cent or less of the total disability. The disability pension for a man who has lost two limbs cannot exceed 100 per cent; that is, $75 a month.

The disability pension for the loss of an arm or leg averages about 60 per cent; that is, $45 a month. About 75 per cent of these men are married and are entitled to allowances for wives and children, although the children are now rapidly going off the pension list because they are now reaching or are beyond the pension age.

Our members reside in cities, towns and villages across Canada. There are concentrations in the large centres where orthopaedic centres and the larger hospitals are located. In all such centres we have district or provincial branches. Some of our members are in the professions, such as law, a few doctors, professors, executives, insurance agents, a surprisingly goodly number are farmers and ranchers, but the vast majority are clerks, messengers, elevator operators, caretakers, watchmen, etc., etc.

At the end of the war vocational training was provided by the government and pre-war occupations, such as brick-layers, carpenters, mechanics, etc., went by the board, and new occupations developed in accordance with men's ingenuity and adaptability. It should, however, be pointed out that many of our members were quite young men upon enlistment and that some of them had not completed their education.

We have employment information on 1,943 cases, of whom 315 are employed in the Dominion Civil Services, or 16·2 per cent. A check is now being completed on the remainder, but having regard for the localities not yet complete, the percentage of employment in the Dominion Civil Services will not be in excess of 16·6 per cent, which is the completed figure for the Toronto area, where the Dominion Association headquarters are located.

After careful analysis of file records and general knowledge of the position as affecting amputation cases the following summary may be taken as reasonably accurate:—

392 employed in Dominion Civil Services—16 per cent.
196 employed in Provincial Civil Services—8 per cent.
172 employed in Municipal Services—7 per cent.
122 employed on Railways—5 per cent.
488 industrially and commercially employed—20 per cent.
221 self-employed, part or full time—9 per cent.
Unemployed, 858 or 35 per cent.
Total 2,449, representing 100 per cent.

Q. What is the number of the unemployed?—A. 858 out of 2,449.

Q. And how many employables could be absorbed by the civil service?—A. I am coming to that in a moment. This was prepared in answer to your question.

Q. Thank you, very much, Mr. Myers; you are doing that very graciously and it is heartily appreciated by all, I am sure.—A. It has not yet been possible

to make a study of all unemployed cases but 443 have been completed. It was discovered that 57 were not able to work because of multiple disabilities, age, general health, etc. Many of these men are in receipt of pensions rating from 50 per cent to 70 per cent. 42 appear to be satisfied and are located in small towns in the country and seem to get along on their pension. 36 although interested in employment, due to major disabilities are not likely to be employed. These men are on pensions rating from 80 per cent to 100 per cent. Of the 308 who want employment, 99 are carrying strong recommendations of the Association for employment in the Dominion Civil Services. A number are still under consideration but the larger group, due to disability temperament, personality and appearance should constitute good material for employment in industry generally if there were not a scarcity of positions in the industrial field and if industry did not feel at all times that these men with their obvious disabilities are unemployable. This is a problem which has given the Association the greatest concern since the majority of these men are too young to remain on the shelf, some being only 39 or 40 years of age.

It was found that our men in seeking employment were often faced with the question "What pension do you get"? This has become accentuated during the past few years and some men have been forced to accept employment at very low rates of pay in order to supplement income.

An unfortunate public impression is prevalent that amputation cases all receive $100 a month pension or more and in the minds of the public amputation cases are thought to be 100 per cent disabled and in receipt of sufficient pension to not require work.

Had these men not received amputation only 10 per cent would have been unemployed instead of 35 per cent. Whilst we cannot recommend every man for a public service position, since the Association has a high conception of what the public service of Canada should be, it is nevertheless felt that those of our members whom we are prepared to recommend to this committee might reasonably be asked to find a way to solve their problem. Of course, it must be clearly understood as the remainder of the cases studied are completed there will be additions to the 99 cases referred who will receive our endorsement but these will not exceed 250 in all.

The majority of our men now in the Dominion civil service entered in the early 1920's. Since then very few amputations have been absorbed and during the past five years the figures are almost negligible. Wherever the story arose that amputations glutted Dominion civil services we don't know, but according to the records the facts speak for themselves. The tragedy of the whole business is that we have to-day 858 unemployed men out of 2,449.

The CHAIRMAN: Thank you very much, Mr. Myers. What you have said is most interesting to all of us. Now, you see, we have not finished with you. The members will wish to ask questions, if you don't mind. Before the members ask their questions I will ask you to say something more, Mr. Myers, please; and to make to us suggestions as to the field of employment which those employable men amongst your association could be directed.

Mr. MYERS: Would you mind carrying on, Baker?

Colonel BAKER: Mr. Chairman and gentlemen; on the question which has just been put by the chairman, I would suggest that in the Dominion civil service it is not perhaps best that men should seek positions which they cannot fill fairly efficiently. I have not been able to make any careful study of positions available such as for instance the operation of elevators for men with a leg amputation, certain clerical jobs or messenger work for men with an arm amputation. Such jobs might be selected, not with the idea that they should all be absorbed necessarily by amputations, but there are suitable amputation cases whom we could strongly recommend because of our personal knowledge of them and they might be acceptable to the Civil Service

Commission and the department concerned—it seems to me that that might be given a consideration. It is not our objection, sir, to overload the service, but rather to seek opportunity to extend the efficiency possessed by these men, having due regard to their education, ability, and to the handicap they have.

The CHAIRMAN: Thank you very much, Colonel Baker. What you have said is a great help to us in our deliberation. Now, you have quoted in your memorandum a pamphlet issued by the Military Hospitals Commission and by the Board of Pension Commissioners, speaking undoubtedly on behalf of the government of Canada.

Mr. MYERS: Quite right.

The CHAIRMAN: And making definite promises.

Mr. MYERS: Quite right.

The CHAIRMAN: And by the fact that you have quoted it, it is naturally to be assumed that it was understood that all of those promises would have been fulfilled. It is to my knowledge, gentlemen, that in many cases some badly wounded men did not receive any pension at all while others if they had any wounds received a pension. Is that to your knowledge also, gentlemen?

Mr. MYERS: I would answer that question in this way: I have never yet known of a case of a seriously wounded man, of a really badly wounded soldier, whose wounds were incurred on service for his country, who has not been compensated. They have never turned me down like that.

The CHAIRMAN: Yes, I'll admit it where there is a case of amputation.

Mr. MYERS: No, no; I am talking about seriously wounded men. No, no, there is after all very little difference between a seriously wounded soldier and an amputation case.

The CHAIRMAN: Yes, I know; that is why I reserve my questions for Major Bowler.

Mr. MYERS: Yes, sir.

The CHAIRMAN: Because it is to my personal knowledge that in some cases men who were wounded at the front did not receive any consideration from the Department of Pensions and I have complained bitterly, gentlemen, upon the fact. I complained in the house that in some cases very distinguished military men were deciding on cases where the decision should have been rendered by medical men. They had, however, a lot of fine military records but they were not at all able to decide upon the cases in which a man was suffering from injuries or wounds received while he was at the front.

Mr. MYERS: That might not be the fault of the man; that might be due to the limitations of the Pensions Act.

The CHAIRMAN: Well, I do not know about it. Some of the men on these boards were most incompetent, although they had fine military records; and I complained bitterly about it because they make no distinction between the military rank of these men and their capacity to decide upon the case of a wounded soldier.

Mr. MYERS: I do not want to disagree with you in any way, sir; but I had the experience in a voluntary way of going around for about twenty years, and I have always found them courteous and fair, wherever we had the evidence and proof we established our claim.

The CHAIRMAN: I have found all of them courteous; I have found some of them fair; and I have found many of them completely ignorant.

Mr. GOLDING: In reference to some of the suggestions made there, I would like to call the committee's attention to the suggestion made by the chairman of the Civil Service Commission, Mr. Bland. He said here that in order to carry out the proposed re-establishment of disabled ex-service men where

competent applicants were available who were entitled to the disability preference provided by section 29, subsections 2, 3 and 4 of the Civil Service Act, he thought the competitions for the following classes of positions where not filled by promotion or restricted to disabled veterans should be reserved, instead of being extended to non-disabled veterans and civilians. He lists here as among those positions: elevator operators, care-takers, watchmen, cleaners and helpers, baker and helper, stationary engineer, motor and bridge men; certain positions of clerk, customs and excise clerk, etc. Now, this is a suggestion made by the chairman of the Civil Service Commission, and I was just wondering, Colonel Baker, if that would not be what you have in mind in some of your suggestions.

Mr. GREEN: Was there not tied in with that the suggestion that the special preference for disability cases should wipe out the preference for the other positions?

Mr. GOLDING: Here it is here. It says here that it should be restricted to disabled veterans, instead of being extended to all the disabled veterans and to civilians.

Mr. BLAND: Might I make that clear. I did not intend that any such implication should be attached to that recommendation.

Mr. GREEN: Your idea was that the veteran preference should stand?

Mr. BLAND: Yes; that this should make for a better arrangement.

Mr. GREEN: You are not recommending an extension of the disability preference?

Mr. BLAND: No, just a better application.

The CHAIRMAN: At that point I asked Mr. Bland if the service was suffering—I did not use the word "suffering" but I used an equivalent word—through the military preference; and I—mind you, gentlemen, I did not use the word "suffering"; but it was the meaning of the word I used—and Mr. Bland answered, "Quite so." You remember that, Mr. Bland?

By Mr. Fournier (To Mr. Myers):

Q. In your opinion have the disabled soldiers been fairly treated in the Civil Service Commission in the last 20 years; have they received fair treatment from the Civil Service Commission?—A. I think so, sir; there are, of course, certain cases where it is sometimes most difficult to reconcile the man's capabilities with the requirements of the position as viewed from the standpoint of the department; and naturally, I suppose, the Civil Service Commission must be limited to some extent, they would not force a man on a department when he could not do the job in the opinion of the principals of the department.

Q. Now, you have only 250 men left of your unemployed?—A. We are now prepared to recommend 250 unemployed on our list.

Q. Up to date you have recommended only 99?—A. Up to the moment.

Q. Do you know whether or not they went before the commission for examination, or applied for positions?—A. Some have applied for positions in the past, they have entered competitive examinations.

Q. In the last two years in Ottawa with respect to competitive examinations no returned soldier has had a chance to come into the service for the lower grade positions, except the disabled men; am I right in that?

Mr. BLAND: That is true in a great many cases, Mr. Fournier.

Mr. FOURNIER: For that reason I am asking myself if they have received proper treatment.

Mr. MYERS: It is impossible for us to answer the question in the way you would like the answer by reason of your observation. All that we can deal with

are the men whom we represent. We know there are cases. We are only a very small portion of the large group of disabled soldiers—there were 215,000 casualties; there happens to be 79,000 pensioners who might be entitled to the preference.

Mr. FOURNIER: But this number of 250 compared with the total number of disabled men would not be an exaggeration; you know that the Civil Service has only 35,000 people in its employ?

Mr. MYERS: Quite.

Mr. FOURNIER: So that with the best will in the world we could not take in every disabled man into the service.

Mr. MYERS: No.

Colonel BAKER: I think, sir, as one small item of comparison, I think it is approximately correct, my statement that there are in the Dominion government buildings situated in Ottawa about 240 elevators, and in respect to these 240 elevators I believe we have 16 amputation cases working who have been placed there during all the years since the war.

Mr. FOURNIER: In all events, at your disposal you have only 250 cases?

Mr. MYERS: That is across the whole of Canada.

Mr. GREEN: Your principal submission is that the disability preference be not now done away with?

Mr. MYERS: Quite right.

Mr. GREEN: That is what you are asking for in the first place and primarily; you are not in favour of the disability preference being done away with.

Mr. MYERS: In fairness; we have to be extremely fair about this; in fairness to the large group of disabled men. Their problem may not be as easy to solve as our problems might appear to be. We only speak for a very small group in the larger field.

Mr. FOURNIER: Were these disabled men all in the Canadian Expeditionary Force or did they come from other parts?

Mr. MYERS: You mean—?

Mr. FOURNIER: In your association.

Mr. MYERS: I will read the qualifications for membership from the constitution:—

> Active membership: Any man or woman of good character who has lost a limb or limbs or complete eyesight in the service of Canada, the British Empire, and the allies; when such applicants at the time of application are British subjects, during the period of the great war of 1914 or as a member of the British forces in any former war of the Empire, shall be eligible for active membership in this association.

Mr. FOURNIER: How many were in the British army and in the allied forces that belong to your association?

Mr. MYERS: Oh, just approximately—certainly, including the South African Veterans, and there are a few still, of the men who have lost limbs—it will be well under 5 per cent.

Mr. FOURNIER: Well under 5 per cent?

Mr. MYERS: Well under. The fact is it is very small.

Mr. CLARK: Reference was made to the Veterans' Assistance Committee recommendation with respect to the preference to pensioners. What would you say with regard to a case like this: A returned man not receiving a pension is occupying a position through the preference; a returned man receiving a pension

and holding a position is given that place and puts the other returned man out of the position. Is that fair?

Col. BAKER: I have not heard of a case like that, sir.

Mr. CLARK: I know that case.

Mr. GREEN: Put them out of positions? They got the position instead of the other one?

Mr. CLARK: Yes. The case was exactly this: A returned man was a caretaker. He was temporarily employed. Under the civil service rules an examination was held; and a man, a returned man receiving a pension, was appointed. He was not only receiving a pension, but he was holding a position and not in the government service at all; but he was employed. After the examination he was given the position and put out of work the returned man who was not receiving a pension.

Mr. GREEN: That merely means that the disability preference was given.

Mr. CLARK: The pensioner got the preference.

Mr. GREEN: The other man was only temporarily employed. Had he been permanent, it would not have happened.

Mr. MYERS: I do not know of the case.

Mr. BAKER: It is very difficult.

Mr. CLARK: This man who was put out of a position served for four years during the war.

Col. BAKER: Apparently a permanent appointment was being made.

Mr. CLARK: Yes, a permanent appointment was being made; but the man occupying it would have been temporary.

Mr. GREEN: The temporary should have been permanent before, and that would not have come up.

Mr. BROOKS: The first man was not entitled to the preference.

The CHAIRMAN: Will you please speak a little louder in order that the reporter can hear and take down what you say?

Col. BAKER: Mr. Chairman, Mr. Green asked a question about the points in our submission. I think the two principal points that I might say that are covered by our submission are that the disability preference should be maintained; and secondly, that we are prepared to co-operate with the Civil Service Commission and any other authorities in assisting in the selection of jobs for amputation cases, that we can definitely recommend, where they might be most suitably introduced to the service.

The CHAIRMAN: Thank you very much, Colonel Baker. Would it be possible to send to the committee a list of the disabled men—not a list of the disabled men, but the number of disabled men who are presently unemployed and who would be eligible for certain determined positions?

Mr. MYERS: We can as far as amputations are concerned.

The CHAIRMAN: Oh yes; exactly.

Mr. MYERS: Yes, definitely. We have records on that. There is no question about that.

The CHAIRMAN: Because we want to know exactly what you want from us.

Col. BAKER: Yes.

The CHAIRMAN: It is no pleasure for you to come here; however, we try to make it as pleasant as we can. But we want to get something out of you, and the thing we want is information—precise information.

Col. BAKER: Of the 99 we have already reviewed, I think we can do that. But the remainder are still being investigated.

The CHAIRMAN: Naturally it is a big field.

Mr. SPENCE: That pertains to the amputation cases?

The CHAIRMAN: Amputation cases only.

Mr. GREEN: Does it not boil down to this, that first of all they do not want the disability preference wiped out and secondly, they would like to have a chance to propose to the commission what particular jobs their own amputation cases could be fitted into—not by way of forcing these men into those jobs but simply so that the commission will know that there are certain jobs which could be filled by amputation cases. Then we have, too, the Civil Service Act, and we have the regulations. All the machinery is there now for carrying out the disability preference; and, incidentally, if a man is not physically fit to do the job, he cannot get in under the act as it stands to-day.

Col. BAKER: That is right.

Mr. GREEN: So that there is no danger of the service getting men who are unfit to do the work.

The CHAIRMAN: Mr. Green, on that it seems that it should be made just as clear as possible, to make these people understand exactly what can be done for them in any way.

Mr. GLEN: May I interrupt you for a moment, Mr. Chairman. Was there any suggestion made by anybody as to the abolition of the amputation preference?

The CHAIRMAN: I would like to ask some questions about it, and I will ask some questions if you do not mind. If you wish to ask questions, it is up to you, gentlemen. I never want to be the first to ask questions, although when there is something that I do not understand I want it to be made just as clear as possible.

Mr. GLEN: The question which suggested itself to me, from Mr. Green's question, was that some person or some body had made objections to the preference.

The CHAIRMAN: The super-preference.

Mr. GLEN: Or made representations as to the disability preference being abolished. If that is the case—

Mr. MYERS: It would affect the amputations.

Mr. GLEN: Is your answer contained in your brief to the objections made by that other body?

Mr. MYERS: Yes; our answers are in the brief.

Mr. GLEN: Your brief contains the answers?

Mr. MYERS: Yes.

Mr. GREEN: The Veterans' Assistance Commission attacked their disability preference. That is why they are here at all.

Mr. MYERS: As a matter of fact, we have never appeared before a parliamentary committee with respect to the operation of the Civil Service Act. This is the first time that we have really made public representations in respect to the Civil Service Act.

The CHAIRMAN: Yes; and we are here to report to the House. I would like to ask you as to whether the pension received is not a kind of compensation that amounts to a super-preference? I do not know if my question was clear enough.

Mr. GLEN: The question you are asking is: If a person is a pensioner, that is taken into consideration when the salary or job is taken into consideration?

The CHAIRMAN: No, no. I will make it clearer. Here is an amputated man. He receives a pension of—I will make it low; I will make it 35 per cent.

Mr. MYERS: No, it is 40 per cent. Forty per cent to 70 per cent.

The CHAIRMAN: Yes, 40 per cent to 70 per cent. Let us say 40 per cent. He receives a pension of 40 per cent. Now, he applies for a job with another returned man who has the preference.

Mr. MYERS: Yes.

The CHAIRMAN: He also gets 40 per cent—which in my view is not a compensation for his amputation at all. But he has that as a compensation. Now, he has a double compensation over the returned man by having that disability preference. Therefore, he has two compensations instead of one.

Mr. MYERS: No, no; definitely not.

The CHAIRMAN: I would like you to explain that.

Mr. MYERS: No. In the first place, the man who gets a pension for a disability incurred as a result of direct contact with the enemy as against a man who is not wounded and receives no compensation and was fortunate enough to return with his whole body—it cannot be construed in any way that compensation in the terms of money could be said to represent a preference in any slight way. There is no money in the world that can compensate a man for the loss of limb.

The CHAIRMAN: Exactly. What you have just said I wrote in the press three weeks ago, under my own name. I want to make that clear to you. Moreover, gentlemen, my own view is that a definite promise was made to you by the Dominion government at the time. It was made to you or to your organization or your men by the government representing the country. In that I am in full accord with you. But on the other hand, do you not admit that the preference as given to you returned men in the service is a reward, whether you consider it big or small, for services rendered in an altogether different field of activity?

Mr. MYERS: We do appreciate the disabled man's preference as a mark of esteem for the fact that a man was injured or received a disability on service. We do appreciate that.

The CHAIRMAN: Yes. But that is not my point at all. Will you just read my question, Mr. Reporter?

(The reporter reads question.)

Col. BAKER: If I get your question correctly, Mr. Chairman, the disability preference in the Dominion government is a means by which the government expresses its intention of setting an example to the country at large, and at the same time provides a number of opportunities for men who are partially disabled to find selective positions in which they can be employed and earn a livelihood.

The CHAIRMAN: Yes; without any impediment to the service itself.

Col. BAKER: Exactly.

The CHAIRMAN: Then we are in accord. When we take the preference—suppose that a man has 70 per cent of the marks, and he goes ahead of one who has 100 per cent. You will admit that the service suffers from that?

Col. BAKER: Does he, sir? Does he ever go ahead of one who has 100 per cent of the marks, because those who have the opportunity to exercise the preference in competition—I presume that competition would be limited to disability cases, would it not?

Mr. GREEN: No.

The CHAIRMAN: No, any disabled man can apply for any job provided that he has 70 per cent of the marks in the competition. If he has 70 per cent he is chosen over any returned man who is not a disabled man or who does not receive a pension. There are some cases of disabled men who do not receive any pension and are not considered disabled by virtue of the Act.

Col. BAKER: It must be remembered, Mr. Chairman, that the range of selection of employment opportunities for the disabled man is very much narrower that it is for the non-disabled man.

The CHAIRMAN: Yes, quite.

Mr. GLEN: Here is a case with regard to the post office where there was a returned soldier and the disabled veteran was fifth on the rating given by the post office in the examination. He, the fifth man, got the job. The question the Chairman asked was whether the service was being affected by that. He had passed the qualification marks, received 70 per cent, and yet was only fifth in the list. The question asked was, how do the Association view the fact that the best man in the rating did not get the job?

Col. BAKER: Well, it is not our purpose to press on the civil service of this country men who do not possess average fitness for the job. I personally would not want to see a man get a job in the civil service if he was below a good pass mark, simply because he had a disability.

Mr. MACNEIL: He must have a pass mark.

Mr. GLEN: In this case he had a pass mark.

Mr. MYERS: He was in the position of being fifth in the running for the job?

Mr. GLEN: He had pass marks.

Mr. GREEN: The whole soldiers legislation is based now and has been based ever since the war on caring for the disabled man first, the man who was wounded on active service gets first consideration.

The CHAIRMAN: Yes.

Mr. GREEN: That is the principle of pension and it is a principle that has been enunciated time and again by our present Minister of Pensions who knows more about pensions problems than anybody else in Canada. The same principle is in existence in this Civil Service Act and has been for twenty years.

Now, all the evidence, which really does not amount to very much, shows that there is some question about upsetting that whole system, and I think it is a waste of time to go into it because it has been thoroughly established and has worked out satisfactorily in the service, and if there are disabled men in positions where they are not able to do the job, it is the Civil Service Commission which is at fault and not the preference.

The CHAIRMAN: Yes.

Mr. GREEN: That is the position at the present time, and I suggest it might be left as it is.

The CHAIRMAN: I shall tell you honestly how I feel about it. These men enlisted, and when I say these men, I mean only those who went to the front, you see. There must be a division of preference with regard to those who have been to the front; and amongst them there are those who have been wounded, and wounded very slightly, and others who were wounded quite severely. Of course, there were different things. Some others were not wounded but were gassed, and some others were shell-shocked, and all these men suffer a great deal. When I listened to Mr. Myers and Colonel Baker I was greatly impressed by what they said; but I was impressed also by the reading of the merorandum, which came really from the Dominion government. It seems to me that it is up to the government to do something for them to fulfil these promises; and I do not see how the disability preference could do it for these men. The disability preference could not do anything for those who are unemployable. Colonel Baker was most reasonable in what he said. He said he did not want to hamper the service by imposing these men on the service. Another thing must be considered as well—

Mr. GLEN: May I interrupt you? Among all the memorandums received, have we received any representation from this association or any association that wants to have the preference abolished? Have they made any representations to that effect?

Mr. GREEN: No, the Veterans' Assistance Commission.

Mr. GLEN: Before this committee?

Mr. GREEN: No, unless they were referred to the committee by the commission.

Mr. GLEN: I do not know of anything. What I am going to suggest is this: that was only a resolution passed by the Veterans' Assistance Commission. They are not here before us. We have heard Colonel Baker and Mr. Myers, the secretary of the Amputations' Association. I think now we should close this up.

The CHAIRMAN: Exactly. Just a minute, gentlemen. If we have to deal with these cases it is because the government did not look after them.

Mr. GLEN: Admitting that is true, Mr. Chairman—

The CHAIRMAN: I must remind you, Mr. Glen, that Mr. Myers has quoted that in his memorandum. He has brought it into the picture, and it is only because he has brought it into the picture that I make some observations about the way the men are dealt with by the pension board, I shall come again to it at a later time when the Legion gives their evidence.

Mr. GLEN: May I interrupt you again?

The CHAIRMAN: Yes.

Mr. GLEN: I would like to say this: if there is no representation from anybody as against the disability clause, then I do not see why this committee should interfere with it at all. If they have not made any representations then I think we should not change it in the slightest.

The CHAIRMAN: It is mentioned in the veterans report which is included in this brief.

Mr. GLEN: In the brief that is presented?

The CHAIRMAN: The brief refers to the Veterans' Assistance Commission report.

Mr. GLEN: It is only a reply of Mr. Myers in the brief presented by him. That is their reply to it. The thing is not actually before us in concrete form. All that we have is that a body passed a resolution with regard to the disability clause, but it is not before this committee; no representations have been made, and I should say that we should drop it right now and let things remain as they stand.

Mr. GREEN: We have enough to do without touching this.

Mr. MACNEIL: The chairman of the Civil Service Commission has said that the men who entered the service and were disabled, were qualified, and there has been no impairment in the efficiency of the service.

The CHAIRMAN: Yes, Mr. Bland may give evidence about it after we are through.

Mr. MACNEIL: He has already done so.

Mr. MYERS: May I make an observation with respect to that memorandum. I am a little disturbed—

The CHAIRMAN: I do not blame you for it.

Mr. MYERS: Quite so. I am a little disturbed. I would not wish the impression to get abroad that this country has not tried to be reasonable with the returned soldiers. That is not correct. This country has recognized on many occasions in a very grateful way the services of the soldiers of this country; it is unfortunate that some of the problems are not settled; but I do believe that

a serious effort was made to live within the meaning of that memorandum. I do believe that.

The CHAIRMAN: Well, you should know better than anyone else, as you have had 20 years work in that respect, have you not, Mr. Myers?

Mr. MYERS: Yes, sir.

Mr. GLEN: Then I suggest, Mr. Chairman, we drop this matter altogether. There is nothing before this committee upon which we can make a report. This committee has no right to interfere in this matter at all.

The CHAIRMAN: No; without making the recommendation in our report we might benefit from the experience of the gentlemen who are here.

Mr. GLEN: Yes.

The CHAIRMAN: It has a direct bearing on the working of the Civil Service Act, because the Civil Service Act and the Pension Act work together for the assistance of the returned men. You know that, and therefore they are so close together that it is impossible to consider the effect of the preference in one without considering the other as well.

Mr. GLEN: Taking that into consideration I say that the Civil Service Commission has made a recommendation to this committee regarding the very thing you are speaking of, emphasizing in an extended degree what you have shown to be the position.

Mr. MYERS: Quite so.

Mr. GLEN: Then, that is where we can make a recommendation, on the strength of the Civil Service Commission's report.

Mr. MYERS: I should state that the reason we made the representation was based on the fact that in the early report put out there is a reference to the Veterans' Assistance Commission report; that had been officially drawn to the attention of this committee.

The CHAIRMAN: Are you satisfied with your hearing, gentlemen?

Mr. MYERS: Very much so, yes sir.

Col. BAKER: Yes.

Mr. MYERS: I should like to take this opportunity on behalf of the Amputations' Association of the Great War to express to you, Mr. Chairman, the sincere gratitude of both Colonel Baker and myself as representing these men for the very courteous hearing you have extended us, and to you personally for your very real courtesy.

The CHAIRMAN: You are welcome, gentlemen, and I am very sorry that the session is so short that I cannot tell you to come back again this session; but whenever you come here you will be welcome. Colonel Herwig and Major Bowler will please come on Monday morning. Thank you, gentlemen.

Col. BAKER: Thank you very much.

APPENDIX "C"

FEBRUARY 13, 1941.

Mr. H. A. DYDE,
Secretary, Canteen Committee,
Department of National Defence,
Ottawa, Ontario.

Dear Mr. DYDE:

Re: CANTEEN PROFITS

Your very thoughtful communication of the 25th ultimo is acknowledged with sincere thanks. May we first congratulate the members of the Committee on their appointment. We would be very grateful if you would convey an assurance of our confidence.

We have studied the terms of the Order-in-Council with the object of making a few observations in a helpful way. No attempt can be made at this time to develop a brief for the simple reason that the association has not considered the matter and lack of interest among the branches at this time is very likely due to the fact that in the minds of our members canteen profits are just a post war problem. We appreciate the need for a Committee to receive and especially invest funds. We cannot conceive that any of the money should be used until demobilization is contemplated or at least under way.

The view will be held that the profits from canteen funds are the property of all men and women who served during the period of the war. On this assumption, which is nearly correct, monies accrued should be divided equally and paid over at the time of discharge. True, the amounts would be very small but a headache would be avoided. This observation will probably be found untenable in which event complaints following the last war should be studied. In this connection the following observations are made:—

1. That no grants be made to organizations of any kind.
2. That no portion of canteen funds be used to purchase clubhouses, subsidize veterans' organizations, magazines and the like.
3. That no portion of canteen funds should be used for relief purposes.
4. That the Dominion Government being primarily responsible for the disposition of these funds any transfer of responsibility to provinces should be safeguarded in order to assure that funds are expended in a manner satisfactory to the central authority whose interest should continue.

In our opinion there will be need for the wisest application of canteen funds and for other special funds. In considering the disposition of canteen funds as long as they are conserved and earmarked to benefit the soldiers as widely as possible there can be no complaint. Other special funds are mentioned because if the joint use of these funds was most practical it would be a mistake to ignore any plan which would yield the greatest benefit to the greatest number and the most deserving veterans.

There are at present such special funds. These will probably be supplemented as the war proceeds. There should also be surpluses available at the end of the war from the Red Cross, Salvation Army, Knights of Columbus, Y.M.C.A., Y.W.C.A., Canadian Legion and many other similar war service groups. These surpluses should benefit the soldiers of the present war and should not be diverted for peace time association purposes.

For many years following the last war there was much discontent amongst the soldiers over the adjudication of pensions. Briefly this was due to administrative difficulties and case preparation. Failing to bring out all the facts was a great factor. The old system of soldiers' friends was inadequate. The

system of veterans' bureaux was an improvement, and all ex-service men's organizations carried on pension adjustment activities in one form or another. There is abundant evidence of ex-service men using the services of interested individuals and dozens of different organizations. Much wasted effort could have been avoided, less discontent would have resulted and probably many agitations for enlarged pension provisions would not have been necessary.

As a remedy we would suggest the creation of an independent "Soldiers' Welfare Commission" to handle the work done by the Veterans' Bureau and enlarged if found advisable to deal with such matters as the handling of canteen funds and other special funds. The Commission would be a voluntary body composed of outstanding ex-service men (mostly of the new army) and representatives from all national ex-service men's organizations. The director and personnel would have to be paid.

It should be noted that there will be additional post-war problems not previously encountered. A most important one will be due to the effect of P.C. 2491 which provides that pension entitlement for Canada cases shall exist for death or disabilities only when attributable to military service as such, i.e. incurred as a direct result of performance of military duty. This is a radical departure from the provisions of the old Pension Act and is more comparable as far as service in Canada is concerned to the entitlement provisions of Workmen's Compensation Acts. There are now cases of non-pensioned widows and orphan children arising due to death during the present war but not incurred as a direct result of the performance of military duty. There are also some very serious injury cases in this category including major leg and arm amputations. Under the old Act these cases for the most part would have been entitled to pension.

The function of the Commission would be to handle all claims for pension entitlement, treatment etc., and the many requests which now reach the Department of Pensions and National Health from individual ex-service men and women and through veterans' organizations which are primarily of a character requiring independent consideration rather than departmental friendly approach which is so often misunderstood.

Members of Parliament and the public alike should route these cases through the Soldiers' Welfare Commission. The need for individual and organization bureaux would largely cease although a liaison might properly be established by ex-service men's organizations with the Commission in order to make certain that cases were properly and efficiently handled. This should result in the best case preparation conceivable. No organization should handle any case of a veteran who is not a bona fide member. These all should be routed through the Commission direct and thus get rid of the type of case who seeks the assistance of a dozen different bureaux.

Apart from the need for proper case preparation an effort should be made to make the Commission as self-supporting as possible. This might be accomplished through the funding of any large surpluses from war service organizations in order that the claimant for pension be conscious of the fact that the Commission being his advocate, friend and legal adviser (for pension purposes) will receive that full measure of confidence which exists between lawyer and client. *This service would be available free* "to every man who served."

It should also be a clearing house for all veteran problems. The Commission should encourage the widest consultation with veterans' organizations, study all proposals made, meet at least once each year to study the workings of the Pension Act and its administration (preferably before the assembling of Parliament). This would not only provide the means whereby the Government could utilize the best information and the soundest advice upon all matters relating to veterans' problems but would make for greater confidence in the mind of the public.

The administration of all special funds (including the canteen fund) under this plan would be the duty of the Commission. Relief should be handled for ex-service men only in the manner agreed upon under the Unemployment Insurance Scheme.

The Commission might properly undertake—

(*a*) Special educational assistance for the orphan children of veterans (both parents dead).

(*b*) Limited educational assistance for the orphan children of a veteran if the widow is unable to afford same.

(*c*) Assistance to the veteran whose children cannot afford to purchase books for secondary educational purposes.

(*d*) Assistance to needy non-pensioned veterans whose disability was incurred during service and found to be of a serious character.

(*e*) Assistance to needy non-pensioned widows of men whose death occurred during military service.

(*f*) Provision for all needy ex-service men requiring same, of orthopædic appliances and such aids uppn recommendation of a medical authority primarily as a means of improving their chances of securing employment or holding same.

(*g*) Special assistance to all ex-service men and their widows if they suffer misfortune or calamity if such assistance is in the public interest.

It is intended that items (*a*), (*b*), (*c*), (*d*), (*e*), (*f*), and (*g*) might properly be considered as a charge against canteen funds.

Special memoranda dealing with each item can be developed if desired.

We have tried to acknowledge source of these funds and have therefore not limited the suggestions to benefit any group but have dealt with the matter in such a way as might affect any ex-service man during his lifetime.

There has been a lot of loose talking and thinking in most matters affecting soldiers' welfare. We are very concerned that the proper thing be done. Soldiers' welfare means as much to our members as to anyone else. For this reason we feel it our duty to suggest the most careful examination of these observations.

In our opinion the canteen fund problem is a part of the general problem affecting soldiers. Under the plan suggested this fund can be handled by the soldiers themselves in such a way as will bring further credit to their service by their acceptance of responsibility which devolves on all good citizens, something which most good soldiers understand.

It is only during the past few years that confidence in the administration of the Pension Act has been noticeable. It is very important that such confidence continue. However, the limiting effect of the Order in Council referred to will apply to thousands of men who will never leave Canada and is something which may breed discontent. Out of the 25,000 discharges which have taken place only 1,000 have had overseas service. This ratio will not continue. However, we are of the opinion that service in Canada cases at the end of the war will be very large; they may even exceed the numbers of men with service overseas, in which event certain pension problems may develop which may have the effect of lessening confidence in Pension Act administration.

Twenty-five years of Pension Act operation and administrative experience must have disclosed faulty construction of Pension Act provisions necessitating awards of pension sometimes very difficult for friends of soldiers to understand. Such being the case there seems no valid reason why this should be perpetuated. On the other hand there are certain inequalities needing adjustment. Since the last war there have been about twenty Parliamentary Committees on pensions and soldier welfare, the tendency always being to recommend some enlargement.

If such an agency as the Soldiers' Welfare Commission was set up it would be capable of great public service operating in the best interests of ex-service men and the State. We are confident that the necessity for so many parliamentary enquiries would not be so great. The administration of the Canadian Pension Act, War Veterans' Allowance Act and the Department of Pensions and National Health would not be subjected to the severity of criticisms which heretofore obtained in some instances.

This is all on the assumption that the governing policy of the Soldiers' Welfare Commission permitted of the greatest possible consultation with the soldiers or their representatives. The aim should be complete confidence. The recommendations of the Commission being based upon study of its own files, information, consultation with soldier organizations, welfare groups, interested individuals and departments of the Government concerned will bear the imprint of approval of the vast majority of the soldiers. They will ensure public confidence. Soldiers' organizations will have settled their arguments privately and will be freed from the embarrassment of parliamentary examination of differing views. Parliament will get a clearer perspective and will be freed from pressure which might otherwise develop locally.

Heretofore submissions of association briefs to Parliament have been made for the most part by the presidents of the organizations concerned and with changing personnel and different points of view consistency of approach was difficult. Returned soldier organizations will be better able to develop their organizations along lines obviously intended and to perpetuate the ideals for which they stood whilst serving in the field and make for greater contentment and unity.

We have not had the opportunity of discussing the general situation affecting canteen profits with branches of the association or the Board of Directors but the context of this communication is based upon association resolutions and experience in order to assist the Committee at this time and to indicate trend of association thought.

Yours faithfully,

RICHARD MYERS,
Honorary Dominion Secretary.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 14

TUESDAY, MAY 6, 1941

WITNESS

Mr. Alex. Walker, President, Canadian Legion, B.E.S.L.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

TUESDAY, May 6, 1941.

The Special Committee on the Pensions Act and the War Veterans' Allowance Act met this day at 11.00 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Black (*Yukon*), Bruce, Cruickshank, Emmerson, Ferron, Green, Isnor, Macdonald (*Brantford*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Mutch, Quelch, Reid, Ross (*Souris*), Sanderson, Tucker, Winkler, Wright.—21.

The Clerk read a telegram addressed to the Chairman from the Canadian Pensioners' Association concurring in the evidence submitted by Lt.-Col. Baker and Richard Myers, and recommending new hospital buildings for treatment of returned soldiers.

A statement submitted by Mr. J. R. Bowler, General Secretary, Canadian Legion, B.E.S.L., on Auxiliary Services was ordered printed as Appendix "A" to this day's evidence, and to be referred to the subcommittee on compensation for injuries to civilians caused by the war.

Mr. Alex. Walker, President of the Canadian Legion of the B.E.S.L., was called and examined.

The Brief prepared by General Alex. Ross, Past President of the Canadian Legion, on Rehabilitation and Re-establishment of returned soldiers, and the New Zealand Government Regulations respecting Occupational Re-establishment—1939, were ordered printed as Appendices "B" and "C" respectively, to this day's evidence.

Mr. McLean moved that the payment of the travelling expenses of Mr. A. Beaton, who appeared as a witness before this Committee on May 2, 1941, be authorized. Motion adopted.

The Committee adjourned at 1 o'clock p.m., to meet again at the call of the Chair.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

May 6, 1941.

The Special Committee on Pensions met this day at 11 o'clock a.m. The chairman, Hon. Cyrus Macmillan presided.

The CHAIRMAN: Order, gentlemen. I will ask the secretary to read a telegram from the Canadian Pensioners Association of the Great Wars, addressed to me on May 5.

The CLERK: (Reads)

> The Canadian Pensioners Association of the Great Wars having had the privilege of reviewing the briefs on pensions treatment rehabilitations, etc., submitted by the Sir Arthur Pearson Club of Blinded Sailors and Soldiers and the War Amputations of Canada to the committee herewith give to you and to the committee our approval of their recommendations so ably presented to you by Lt. Col. Baker and Richard Myers. In order to save the time of the committee we do not ask at this time to appear before you unless your committee is desirous of the personal attendance of one of our officers. The Canadian Pensioners Association of the Great War was organized in 1922 and received its federal charter in 1925 and is we believe known to most of the members of the committee. From what we have read we feel that the committee is carefully going into all matters having to do with these who have offered their bodies and their lives for Canada and that as a result of the deliberations of the committee you will recommend to parliament legislation which will provide the means of Canada giving to these men by legislation the same square deal which they have given to Canada. The only additional recommendation we would offer at this time is that your committee recommend that proper hospital buildings be erected to look after those of this war and the last war who because of disabilities received on service are entitled to the best which Canada can provide for them rather than the old policy of using old buildings and factories which were never designed nor intended to be used as hospitals particularly for the treatment of those who had offered their all for Canada.

The CHAIRMAN: Gentlemen, Mr. Bowler of the Canadian Legion of the British Empire Service League has prepared a statement on auxiliary services and various problems associated with the auxiliary services. Is it your wish that this statement should be presented to the subcommittee on civilian claims under the chairmanship of Mr. Ross Macdonald, or is it your wish that it should be presented to the whole committee? It will save time to have it presented to the subcommittee.

Mr. ISNOR: Could we have it printed in our minutes and then turn it over to the subcommittee?

The CHAIRMAN: Is it a lengthy statement, Mr. Bowler?

Mr. BOWLER: No, it will not be lengthy. I have not prepared it yet.

Hon. Mr. MACKENZIE: On the point of auxiliary services, I would like to inform Major Bowler that the question was taken up some time ago by myself and is now receiving the consideration of our special committee of

three of the departmental officers, and we hope to have a report from them before the end of this week; so we welcome any submission you have to make in that regard.

Mr. CRUICKSHANK: Will we have a chance to question Major Bowler on this report; it may be important?

The CHAIRMAN: Yes, certainly. Then it is agreed that Major Bowler will present his brief and it will be printed in the published report of this meeting.

(Report on Auxiliary Services appears as Appendix "A").

This morning we are to hear from Mr. Alec. Walker, President of the Canadian Legion of the British Empire Service League. I am sure we shall all be glad to hear Mr. Walker. I shall call on Mr. Walker now.

Mr. ALEC WALKER, Dominion President of the Canadian Legion of the British Empire Service League, called.

The CHAIRMAN: You may proceed.

The WITNESS: Mr. Chairman and gentlemen, in presenting this brief on behalf of the Legion I may say I have with me our first officer, Col. Nicholson from Montreal, and also Mr. Bowler.

The Canadian Legion desires to convey its sincere thanks to the chairman and members of this committee for the opportunity now afforded to present the Legion's views on the vital subject of Rehabilitation.

Examination of the proceedings of the committee to date, in respect to pensions and similar matters, reveals clearly the keen and sympathetic, although always practical, interest of the members of the committee in these problems. The Legion is satisfied that the committee's deliberations will be thorough and that their recommendations will be sound and constructive.

The Legion also desires to pay its tribute to the government for its commendable initiative, not only in setting up this parliamentary committee, but in having established, as far back as a year ago, a special interdepartmental committee to consider and report upon the whole problem of rehabilitation. The comprehensive outline of the results of this study, recently presented to this committee by the Hon. the Minister of Pensions and National Health, shows with what thoroughness and care every angle of the problem has been considered. Great credit is due, not only to the minister, but to the chairman of the interdepartmental committee, Brigadier-General H. F. McDonald, to Mr. Walter S. Woods, the vice-chairman, to Mr. Robert England, the secretary, and to all members of the main committee, and to the chairmen and members of the various subcommittees.

The Legion also wishes to take this opportunity of commending the government upon the appointment of Mr. Walter S. Woods as Associate Deputy Minister of the Department of Pensions and National Health especially charged with the duty of dealing with the problem of rehabilitation. With the additional heavy responsibilities devolving upon the department, now and in the future, in respect to the new war, it is obvious that some additional provision is necessary, and the fact that this provision has taken the form of the appointment of a special deputy minister, with direct access to the minister, is most gratifying, and in the Legion's opinion will be well justified by results. Moreover, in the selection of Mr. Woods the government has called upon an ex-service man who not only possesses executive and administrative ability of a high order, but who also has earned the confidence and respect of the entire body of ex-service men in Canada.

The minister's statement, together with the reports and suggestions of the committee and subcommittees, which now appear in the proceedings of this parliamentary committee, undoubtedly form a sound and enlightening

basis from which to approach the whole problem of rehabilitation. This does not necessarily imply that the Legion is in agreement with all that has been suggested, but any criticism offered will be constructive and in no way detracts from the credit due to those who have been entrusted with this study.

Early Consideration of Problem Essential

Suggestions have been heard from time to time that consideration of these questions, under present circumstances, is premature, and that the first job is to win the war. Certainly we must, and we shall win, but it is common sense that we should also prepare for peace. In view of the magnitude of the task it is, in the Legion's opinion, impossible to start too early the planning of the orderly return to civil life of our fighting forces. The Legion fears that, notwithstanding the best of intentions, on the occasion of the last great conflict this task was very largely left until the termination of hostilities, with the consequence that the measures taken were inadequate to cope with large scale demobilization. The problem of re-establishing veterans of the last war is even at this late date not completely solved.

There should, of course, be no recriminations. It has to be remembered that this was Canada's first experience in dealing with problems of this nature and it was only possible to proceed on a "trial and error" basis. Some of the measures introduced proved either inadequate or ineffective. Others were founded on unsound premises. On top of this, rehabilitation was a brand new experience for the soldiers themselves and it is quite possible that their co-operation was not all that it might have been. All this experience, whether fortunate or unfortunate at the time, is to our advantage now. We are able to measure deficiences and shortcomings and to perceive things that were not done, but which in the light of experience might well be done now.

Co-operation of Members of the Forces

Certainly we may reasonably expect much better co-operation from the members of the new forces in respect to their rehabilitation. Many of these men are sons of ex-service men and it is safe to say that practically all of them have relatives who served in the last war. The new soldiers, therefore, may be expected to have some appreciation of the importance of the measures taken for their rehabilitation.

Necessity for Advance Information

It will be essential, however, that those serving shall be informed, as far in advance as possible, as to these measures. Not only that, but they should be carefully instructed as to the magnitude and complexity of the problem and its vital importance, both to themselves as individuals, and to the nation. Advance preparation of this nature will certainly pay valuable dividends in co-operation and understanding, which to a very large extent was lacking on the last occasion.

Legion Facilities

In this regard, The Canadian Legion, through its war services and other channels, may be in a position to render material assistance by way of disseminating information of this character prior to discharge. Certainly the entire facilities of the Legion are available to the government for this purpose.

Legion Submission on Outbreak of War

It is perhaps appropriate to mention here that immediately following the outbreak of war an emergency meeting of the Dominion Executive Council of the Legion was convened in Ottawa. At this time arrangements were made to interview the Rt. Hon. the Prime Minister and members of the dominion

cabinet, and a number of representations were submitted. One of these, which had regard to the problem of rehabilitation, was as follows:—

> That adequate steps be taken to ensure that those who volunteer for service shall in no way be penalized on their return to civil life and, so far as possible, shall be assured of that place in civil life which they might reasonably be assumed to have obtained had they not enlisted.

From the standpoint of the serving soldier, this is the essence of the rehabilitation problem. There is no question of reward for services rendered. The Legion has always steadfastly opposed in principle any efforts to secure concessions in the nature of reward, and believes that the new ex-service men, when they thoroughly understand the matter, will take the same position. It is nothing less than a moral right, however, that a man who has served his country shall, as far as possible, be re-established in society in the manner suggested. The formula, which is a very simple one, and which has been repeatedly enunciated since the last war, not only by the Legion, but by leaders of governments and political parties and prominent citizens, surely represents the minimum that a man has the right to expect, and should be transformed into the most practical measure of rehabilitation that can be devised.

FURTHER LEGION SUBMISSIONS

Rehabilitation Part of War Financing

From the point of view of the State, adequate re-establishment represents, in the first instance, the fulfilment of a moral obligation, and all Canadians will desire most emphatically that this obligation be carried out in full measure. It will also be their desire that the question of cost shall be no more of a consideration than is the cost of fighting and winning the war. From the financial standpoint, rehabilitation should be regarded as part of the war, and there should be no letting up in the war effort or war expenditure until this problem has been adequately provided for.

Dangers to Avoid

This point is emphasized at this time because it is believed that there was a tendency at the end of the last war—after the payment of gratuities and after certain spasmodic efforts towards re-establishment—to consider the whole question as being very largely disposed of, and to reduce expenditures to a minimum. It is clear now that this policy was not only mistaken but, in the long run, has proved most costly and has worked much hardship on many of those who served in that struggle.

Interests of State

Further, it is in the interests of the State itself that the transition from military to civil life should be smooth and efficient. From this point of view, rehabilitation must be considered as an essential part of the general post-war construction problem. It will be difficult enough to transform the industrial and other war activities of Canada to a peace-time basis, and most assuredly this problem will be magnified beyond conception, if there is permitted to occur any sudden glutting of the labour market with many thousands of newly discharged men, all desperately striving at the same time to obtain employment. At all costs, this situation must be avoided.

Not only will it tend to confuse and confound the process of reconstruction but, due to inevitable disappointments and delays, it will bring into being bitterness and resentment of a nature not easily eradicated.

Retarded Demobilization

In the Legion's opinion, in order to accomplish rehabilitation without undue dislocation of industry, and without hardship to the individual, it will

be necessary to contemplate from the outset the introduction of some form of "retarded demobilization." This involves scientific planning as a result of which each man will step from the forces to gainful employment or to training on a remunerative basis leading to gainful employment.

There are obvious objections to the indefinite maintenance of a standing post-war army, but there are certain considerations which render the proposal much less formidable than might appear at first glance:—

(*a*) The fact that plans and preparations for demobilization are already being thoroughly considered, assisted by the experience of the last war, should ensure that in a very large number of cases there will be no undue delay between discharge and entry into civil occupation.

(*b*) That undoubtedly a large number of men will return without difficulty or delay to their pre-war positions.

(*c*) It seems unlikely that Canada will ever again be content with the almost negligible defence forces, such as have existed in the past, and that in the future we may contemplate the permanent existence of substantial forces on land, sea and in the air. Many of those now serving may well decide to continue such services during peace-time.

One thing is very certain (providing the individual concerned is willing to work):—there should be no period between demobilization and employment during which the ex-service man or his dependents are obliged to have recourse to public charity. The Legion feels very keenly, and it believes it echoes the opinion of the whole Canadian people that public relief as a means of maintenance during the transition period should be ruled out wholly and completely.

Endorsation of Trades and Labour Congress

The Legion is glad to know that it is not alone in its views on the subject of "retarded demobilization". The Trades and Labour Congress of Canada in a memorandum presented to the dominion government on March 14, 1941, with a practical as well as sympathetic outlook, included the following:—

> With a view to avoiding recurrence of the chaotic condition which followed the last war, that on termination of the present conflict, members of the armed forces be retained on the government payroll until they can secure or are provided with steady employment.

Endorsation of Conference of Mayors

At the convention of the Canadian Confederation of Mayors and Municipalities, held in Ottawa recently, a similar resolution was passed, indicating that this viewpoint is also held by the municipalities throughout Canada:—

> Whereas it is the considered opinion of this federation that the responsibility for the rehabilitation in civil occupations on demobilization of those serving and to serve in the armed forces of Canada is that of the federal government:
>
> Resolved that such demobilization of any employable person be not made until a gainful occupation is secured for such person:
>
> Further resolved that adequate provision be made by the federal government for the treatment, care and well-being of any unemployable person so serving or to serve, their widows or dependents so that such persons shall not on discharge from such armed forces be or become a charge on any Canadian municipality.

Endorsation of Employers

In addition it is believed that employers themselves will be found to share this point of view. For example, a prominent western business man, and large employer of labour, very definitely expressed himself to that effect in a recent letter and further stated that, "Unless a satisfactory solution is

found and put into operation before demobilization takes place, we will be faced with a tragic and shameful condition difficult to correct. This is not time for apathy, the facts must be faced and a solution discovered."

As suggested previously, and quite apart from the interests of the men concerned, the Legion believes, that while undoubtedly involving expense, some procedure along these lines will be found to be in the best interests of national reconstruction, and therefore of national economy.

Other Proposals

In March, 1940, a submission, outlining certain views and suggestions on the subject of rehabilitation was prepared and presented to the government by the Legion. This memorandum, amongst other things, pointed out that men who enlist for active service make certain definite sacrifices. If they are young, and have never been regularly employed, they sacrifice the essential formative years during which they would ordinarily learn the fundamentals of earning a livelihood. These years for the most part are spent in an environment likely to be of little real use afterwards. If they are older, and have started to make their way in life, they lose the opportunity of advancement and are definitely handicapped on return, as compared with those who stayed home. Included in the memorandum referred to were the following suggestions:—

STATUTORY PROVISION FOR REINSTATEMENT IN PRE-WAR POSITIONS

Most good employers will reinstate men who enlist from their service but there are always employers—as we know to our sorrow—who have no regard to their moral obligations. We feel that the responsibility should be uniform and the right to re-employment established by law. We also submit:—

(*a*) It should be provided by statute that every man who was in employment when he enlisted should be entitled to reinstatement, if physically fit for such employment, in the same position and with the seniority which he would have had if he had not enlisted, provided, of course, that the business or enterprise in which he was employed is still in existence and engaged in work of the same nature.

(*b*) If the nature of the work is such that absence from employment for a period of time would impair skill it should be the responsibility of the government to compensate the employer during such period as the man is undergoing a period of training.

(*c*) To prevent abuses, some tribunal should be set up to assess compensation for dismissal without adequate cause within a certain period.

(*d*) That approach should be made to the governing bodies of labour unions to ensure such adaptation of labour union regulations as to make such scheme effective. Following the last war, the Canadian Legion had great difficulty in adjusting questions of seniority by reason of the fact that no such arrangements were made.

(*e*) Attention is directed to New Zealand legislation along these lines, copy of which is attached hereto. We believe there is similar legislation in Australia. It should be noted, however, that the Canadian Legion submitted this suggestion long before the existence of this legislation became known.

Support of Trades and Labour Congress

It is again gratifying to note that the principle of the above proposal is in line with the thoughts of organized labour. In the same presentation to the

government, on March 14th, 1941, the Trades and Labour Congress of Canada included the following:—

> To provide against loss of employment by those serving in His Majesty's forces that regulations be established requiring employers to reinstate workers at the termination of such service and that time spent in the forces be considered as years of employment for the purpose of promotion, salary increases, pensions, etc.

The Legion desires to record its sincere appreciation of the practical spirit of sympathy and assistance with which organized labour have approached this matter.

Action Taken by C.P.R. and C.N.R.

It should be mentioned here that both the Canadian Pacific railway and Canadian National railway have voluntarily laid down regulations to the above effect, with the approval of the labour organizations concerned.

Co-operation of Employers and Labour

While the Legion advocates certain compulsory measures to ensure the return of men to their former employment, where available, nevertheless, the Legion believes it would be unwise, and indeed would be a great mistake, to approach the whole problem on this basis.

The Legion is convinced that on patriotic grounds alone the co-operation of the great majority of employers and of organized labour can be readily secured. Moreover, as has already been pointed out, it is essential to the interests of all concerned that the transition to civil life shall be accomplished without glutting of the labour market and with a minimum of dislocation of industry.

To accomplish this, a determined effort should be made to ear-mark each man for a specific job to which he can proceed either directly or after special training, preferably to be carried out in the industry where he is to be employed.

All this will undoubtedly involve a great deal of careful planning on the part of employers and it may be expected that, in many instances, operations may have to be conducted on an uneconomic basis in order to achieve the purpose in view.

In the Legion's opinion, the State should be prepared, from the outset, to afford reasonable protection to employers under such circumstances, either by absorbing all or part of wages or salaries, during period of training, or by subsidy, or in some other effective manner. The basis of the existing probationary scheme for veterans of the last war might be studied to advantage in this regard.

Subject to reasonable protection of this kind, the Legion believes that employers will be only too anxious to lend their close co-operation and assistance. It is the Legion's opinion, however, that any and all schemes contemplated by the government, involving the co-operation of employers' should be submitted in advance to the representatives of this group, so that their own views and suggestions may be obtained and consolidated into the final plan, thus ensuring co-operation from the outset.

The Legion believes that one of the reasons for the failure of apparently sound schemes in the past, such as the vocational training plan, was, in fact, due to the omission to properly co-ordinate the plan with the requirements of industry. In other words, while valuable training was undoubtedly given, the scheme lacked the essential feature of ear-marking the individual for the specific job he would fill on completion of his training. As far as possible, this omission should be corrected on this occasion. It will entail a vast amount of work and planning, and certainly cannot be done without the full co-operation of employers all the way through. However, the effort should be made and the ultimate results to all concerned should be well worth while.

The co-operation of organized labour is also an essential feature. The sympathetic attitude of labour has already been demonstrated, and the opportunity should be taken now to consult labour in regard to contemplated rehabilitation measures and to ensure full co-operation throughout.

A further proposal, submitted by the Legion in March, 1940, is as follows:—

EMPLOYMENT IN CIVIL SERVICE

The men serving overseas are engaged in public service of the highest order. Therefore the field of civilian public service should be made available to them. It follows therefore:—

(*a*) That appointments to the public service of Canada should, save such for which a veteran of the war 1914-1918 is qualified to fill, during the war be regarded as temporary and vacancies made available to men with overseas service at the termination of the war. This recommendation is not intended to affect those classified as "temporaries" on September 1st, 1939, many of whom should be embodied in the permanent service in accordance with the report of the last parliamentary committee on this subject.

(*b*) That an effort be made to secure similar concessions from provincial governments, municipal bodies and public utilities.

These proposals are submitted as a basis of discussion, and to indicate the application of the principle of equality of sacrifice. There can be no equality of sacrifice if men (other than veterans of the last war who are willing to go but not permitted to do so) are permitted to elect to remain at home and pre-empt the best positions available for men of their age group and equivalent training. The man who elects for active service should not be condemned to take the inferior positions.

Civil Service Preference to Members of New Forces

It is taken for granted, of course, that the preference under the Civil Service Act will be continued. As has been pointed out to this committee, no amendment has yet been introduced to bring members of the new forces within the preference under the Civil Service Act. In the opinion of the Legion, it is a matter of importance that this should be attended to this session. This is urged most strongly, not only for the benefit of those now returning, but because if provincial and municipal bodies, and employers generally, are to do their part, the dominion government must set the lead in a practical way. Undoubtedly, much can be accomplished through the preference clause in government contracts and through other channels, but it is submitted that the early passage of the suggested amendment to the Civil Service Act is essential. As long as this remains undone, entire confidence in the dominion government's effort cannot reasonably be expected.

All appointments in the government service are not made under the merit system. There are a large number of exempt positions, which are now mostly filled through patronage. Returned soldiers as a body do not feel that they should be obliged to tie up to any political party in order to secure a preference, established by law. No matter how generous a member of parliament may feel towards returned soldiers, it is inevitable that at sometime or other local party interests make demands which can only be satisfied by setting aside the preference. This same difficulty has occurred in connection with employment in other fields and, if unchecked, will hamper the work of veterans' welfare officers.

Another submission put forward in March, 1940, is as follows:—

TRAINING FOR CIVIL OCCUPATIONS BEFORE DISCHARGE

A vital question is the extent of the government's responsibility on discharge. Many of these men are young and have never worked. They are therefore incapable of earning a living, and by reason of the service period have lost the opportunity of training. It is therefore recommended:—

(*a*) That such men should not be discharged until they have been afforded an opportunity of becoming trained in some calling for which they are adapted.

Many of these men were unemployed on enlistment. They will have no employment to which to return. It is therefore recommended:—

(*b*) That if such men are capable of being trained they be given a course of training fitting them for employment.

(*c*) That employment conditions be surveyed and efforts made to secure the absorption of these men in an orderly manner.

(*d*) That for this purpose the veterans' assistance committees be developed to ensure the maximum amount of voluntary assistance.

The essence of these proposals is training before discharge. It was for the express purpose of extending the opportunity to those now serving to better equip themselves for re-entry into civil life that the Canadian Legion introduced its educational services, to which there has been such a splendid response. The Legion is gratified, indeed, that the Minister of Pensions and National Health has seen fit to commend the Legion upon its educational program, and to indicate its value as a contribution to the general problem of rehabilitation.

The Legion proposes to maintain and extend this special activity unceasingly throughout the duration of the war, and it is its sincere hope that as a result many of those now serving will find their way back to civil life greatly facilitated. The whole question of pre-discharge training, however, particularly in the case of those not previously employed, and those without special education or training, should, and undoubtedly will, receive careful consideration; and having regard to the future benefit, not only to the individual but to the state, any reasonable costs involved should not be permitted to operate as a deterrent.

It may well develop that legion educational services may prove to be of value for post-discharge purposes. The educational plan has been set up at considerable cost in time and effort. Its courses have been prepared with the utmost care by men who are admittedly experts in the realm of education. These courses have been approved by Departments of Education throughout Canada and, for the first time in Canada's history, universal recognition of standards has been achieved. The courses are constantly modernized to keep pace with scientific research and advancing knowledge.

On the face of it, it would appear that the Legion's plan might usefully be continued for post-war purposes relating to Rehabilitation. If this is so, it would seem uneconomic to "scrap" the plan merely because of the termination of hostilities. In any case, if those in authority indicate a desire that these facilities should be extended into the post-discharge period, the Legion will be only too happy to lend its utmost co-operation and to join with the department in determining a satisfactory basis of operation.

It may be hard to visualize post-war conditions, but no one will wish to see our young men so completely neglected as they were in the few years preceding the present war.

In one western province the figures for the past six years show that of the registered single unemployed men seventy per cent were labourers or unskilled. Of this, the largest group is to be found among those between the ages of 21 and 30, and the next largest between the ages of 31 and 40. In all, this accounted for sixty-six per cent of the whole.

This condition was undoubtedly general throughout the country and if similar conditions are not to recur after the war, a very heavy program of training must be undertaken, coupled with the bold planning of the economic life of the country on a scale which will include the employment of all its citizens.

I might say that I have some charts before me dealing with unemployment. As I said, 70 per cent of those single unemployed were unskilled.

By Mr. Mutch:

Q. In what province was that?—A. Alberta. Thirty-eight per cent were between the ages of 21 and 30. It seems a pity that strong, young, fit men are unable to get employment. I am very happy to report, of course, that single unemployment now has decreased. To give you an idea of that, in 1936 and 1937 we had 10,420 single men out of work. Of this amount 7,084, or 67 per cent, were unskilled. In 1937-38 out of a total of 8,063 there were 5,632, or 70 per cent unskilled. In 1938-39 out of a total of 6,050 there were 4,488 or 74 per cent unskilled. And, to give you the complete picture, in 1939-40 out of a total of 3,356 there were 2,412 or 72 per cent unskilled.

Proceedings of Dominion Convention

At the dominion convention of the Legion in Montreal in May, 1940, the general problem of rehabilitation was further considered. A special committee was appointed, which gave a close study to the entire question, and brought in a report, which was unanimously adopted. The report is as follows:—

The Committee on Rehabilitation

The return of soldiers from any war has brought, to both victor and conquered, a period fraught with difficulty, and the advent of a machine age has greatly enhanced the time of trial. Hence, governments, in increasing ratio, have after each war rightly had to assume a greater burden in placing back to civilian life the men who served them well as soldiers. In consequence it is recognized that the impact of peace immediately brings into conflict two great economic factors:—

1. The return of the warriors.
2. The cessation of the high-geared war industries.

As a good hydro engineer provides a surge tank on a water flume to take care of pressure when the flow is turned off abruptly, so we are attempting in a somewhat similar manner to provide a safety valve for the difficult period we anticipate at the end of the present conflict. Realizing, though, the magnitude and the scope of the subject, we do not presume to have offered all possible solutions, but present the following in the nature of a guide:—

Immediate Programme

1. That the dominion government immediately set up a committee to consider the problems of rehabilitation.

2. That all men slated for discharge on account of illness or wounds be transferred at once to the jurisdiction of the Department of Pensions and National Health for complete boarding prior to final discharge.

3. That an honour roll of employers who agree to reinstate enlisted men upon their return to civil life be published either by the dominion government or the Canadian Legion.

NOTE:—In this connection we recommend that the government consider the merits of an act similar to "The Occupational Re-establishment Emergency Regulations, 1939" as enacted in New Zealand, 1939 (see appendix B, memorandum concerning welfare of ex-service men prepared by the Dominion Command) under date of March, 1940.

4. Continue the educational scheme of the Canadian Legion war services with special emphasis being laid on the value of the training in helping the members of the C.A.S.F. to obtain employment after the war.

5. That an immediate survey and record be made of occupations and qualifications which the men serving are likely to follow on their return to civil life.

6. That the dominion government work out a long range plan of assisted public works to be placed in action immediately at the close of the present war. This is to be ready even to having the appropriation passed so that no delay will ensue. Such work might be any of the following:—

(a) The completion of the needed public works which have been rightly held up during the prosecution of the war.

(b) Slum clearance, because C3 houses tend to create C3 people. NOTE:—In this connection we suggest a better housing scheme similar to that which successfully brought Great Britain out of a period of recent depression.

By Mr. Reid:

Q. What is a C3 house?—A. I would say, one that was on a par with a C3 classification.

Mr. BROOKS: One that is unable to walk more than five miles.

The WITNESS: A poor type of slum house which would create that C3 condition.

Mr. REID: I realize they are a low type, but I just wondered about that C3.

(c) Reforestation, and forest and soil conservation, with retirement of marginal or non-productive land to be reforested.

(d) Construction of permanent highways for the development of tourist traffic and other trade.

(e) Further electrification of country areas similar to that successfully operating in the Scandinavian countries.

NOTE:—A very comprehensive survey of the complete problem of rehabilitation having been supplied our committee by Brig.-General Alex. Ross, immediate past dominion president, we recommend that the Dominion Command supply copies of that survey to any committee on rehabilitation which the dominion or provincial governments may set up.

That is attached to the brief.

Further Programme

That the following programme be presently set into operation and gradually built up so as to be organized and in complete operation at the war's end.

1. All members of the forces to be kept on the strength for a reasonable period to permit a gradual and economic demobilization with recruiting depots available for demobilization.

NOTE.—Any man who rehabilitates himself within a short period should be given a gratuity equal to what he would have received had he remained on the strength the full period of time allowed for demobilization, thus setting a premium on a man making his own efforts for re-establishment.

2. Increase strength of permanent forces.

3. Large employers of labour should be approached to assist in the rehabilitation of men of the C.A.S.F. after the war.

4. Citizens' committees should be set up in all large communities to take a direct interest in the return of the soldier to civilian life and veterans' placement bureaux should be established in each province.

Training and Retraining

1. Demobilization centres should be used as training centres and could be made to fit in with provincial youth training or the technical school training available in the different provinces.

2. That the dominion government make agreements with employers and trade unions whereby a system of assisted apprenticeship be established for the younger members of the C.A.S.F., and that immediate steps be taken to safeguard the rights of all apprentices who have or may enlist in the C.A.S.F.

3. That where post-war training has been completed satisfactorily, a suitable certificate shall be issued to the veteran so qualifying.

Soldier Settlement

While your committee was not in complete approval with the great cost incurred in establishing the present Soldier Settlement Board they feel that many men may desire to return to the land, and in consequence, recommend:—

That any returned soldiers who may be placed as settlers under any future settlement scheme be chosen with the greatest care and the complete settlement scheme be so protected as to prevent any repetition of the political exploitation of the plan that was noted in the original placing on the land of many of the present soldier settlers.

Civil Service

Regarding civil service we submit:—

1. That the seniority and promotional rights of men who have or may enlist, must be safeguarded.

2. That the present practice of the British government civil service be followed in Canada, i.e., that positions falling vacant during the present war be filled only on a temporary basis pending the return of men from overseas.

3. That a strong endeavour be made to have the provincial and municipal governments provide a returned soldier preference in their civil service work.

Economy of the Country

That, as rehabilitation is definitely bound up with the political economy of this country we pray, that provinces and municipalities, as a patriotic duty, refrain from introducing any new taxes during the present war in order that the dominion government may be free to levy more heavily for the prosecution of the war and thus present us at the war's end with a stronger financial position to better stand the stress and strain of the expected difficult period of rehabilitation.

It will be noted that in the foregoing report reference is made to an extensive survey of the problem of rehabilitation prepared by Brigadier-General

Alex. Ross, past dominion president of the Canadian Legion. General Ross's long and intimate association with the problems of ex-service men, coupled with his acknowledged ability, renders specially valuable his views and recommendations on this question. Copy of General Ross's memorandum is being placed in the hands of each member of this committee, and the Legion asks permission that it be included in the committee's proceedings, in the knowledge that it will amply repay careful scrutiny and study.

It is not thought necessary, at this time, to elaborate in detail on all the many proposals and suggestions to which reference has been made. Obviously many of them have already received consideration at the hands of the inter-departmental committee and its subcommittees, whose reports have now been made part of these proceedings. The Legion has every confidence that all the suggestions offered will be carefully considered by this committee, and it realizes that the magnitude of the task is such that a considerable amount of time may be required to settle upon final plans.

There are certain phases of the problem, however, which the Legion desires to emphasize at this time:—

General Principle to be Applied to New Members of Forces on Discharge

The Legion wishes to reiterate the principle outlined in an earlier part of its presentation, in regard to the general question of the treatment to be afforded discharged members of the new forces. For the sake of emphasis, this principle is again stated:—

> That, in respect of pensions and all other matters, the members of the new forces, when discharged, should under no circumstances receive any less consideration than has been afforded to ex-service men of the last war, and that wherever possible their position should be improved.

The Legion believes that this principle is only fair and just, and further believes that it would be a matter of serious embarrassment to ex-service men of the last war if any lesser standard were adopted. The Legion is confident that this will not be the case.

Medical Treatment

The Legion believes that the same facilities for treatment with pay and allowances for war disability, as prevailed in respect to the last war, should apply in the case of the new forces.

The Legion also believes that during the first twelve months after discharge, which is certainly the most critical period from the rehabilitation standpoint, and the period during which the discharged soldier will require the greatest measure of moral and practical assistance, free treatment for all conditions should be made available by the department, in similar manner as was done following the last war.

Reconditioning for Rehabilitation

Free treatment following discharge is not only to be regarded as a measure of assistance to the soldier by protecting him against medical or hospital bills, but has a very definite value from the rehabilitation standpoint.

In regard to pensionable conditions, men are, of course, entitled to treatment and allowances, as of right, but there will be many cases where men will be found to be suffering from non-pensionable conditions, which bar them from employment. By proper medical care and attention, this obstacle could, in most cases, be removed or at least improved to the extent that employment could be undertaken.

It would seem to be in the interests of the state, as well as the man, that a definite policy of "reconditioning for rehabilitation" should be adopted.

Further reference to this proposal will appear later in this presentation.

Returned Soldiers' Insurance

There are approximately 23,000 returned soldiers' insurance policies still in force, totalling $48,450,000. The Legion asks that the Returned Soldiers' Insurance Act be reopened and made applicable to members of the new forces.

War Services Gratuities

The Legion is of the opinion that the standard of war service gratuities, established during the great war, should be applied without question in the case of the present war. To adopt any other position would be to suggest that service in the present war is less worthy or meritorious, and would certainly give rise to an accusation of discrimination, to which no adequate answer could be given. The Legion believes that it will be in the best interests of all concerned to clarify the position in regard to war service gratuities, now.

The war service gratuities paid to those who saw service in the first great war varied from 6 months' pay for the overseas men with not less than three years service, to 1 month's pay for the men with not less than one year's service in Canada only.

The single men received $70 per month and the married men $100 per month.

The amount expended for war service gratuities including those paid to Canadians who served in the Imperial Forces, exclusive of administration cost, was $164,000,000.

Disability Preference

Reference has already been made to the preference to ex-service men under the Civil Service Act, and it has been urged that the provision be amended to include members of the new forces.

Questions have arisen in this committee, and elsewhere, as to whether there should be any change in the form of the preference to be extended. The disability preference, sometimes described as a "Preference within a preference" has in particular received attention and it is argued that it has very often operated unjustly as against a fit man, whose service is beyond reproach and who is without a pension and without a job.

The many phases of this question have been considered at length by The Canadian Legion; and while the perplexities of the problem, and particularly the difficulties arising from the operation of the disability preference, are realized, nevertheless, the Legion at the dominion convention in Montreal in May, 1940, went on record as supporting the existing preference without change.

Basic Principle of the Preference

Basically, the principle of the disability preference appears to be well founded. One of the first responsibilities, arising from any war, is provision for the disabled. Disabled men are, of course, pensioned when their disability is related to service. What is usually overlooked in regard to pensions, however, is the fact that pensions are only payable in accordance with the extent of the disability, and the experience of the last war shows that the great majority of disabilities are in the smaller categories and the amounts payable, therefore, do not begin to provide for the maintenance of the recipients.

There are in Canada to-day about 80,000 disability pensioners. Some 27,000 (approximately one-third), receive pensions of 10 per cent and under. There are about 45,000 pensioners (or fifty-five per cent) receiving pensions of 20 per cent or less. The average of the pensions which these 45,000 pensioners receive is $12.75 per month, so that it will be readily seen that the majority of pensioners cannot be expected to maintain themselves on the compensation they receive for their disabilities.

The great majority of pensioners are able to work, and it is in their own interests and in the interests of the State that they should work. It would be nothing short of folly to condemn the war disabled, whether wholly or partially, to spend the rest of their days in idleness and, indeed, the whole system of pensions would have to be revised, if this were done.

Disability Handicap to Employment—Special Measures Necessary

Undoubtedly, therefore, the pensioners who can work should work and supplement his pension to the extent of his capacity and ability. The point arises, however, that while most disabled men are able and willing to perform work in some degree, the very existence of their disabilities is in itself a great handicap in securing employment. It is to overcome this handicap that the disability preference was introduced, and the same principle made applicable wherever possible. It is very difficult to refute the arguments in its favour.

In stating this, however, the Legion realizes that there are occasions when the disability preference appears to discriminate very unjustly against non-pensioners. The Legion does not believe that the whole principle should be relinquished on this ground, but it does feel that there should be certain discretionary powers vested in the commission to enable them to deal with such cases in an equitable manner.

Soldiers' Settlement

In a country to such a large extent dependent on agriculture, it is not unnatural that settlement on the land should be considered as a means of rehabilitation. It is likely, indeed, that many men will wish to go on the land and certainly rehabilitation of this character, if successfully carried out, should be an asset to the State.

In any such scheme, however, the utmost care should be taken to avoid the defects and weaknesses of the last soldier settlement scheme, which in many ways resulted disastrously to both the settler and the country.

Burden of Debt

Of prime importance, of course, is proper selection of land and personnel. Of even greater importance, however, in the Legion's viewpoint is that, under no circumstances, should settlers be called upon to shoulder a burden of debt, which, in the light of experience, renders hopeless from the beginning, his task of attempting to meet his obligations and acquire title to his property. The many heart-breaking experiences of the last scheme must not be repeated.

It is gratifying to note that the subcommittee on soldiers' settlement, in its consideration of this question, has revealed its appreciation of this particular aspect.

Maximum Basis of Settler's Obligation

The Legion submits that, if the state wishes to establish returning soldiers on the land, it should be prepared in advance to write off capital outlay to the extent that the remaining obligation on the part of the settler is such that he may be reasonably expected to meet and at the same time look after the requirements of himself and his family, in such manner as to enjoy a reasonable measure of the amenities of life.

If a soldier settlement scheme on this basis is not feasible, then we are better without any scheme at all.

Urban Housing

There is even now a great need for reasonably priced housing in many parts of Canada. After demobilization this condition will become more acute. This same problem existed after the last war and thousands of returned soldiers were obliged to double up with other families and pay high rents. The building trades were at a standstill due to high costs.

This condition should not be permitted to occur again and the Legion recommends that, both as a measure of rehabilitation and of social necessity, an adequate housing plan should be inaugurated.

Public Works

Various suggestions have been made to this Committee, and appear in these representations, to the effect that public works on a large scale should be undertaken in order to provide a field of employment for those for whom other occupation is not available following the war.

The Legion strongly favours schemes of this nature. Public works, if properly selected, are a public asset and operate to the benefit of the public generally, and money spent in this way is infinitely better from every standpoint than any system of relief or hand-outs. As stated earlier, none of the men returning from this war should be forced to fall back on the latter. Many young lives have been ruined permanently as a result of the mental and moral deterioration which inevitably accompanies this sort of existence. Let us protect our new soldiers against this danger on their return.

Canada is a land of limitless possibilities. The country is so large and its resources so varied that we have only scratched the surface of our knowledge and exploitation of it. Anything tending to give us this knowledge or to enable us to make such exploitation will be of material benefit to the country. In this connection, many men could usefully be trained and employed in forestry work, in the work of soil conservation and classification, in prospecting for minerals and oil, in various types of survey—geographic, hydrographic, meteorological, geological, etc.

The question of expense, of course, arises in regard to public works, just as in regard to any other re-establishment proposal. The Legion repeats that such expense must be contemplated as part of the legitimate cost of the war.

Certain Immediate Problems

The foregoing observations are directed largely to the general problem of demobilization on termination of hostilities, but it is a fact, of course, that a substantial number of men have already been discharged from the new forces and this problem is already upon us.

Reasons for Discharge

At the present time it is far too easy to discharge men from the army, very often without any consideration being given to their possible transfer to military duties of a different character. We feel it is a short-sighted policy to release men without first trying to salvage them for further service in the military organization.

It has been noted that a number of discharge certificates issued, as a result of service in the present war, show the reason for discharge as "Unlikely to become an efficient soldier." The Legion believes this practice to be undesirable. Naturally, the soldier concerned endeavours to find employment and prospective employers invariably ask for production of the discharge certificate. The words referred to are not such as to inspire confidence in the mind of the employer. The reverse, in fact, is the case, with the result that men in such circumstances find it almost impossible to secure employment.

I have here a letter which I received from one of our branches and which I should like to read to you. Attached is a copy of a discharge certificate of one Robert John Evans. This man enlisted in Vancouver in November, 1940, and was transferred to the tank battalion at Calgary. He served in Canada only, and he is now discharged from the service by reason of being unlikely to become an efficient soldier. On his discharge certificate appear these words:—

The description of this soldier on the date below is as follows:—

Age, 42 years, 10 months.
Height, 6 feet 3½ inches.
Complexion, medium.
Eyes, blue.
Hair, grey.

This soldier did not like the idea of returning home and seeing his old commanding officer, Colonel Leslie, in charge of the Seaforths in Vancouver, so he asked his commanding officer to give him a letter to attach to his discharge certificate. This is the letter:—

> Trooper Evans is leaving this unit to-day under that clause which uses the expression "unlikely to become an efficient soldier." I wish to state that it is with regret that with the time allowed, I have been unable to dispose of his case under any other heading.
>
> The reason he is being discharged from this unit is due to his age and physique, both of which make him unlikely to become an efficient soldier in a tank unit. For instance, we cannot get a gas respirator to fit him; a normal size battle dress will not fit him; and I am sure you will agree that he would not fit a normal size tank either.
>
> I am writing this letter at the request of Trooper Evans because he very naturally feels that the wording of the only clause under which I have time to dispense with his services, appears to cast a slur upon his character. This I do not wish to do.

I do not think it is right that any man with a good character such as Trooper Evans should be discharged when we see advertisements all over the country asking for men. If a man has received an honourable discharge, it would seem only right and proper that such discharge certificate should contain nothing which would be prejudicial to his future employment.

Short Service Discharges

The Legion learns with the utmost concern and regret that some 20,000 men have already been discharged from the services for the most part as being medically unfit. Only a fractional part of this number has seen service overseas. It seems clear, therefore, that most of these discharges have occurred after comparatively short service in Canada. As these men, undoubtedly, were accepted as fit, the only answer seems to be that medical examination on enlistment was faulty or inadequate, or both. For a number of reasons the Legion deeply deplores this situation and trusts that adequate measures will be taken forthwith to prevent its continuance, if indeed this has not already been done.

Serious Consequences of Faulty Medical Examinations

The Legion has learned from experience, arising from the last war, the unfortunate results of inadequate medical examination on enlistment. As was inevitable, pension and other claims have arisen in respect to such service, and the men concerned have been criticized by reason of such claims, and the Legion has encountered a measure of criticism for assisting in the preparation of their cases. The fact is that, except in the rare case of false attestation, these men are entirely blameless and the whole responsibility lies with the medical examiners, who let them in. If later (and often through economic circumstances) they present claims in respect to statutory rights, acquired during service, surely they are not to be blamed.

From the Legion's standpoint, the position is that it stands ready, at all times, to assist in the preparation and presentation of legitimate claims on behalf of any person who has served in His Majesty's forces, and who has

been honourably discharged. The Legion conceives this to be its duty and has no apologies to offer.

A fact which seems to have been overlooked, but which, in the light of its experience, the Legion now emphasizes, as strongly as it can, is that these short term enlistments, due solely to inadequate medical examination, are directly responsible for the creation of a group of ex-service men whose existence cannot be ignored, and who have acquired certain rights. There is a regrettable tendency to pretend that this problem does not exist and to escape the responsibility by casting aspersions and reflections upon the motives of those affected.

In the opinion of the Legion, this simply cannot be done.

Legion Warning

The regrettable feature of the whole matter is that the situation could have been avoided had proper medical precaution been exercised. It was with this in mind that the Legion, ever since the outbreak of the war, has urged repeatedly, in writing and otherwise, the utmost importance of the strictest possible medical examination on enlistment. The introduction of X-ray of the respiratory system was a step in this direction, but in other respects the figures show that the examinations have been anything but adequate.

It is most sincerely hoped that this situation will be remedied in the future. If the penalty of faulty enlistment were simply the cost of the provision of uniform during service, and pay and allowances, the matter would not be so serious, although careless examinations should not be tolerated under any circumstances. As pointed out, the most serious result is the unnecessary creation of a group of ex-service men with all the attendant obligations.

In the Legion's opinion, the cost of exhaustive medical examination on enlistment would be money well spent.

Discharges on Medical Grounds

Initial Lack of Treatment Facilities

During the early part of the war, it became apparent that men were being discharged from the forces when in hospital and while undergoing medical treatment. The basis of this procedure appears to have been that it is not the practice of the Department of National Defence to maintain men on the military strength, once it is clear that they will not regain their efficiency. The result of this was that pay stopped at the moment of discharge, including allowances for dependents, if any, and no responsibility was assumed for further hospital or medical care. Presumably, the Department of National Defence took the position that, if any further government responsibility remained, it rested with some other department.

Remedial Order in Council

Whatever the intention may have been, it is a fact that in the initial stages of the war, there was an entire lack of any other form of government provision for these cases, with consequences that were deplorable. To meet this situation an order in council was subsequently passed, authorizing the Department of Pensions and National Health to continue treatment in such cases, at least until a decision as to entitlement to pension was given, and payment of the equivalent of dependents' allowances was authorized during such period, no payment being made to the man.

This order in council served to meet a very real emergency, although the adequacy of the allowances payable is a matter for consideration. The wife of a soldier with two children receives only $59 per month.

This provision, however, did not meet the case of the man discharged medically unfit, but not requiring hospital treatment. In the first instance, this

individual received nothing on discharge except a clothing allowance of $35 or $27 (depending on place and length of service). He might be found later to be eligible for pension, but pending such an award (if any) clothing allowance was all he had.

This situation was to some extent remedied by the passage of the measure, providing for payment of one month's pay and allowances, if service in the forces had been not less than 183 days.

Question of Adequacy

This temporary provision has undoubtedly been of great value, but it is a real question as to whether it is reasonable to expect that men handicapped by disability can find employment within the very limited period of maintenance, made possible by the grant.

Experience of Legion branches, and of other organizations, shows that very frequently other forms of assistance have to be found for such men and their families.

Reconditioning for Further Service

It is in regard to this class in particular that the Legion emphasizes the desirability of an adequate policy of "reconditioning". Most of these men are young and are, undoubtedly, good subjects for remedial treatment. Surely a great many of them could be reconditioned for further service in the forces, in lower category duties. It is strongly submitted that men with disabilities should not be discharged, at all, until this possibility has been exhausted.

The Legion recommends that consideration should be given to the establishment of depot stations or holding companies to which men in the lower categories might be sent for either training or reconditioning for further service, and only those, who are unfit for any military task whatsoever, should be finally discharged.

In the Legion's opinion, before this war is over, all our fit men are going to be required in the front line of the fighting services, and it is a matter of practical common sense that duties not requiring complete fitness should be assumed by those in the lower categories. This is infinitely more desirable than discharging such men, very often to become a public charge.

In cases where further military service is impossible, then treatment, and special training, if necessary, for such work as they may be still able to undertake, is indicated. The Legion is aware that this latter suggestion will be one of the functions of the new Veterans' Welfare Division of the Department of Pensions and National Health, and it has every confidence that vigorous and effective policies along these lines will be initiated, as early as possible.

Need for Special Assistance to Members of the New Forces and their Dependents

It is the experience of legion commands and branches across Canada that they are being increasingly called upon to give assistance of one kind and another to members of the new forces and their families. This applies both in respect to men serving and men discharged. There is evidence that other bodies, including welfare organizations, are encountering the same situation.

Last War

During the last war, the Canadian patriotic fund was established to give assistance of a supplementary nature to men serving and their families, on the basis of need. Some forty-eight million dollars was subscribed by the public of Canada for this purpose during the period of the war. The allowances paid varied from $20.00 to $45.00 per month, according to the number of dependents and the circumstances of the family.

Present Situation

When the present war broke out the legislative machinery to re-establish the patriotic fund was set up, but no subscriptions have been, so far, requested, for two main reasons:—

(*a*) The increased scale of pay and allowances. The pay and allowances of a married soldier with two children in the first great war was $58.00 per month, as compared to $98.00 per month in the present war. In the former case, however, the patriotic fund granted supplementary assistance, particularly where there were children.

(*b*) The substantial development of social legislation and the facilities of social agencies.

It seems clear that in consequence of these factors there will be no necessity for any large sum, such as the patriotic fund of the last war. It has become evident, however, that the situation is not entirely met by the new conditions and, as a result, organizations, such as the Legion, social welfare agencies, etc., are being called upon to a not inconsiderable extent.

The Legion is only too willing to assist in this manner to the best of its ability, and it is sure that this is also the case in respect to other organizations. The point is, however, that Legion resources for this purpose are very limited. Its poppy funds are still required for assistance to ex-service men of the last war, and it has no other source of revenue for purposes of this nature.

Need for Supplementary Fund

Under the circumstances, it would appear that, while it is unnecessary to revive the patriotic fund, nevertheless, some sort of a limited fund should be established, whereby such cases can be assisted through the medium of responsible organizations.

It is a matter for consideration, as to whether a government fund should be set up or whether the fund should be private. In any case, the necessity definitely exists and the Legion considers it opportune to bring the matter to the notice of this committee.

I should like to read to you a copy of a letter which I received from one of our branches covering such a case where help might be granted through such a fund. It concerns John W. Brocklesby, regimental number 3048. The letter read in part:—

> This man was in an accident on 7th August, 1940. His medical history sheet indicates an 80 per cent disability. As yet the pension board have not given their first decision.
>
> As far as I can gather the man was in the accident just previous to his unit or company going overseas and the pension board will not give a decision until a report is received from a court of enquiry which has to convene in England on account of the many witnesses who are overseas on service.
>
> Much could be written in criticism of this method of delay pending action, but might I point out that the pension board do not dispute the accident. They have as I mentioned previously discharged the man on the 26th October, 1940, and the man who is unable to work has no income from any source, in fact he is dependent on his mother whose husband (the boy's father) is overseas.

By Mr. Macdonald:

Q. What is the date of the letter?—A. The date of the letter is the 16th of April, 1941. I received it a few days ago.

Continuing with our statement—

Conclusion

In offering the above comments and suggestions, the Legion does so with no pretence of infallibility and with a keen appreciation of the work and study which has been brought to bear on the problem by others. The Legion again thanks the committee for its kindness in hearing these views, and extends its warmest wishes for a sound and constructive outcome of these deliberations.

One point remains to be re-emphasized. The Legion believes it will be fatal if the adequacy of rehabilitation measures should be curtailed, due to financial alarm or panic. Yet, in the light of experience, the Legion realizes that this is a very natural tendency and wishes now to record its opinion that this tendency must be strongly and firmly resisted, and the necessary moneys found to do the job properly.

Any other policy will in our judgment prove more costly in the long run and the resulting dissatisfaction and unrest will be anything but an asset to the country. The only course is to face the problem, and the cost involved, fairly and squarely in the first instance.

There is no more fertile ground for the communist than a large body of unemployed men, who have a right to expect an opportunity to earn a living. When the war is over the danger from communism may become the menace that naziism is to-day.

It is not to be assumed that the war must necessarily be followed by financial stringency. After all, Canada is still a very young country with almost unlimited opportunities for development and there are many who believe, and for substantial reasons, that after this war Canada, due to fortunate circumstances, will be faced with an era of prosperity such as never before contemplated.

Let us not be faint-hearted, therefore, either in our war effort or in dealing adequately with our post-war problems.

I may say that it is always a pleasure to appear before soldier members of the house. I certainly hope that as time goes on more and more ex-soldiers will take their rightful place in the affairs of their country.

The CHAIRMAN: The documents attached with regard to the occupational re-establishment emergency regulations in New Zealand, and the brief of General Ross will go on the record.

(General Ross' brief appears as appendix "B".)

(New Zealand brief appears as appendix "C".)

Are there any questions members wish to ask of Mr. Walker?

By Mr. Reid:

Q. I should like to ask Mr. Walker one question. On page 6 of your brief, Mr. Walker, you say, "There are obvious objections to the indefinite maintenance of a standing post-war army." Then along on page 8 we have the viewpoint of the labour union in their resolution. To me that seems somewhat in conflict with the views expressed by the Legion. I was wondering if you would care to comment on that. They are advocating that members of the armed forces be retained on the government pay roll.—A. What they really mean by that is that a man be kept in the army. Perhaps he is not in uniform, but he can be training. He can be taking some course, training himself for some occupation. Their idea is not that there should be a large body of men in uniform in the army.

Q. Then on page 20 you deal with gratuities, and you advocate on behalf of the Legion that gratuities be provided. Earlier in the brief you speak of giving a man who establishes himself in public life after his discharge a gratuity? —A. Yes.

Q. I was just wondering if there were two gratuities you had in mind, one a gratuity for all service men and then a gratuity for the one who establishes

himself rather than taking government assistance?—A. Dealing first with the question where we suggest a gratuity to a man who re-establishes himself, we feel that everything possible should be done to encourage men to re-establish themselves as early as possible and that some sort of gratuity should be given for that. On page 20, of course, that is a service gratuity which was in force in the last war.

Mr. MUTCH: On page 24 of the brief, in discussing certain immediate problems mention is made that "a substantial number of men have already been discharged from the new forces". Then a little further on you say, "At the present time it is far too easy to discharge men from the army, very often without consideration being given to their . . . further service in the military organization". Just on that point, I wish to say that I agree that too many men have been discharged from the present army; that is, there has been necessity for discharging too many men from the present army. But it is certainly not true that it is too easy to discharge men from the present army. It is nearly impossible, if they are able to move at all. The whole military effort of the country is, to a certain extent, being cluttered up by virtue of the fact that it is impossible to discharge them. My own occupation at the present moment in connection with the war effort of the country would be almost unnecessary—both mine and that of another branch with which we dovetail—were it not for this very problem. The criticism that men have been let into the service in the present war through lack of proper medical examination—and that is the only possible explanation of it—is certainly true. With regard to the question of the percentage of discharges on the ground that a man is said to be "unlikely to be a fit and efficient soldier", I should like to say this. In the first place, no man was ever discharged as "unlikely to become a fit and efficient soldier" after he had had six months' service, so that his break with his civilian occupation, if any, was not very long. In the second place, the great majority, from my own experience—and I cannot speak concerning anything else; I am in military district No. 10—discharged as "unlikely to become fit and efficient soldiers" are, contrary to what has been said here, not young men but are, generally speaking, either men who by virtue of long unemployment have become unamenable to the exigencies of service or men who have lied about their age. Perhaps that is a little too harsh an expression to use, because nobody asks how old they are. It is just a case of a man coming in and being told that he must not be over 44. A very considerable portion of those persons are discharged for reasons similar to the one which the president just mentioned, where a man could not get into the uniform. I think the committee might well draw to the attention of the Department of National Defence the wording of that certificate. In its intention I am satisfied that there was no desire to convey any impression of unworthiness. But the impression is so general, fostered by careless conversation of all of us that everybody is wanted who can be got, that if a man is discharged as unlikely to be an efficient soldier, then probably there is something the matter with him. In a tremendous number of instances at the beginning the manning officers were able to slough off personnel whom they thought did not come up to the standards of the regiment, but that has been long past. I have had to write a good many letters explaining that "unlikely to become an efficient soldier" had its peculiar application somewhat similar to the one you mention there. That is not derogatory to that man's character. Either the man was too old or had certain physical conditions which didn't qualify him for that particular branch of the service. Very often these discharges are now given to the older men who have failed to qualify for the particular type of service.

Mr. MACDONALD: But those words do actually appear on the discharge certificate?

Mr. MUTCH: Yes, they do. It has sometimes been suggested that they should be shown as discharged under the provisions of routine order so and so, but the objection to that is that anything which is obscure tends to arouse suspicion when it appears on an official document of that kind. However, I think there has been very little abuse of that situation. My contention is that under the system of discharge in use at the present time the wording should be changed. It is certainly not in accordance with the intention of the Act.

By Mr. Cruickshank:

Q. Has the request that that be changed been brought to the attention of the Department of National Defence? Apparently it is not universally enforced —unlikely to become an efficient soldier. Apparently that has not been put into universal effect; but, has the Department of National Defence been requested to change that?—A. I believe they have a committee to study re-wording of discharges. Unfortunately quite a number of men have been discharged on medical grounds really while they have received their discharge papers with the marking, "unlikely to become an efficient soldier".

Mr. QUELCH: Did I understand Mr. Mutch to say that a man's age is not recorded on his enlistment?

Mr. MUTCH: It is not made mandatory. They accept whatever age you tell them, and, by the way, it is not treated as false enlistment if at a subsequent date doubt is established; say, if a mother or a wife comes in and asks for a man's discharge, he is just discharged as "unlikely to become an efficient soldier", and no action is taken following enlistment. In other words, it is an understanding of the desire on the part of the individual to play a man's part and do a man's job.

Mr. TUCKER: This submission by the Legion and the statements we have heard suggest that at the present time men are discharged from the army without any consideration being given to their transfer to military duties of a different character. I take it that action is taken after somewhat full consideration. In some parts of Canada it may be different, where Mr. Mutch is, for instance, As for myself may I say that my own somewhat limited experience appears to bear that out entirely; that men are being thrown out of the army who could carry on in clerical positions, and in various other positions, but their own units do not want to be bothered with them. My own experience bears that out entirely. I just wondered if you had any definite information on the matter; and I think it would be a matter of great interest to this committee if you had some definite information on the matter.

The WITNESS: From our branches from the Atlantic to the Pacific we have had complaints of a general character, and we feel after a review of these representations that thousands of men if they were given proper medical attention could again go back into the active service forces. It seems to us to be a criminal waste of man-power when we have over 20,000 young men discharged at the present time.

Mr. MUTCH: Let me interject just at this point: If you break down the 20,000 to whom you referred as young men, may I suggest that from my experience, which has been fairly extensive in the second or third largest district, if you break down the men discharged on medical grounds, for the most part they are not young men; generally speaking the majority are in the upper brackets of the age limit—excepting the ones who have come in too young in the first instance. There is just one point I would like to make clear here: Mr. Tucker was raising the question of men discharged on medical grounds; I was speaking of men discharged as "not likely to become efficient soldiers". One of the difficulties in forming new units is to get rid of chaps who are not amenable to discipline in the early stages of the game. You know, there are

certain types of men whom it is pretty nearly impossible to do anything with. Whether or not it is possible to recondition the men who have been discharged on medical grounds, whether that is economically desirable or not, and to use them for building up the home army is a question of considerable force. If it could be done I would be in favour of it. But to begin with, with respect to the men who have been rejected on medical grounds, in the majority of cases investigation will show that their condition is not likely to change materially. To-day everyone knows how common streptococcal infections are, and what a large number of men suffer from stomach ulcers and complaints of that kind; and the unfortunate fact of the matter is that a majority of these men are not pensionable. I just want to make that clear. I am not confusing the two groups. Now then, you take the men to-day, the people being sent to these camps to-day, with the exception of the odd one having special qualifications, the men being sent to these camps to-day are what we call the home army group. In so far as my own staff is concerned these category men are being absorbed wherever we can. We are continually in the position of being required almost daily to supply lists of category men who have special qualifications for jobs in the home service, or who in the opinion of the commanding officers might be trained for that type of work; and it is a matter of definite policy which the Legion mentions in their brief. They suggest that this is a thing which is not being done. I draw attention to the fact that it is being done to a very considerable extent, and in a comparatively short time the whole home staff will consist of category people.

The CHAIRMAN: However, discharges, apart from medical reasons, are clearly a matter for the Department of National Defence and not for us?

Mr. MUTCH: Oh, yes.

By Mr. Isnor:

Q. I would like to enquire with regard to page 17 of your brief which reads:

> Any man who rehabilitates himself within a short period would be given a gratuity equal to what he would have received had he remained on the strength the full period of time allowed for demobilization, thus setting a premium on a man making his own efforts for re-establishment.

As I take it that would give that man a bonus of 100 per cent because he was able to re-establish himself at once?—A. Yes.

Q. If that is your interpretation then I say you are putting a premium of that bonus on a person such as a civil service employee who has been granted leave of absence and who immediately re-establishes himself in his old position on his return or discharge, and similarly a man who was employed in a key position and whose employer immediately re-employs him on his return or discharge; and to a large number of men who are employed in positions to which they can immediately return, as against the handicap of the young man in whom you showed an interest but who has no opportunity for re-employment of any type, or who had no employment of any type prior to his enlistment. I do not know just how much consideration you gave to that particular recommendation, but I think you are going just a little too far in suggesting 100 per cent bonus particularly in cases of the type I have mentioned. I would say that 25 per cent or 50 per cent bonus would be going as far as you should consider; but I doubt very much if there is any need for any such bonus on those men who have been granted leave of absence.—A. The note explains itself in the last two lines; "thus setting a premium on a man making his own efforts for re-establishment." We do not say how much should be given, but we do feel that some inducement should be made to the man who is trying to re-establish himself. The question you raised with regard to the civil servant returning to his old position, and matters of that kind, are matters which could be covered by regulation.

By Mr. Mutch:

Q. How would you take care of a man's effort in cases like that?—A. That would be a matter for the department to look after under whatever regulations they might make.

Mr. GREEN: After the last war one of the greatest difficulties was in keeping men in the forces, and that is one of the reasons why we had so many discharges without proper medical examination; you, and I, and I would say every returned soldier in this room, got out of the army just as fast as he could get out; and you are going to have the same condition after this war, and you would be making the matter worse if you had such a bonusing provision; a man would be in a hurry to get his discharge so that he would be able to get that bonus. It seems to me that that suggestion would have to be very carefully considered, because it might work just in the opposite way from the way in which you intended it to work.

By Mr. McLean:

Q. Is there not another side to it, that what you would be doing in effect would be giving extra cash to the men who did not apply for some post-discharge training. Men who perhaps ought to take training might be inclined not to take it in order to get this bonus?—A. I feel that careful consideration ought to be given in every case before discharge. If a soldier through his own efforts can prove to the department that he is able to re-establish himself, I feel that a bonus would be an inducement.

Q. There would probably be a tendency on the part of any administering body to be fairly free in accepting the statement from the man that everything was lovely and that he would be able to establish himself without any trouble. The man would get the cash and perhaps later find himself in difficulty.

By Mr. Isnor:

Q. On page 9 you recommend that re-employment should be established by law in regard to those who gave up their employment. What provision would you make for No. 1 employee who resigned and enlisted, his place immediately being taken by No. 2 employee, who in turn three months later gives up his position? In my own establishment I have had three men who within a period of nine months have resigned to enlist in the service. There will be only one position open. Am I to be held responsible for their re-employment?

The CHAIRMAN: You may become so prosperous after the war, Mr. Isnor, that your problem will disappear.

The WITNESS: We are quite clear on that.

By Mr. Isnor:

Q. Have you given any thought to that matter?—A. I was going to read you the paragraph which deals with that matter.

Q. It definitely states in your recommendation that it should be provided by statute that every man who was in employment when he enlisted should be entitled to reinstatement, if physically fit for such employment, in the same position and with the seniority which he would have had if he had not enlisted. —A. Provided, of course, that the business or enterprise in which he was employed is still in existence and engaged in work of the same nature. That covers your point.

By Mr. Reid:

Q. You have had wonderful co-operation from the Trades and Labour Congress throughout the years. I am just wondering what their attitude, or the

attitude of labour, would be to the subsidizing of employers. If any large number of men were taken on in factories and the government put through a subsidizing plan giving the employers certain amounts of money for taking those men on, I am wondering if the labour organizations have given any consideration to that or would they voice any objection to such a plan?—A. We have suggested in our proposal that the question be discussed with organized labour. I am quite sure that labour will be agreeable to subsidizing employers, but not subsidizing employers for bringing in large numbers of men. If after a thorough examination by your department you find an employer should have at least three, four or five apprentices, that is perfectly all right. But if an employer should ask for a dozen, that is not scientific planning. I am quite sure that labour would be in accord with scientific planning.

By Mr. Cruickshank:

Q. Was that scheme not tried out two or three years ago?—A. Your probational training scheme was along that line.

Q. I think industries were subsidized if they would take on so many returned men.—A. That is your probational scheme; in fact, it was more effective than your vocational scheme.

Q. It was more effective for the benefit of the employers than the poor, returned men?—A. Oh, no; the figures show that 6,104 men were placed in permanent positions; 8,471 in temporary positions, and there was a grand total of 35,424 men placed in jobs at that time. That came under the probational training scheme, which meant training a man in some work where there was a possibility of him getting employment.

Q. One of the senior heads of the Canadian Manufacturers' Association in British Columbia participated in the scheme, and the training he gave in his factory had something to do with working in brick dust. Show me any training in that. This man fired them as soon as the government stopped the grants. I am not afraid of the co-operation of labour, but I am very much in doubt as to the co-operation of employers.

By Mr. McCuaig:

Q. Is there not the danger, Mr. Walker, that if you make it mandatory by statute it might eliminate the voluntary co-operation between labour and employers?—A. We are suggesting that the department endeavour to get co-operation from the employers. We are pointing out to you the New Zealand legislation which means that it is compulsory for the man to be placed in his job, and, if he is not placed in his job, the employer must pay him twelve weeks' salary.

By Mr. Mutch:

Q. Supposing you could make it mandatory for employers to take the men back after demobilization, how long are you going to insist on them keeping the men?—A. We are suggesting that a tribunal be set up and if a man is discharged shortly after he starts work this tribunal should have the power to assess compensation. In New Zealand a man must be employed for twelve weeks.

By Mr. Quelch:

Q. On page 23 the Legion makes certain recommendations regarding settlement on land. They state:—

> If a soldier settlement scheme on this basis is not feasible, then we are better without any scheme at all.

I was wondering if the Legion has recently made any recommendations regarding the situation that exists in so far as returned soldiers of the last war are concerned who in many cases are in an absolutely hopeless position and will

never be able to pay for their land. I have in mind some cases regarding which the Soldier Settlement Board admits that the situation is so hopeless that they will never be able to meet their obligations and should therefore give up their land. Have you made any recommendations, for instance, regarding the dollar for dollar bonus in so far as arrears are concerned?—A. No, we have not done anything along that line this year.

By Hon. Mr. Mackenzie:

Q. You did in previous years?—A. Yes.

Mr. REID: Apart from that, this matter is so important that I was going to suggest to the committee that we at some time call the director of the Soldier Settlement Board before us to give us an outline of the scheme.

The WITNESS: We find that at December 31, 1940, there were 7,962 soldier settlers still on the land out of a total of 25,000. There are 3,004 with an equity of 40 per cent and over; 669 with an equity of between 25 and 40 per cent; 976 with an equity of 10 to 25 per cent, and 3,313 with an equity under 10 per cent.

Mr. MUTCH: On that question, if you are going to call some expert opinion about something that has worked, I think that you might better call the Veterans' Assistance Commission who have successfully established a limited number of people on very small holdings. We might have something to learn from them, but I fear from the other group you will get only the benefit of what not to do.

Mr. QUELCH: But there is still the need for doing something about these men.

The WITNESS: Absolutely.

Mr. REID: The reason I made the suggestion is that in a country like Canada where 50 per cent of our people are on the land it is going to be impossible to absorb all our men into industry, and agriculture must assume some share of the burden. If there is going to be some scheme proposed, I think we should have the facts placed before us, horrible as they may be.

The CHAIRMAN: Mr. Reid, we will call the chairman of the subcommittee studying this problem. I was going to say to Mr. Walker, with reference to page 16, section 1, that committees to consider the problem of rehabilitation were appointed. They consist of a Cabinet Committee, which was appointed in December, 1940, and an Advisory Committee, which was appointed later on and began to function early in 1941. Instructions with regard to suggestions embodied in section 6 were sent to these two committees, Mr. Walker.

The WITNESS: This was taken from the report of our convention in May, 1940.

Hon. Mr. MACKENZIE: Action was already taken two or three months before that along the same line.

Mr. TUCKER: I should like to touch upon the question of preference within a preference and so on. It seems to me it is so important that we should have some more information on the matter from the Legion than just this suggestion that the convention has passed on it and approved of it as well. I say that because it seems to me in certain cases it created terrific hardship. It is said that a pension is supposed to equal things between a man and his wounds and a man who was not wounded, and that so far as getting a job in the civil service is concerned they should be treated on the same basis. I have heard of cases where a man got full disability pension and then turned around and got a job in the civil service against a man who was getting nothing and applied and had probably a better record of service than the man who beat him out. It seems to me we should have a little bit more guidance from the Legion than a plain statement in this regard. Nothing is said about the relationship between the

returned soldiers of this war and the returned soldiers of the last war. Then, we have changed the theatre of action of service, or we likely will. A man serving in Halifax in this war would be acknowledged as having served in a theatre of actual war in this war. In that event he would have a preference over a man of the last war who served in Halifax. I suppose that would be the view of the Legion. I wonder if any thought has been given to the preference between soldiers of this war and soldiers of the last war.

Then there is the question of the preference that we have given to men who served in allied armies. Even though they were not domiciled in Canada they were given a preference, so much so that I understand shortly after this war broke out and we declared war on Italy we had to deprive Italians of that particular preference because they would get jobs ahead of some of those who served in the last war. I just wondered if the Legion was still favourable to that preference. Then, I know of cases where men who were conscripted in Great Britain and served in the forces in Great Britain and who came to Canada after the last war received a preference over men who enlisted as soon as they were old enough in this country and did not manage to get out of Canada. It seems to me that that is a strange state of affairs and I was wondering if the Legion gave any thought to these things, because after all I think that is one thing we should deal with; and I think we should have more guidance than we have been given in this brief.

The WITNESS: How would it be if we submit a memorandum to you on that one question?

Mr. TUCKER: I think it would be appreciated by the committee.

Mr. REID: You intend to do so?

The WITNESS: We will do that.

Mr. MUTCH: There are two separate questions there. With respect to the second part of what Mr. Tucker has said, that is the preference between the allied forces and our own people, I am somewhat in accord with the implied criticism; but with respect to the disability preference, which is a separate and distinct question, I do not see eye to eye with him. I think these two things should be separated. A preference within a preference is what I should like to keep inviolate, and I would prefer to go to the extreme in that regard; because where I have heard of injustices in one case, I have heard less use of it in the other. As a matter of fact, the word "injustice" is loosely used in connection with the preference within the preference. I have never seen anything which to my limited intelligence could be interpreted as an injustice in that regard. I do not believe it is possible to produce it. It arose out of confusion in people's minds whether pension is income or damages.

Mr. REID: I suppose everyone can speak from experience. I know I have attended almost every Legion meeting in British Columbia and at none of those meetings have I heard any remarks in favour of the remark just made by the last speaker. We all speak from experience, however.

Mr. MCLEAN: I should like to make a motion. I move that the payment of travelling expenses of Mr. A. Beaton of Toronto, who appeared as a witness before this committee on May 2, 1941, be authorized.

Mr. GREEN: I second it.

Motion agreed to.

Mr. TUCKER: I take it this motion is carried. I think it would be very nice to have a submission from the Legion on both these points.

The CHAIRMAN: Yes. We are very grateful to Mr. Walker for his brief. Is it your wish that we should meet this afternoon?

Mr. MUTCH: Yes.

[Mr. Alex. Walker.]

Mr. REID: I was going to suggest some speeding up of the committee, in view of the uncertain date of the closing of the house and the work we have to do. I am not in favour of being out of the house, however—

Mr. GREEN: It might be a good idea if the agenda committee could get together and decide what we have to hear. The agenda committee has never met yet.

The CHAIRMAN: The Corps Association who were supposed to be here this morning cannot be here until Tuesday of next week. Apart from Mr. Woods and the chairman of the Civil Service Commission and certain additional chairmen of the departments, our evidence is practically finished.

Mr. CRUICKSHANK: Could not we meet next Saturday morning and afternoon? Members are out playing golf anyway.

The CHAIRMAN: Not all.

Mr. GREEN: I suggest we call a meeting of the agenda committee and discuss the work we have to do.

The CHAIRMAN: That is agreed.

Mr. CRUICKSHANK: I do not think it is fair to meet in the afternoon when the most important discussion of this session is going on in the house. Then, we have not yet had the agricultural estimates up before the house so far. I should like to be in the house when these estimates are called, and I should like to be in the Pensions Committee during its deliberations, but I cannot be in both places at once.

Mr. MUTCH: Is a motion in order with respect to meeting at the present time?

The CHAIRMAN: With respect to meeting this afternoon?

Mr. MUTCH: With respect to meetings of this committee.

The CHAIRMAN: Yes.

Mr. MUTCH: I should like to move that the committee sit three afternoons a week beginning to-day.

Mr. MCLEAN: At what time?

Mr. MUTCH: At the call of the chair.

The CHAIRMAN: Are you content to leave it to the chair to decide?

Mr. GREEN: I think the whole thing should be considered by the agenda committee. I think that committee should consider what we have to do and then we can recommend to this committee what should be done with regard to meetings.

Mr. MUTCH: I will amend the motion. I move that the agenda committee meet forthwith and report to us this afternoon.

The CHAIRMAN: Eliminate the word "forthwith".

Mr. TUCKER: I do not think it is wise to meet in the afternoons in the early stages of the budget debate. If you try to hold meetings of this committee when that debate is going on you will find a lot of people will not attend.

The CHAIRMAN: Will you leave it to the chair and the agenda committee to decide?

Suggestion agreed to.

Mr. MUTCH: I will withdraw my motion.

The committee adjourned at 1 o'clock to meet at the call of the chair.

APPENDIX A

MEMORANDUM SUBMITTED BY THE CANADIAN LEGION, B.E.S.L., TO THE SPECIAL PARLIAMENTARY COMMITTEE ON PENSIONS, DEALING WITH THE QUESTION OF PENSION PROTECTION FOR PERSONNEL OF THE AUXILIARY SERVICE ORGANIZATIONS, OVERSEAS.

Pursuant to the suggestion of the Honourable the Minister of Pensions and National Health, at the opening sitting of this committee, the Canadian Legion desires to invite the attention of the committee to the question of pension protection for representatives of organizations carrying out the work of auxiliary services, serving overseas.

The nature of the work referred to is well known, and the recent successful campaign for funds for this purpose will readily be recalled. Briefly, the work consists of bringing to the members of the forces, wherever they are situated, such facilities as huts, rest-rooms, canteens, sports equipment, entertainment, and including the provision of religious and educational facilities. This work is regarded by military authorities as being of the utmost value. This work is carried on under an agreement entered into by the participating organizations with the Department of National Defence. The organizations referred to are: The Canadian Legion, the Y.M.C.A., the Salvation Army and the Knights of Columbus.

At the outset of the present war in order to ensure the proper co-ordination of the activities of the participating organizations, and to avoid duplication and overlapping, a new military branch of the Department of National Defence was brought into being, known as the Directorate of Auxiliary Services. This branch is military in the full sense of the word. All its personnel are properly attested and are eligible for all military benefits, including the protection against disability or death afforded by the Canadian Pension Act. The directorate has personnel in Canada and overseas, whose duties, as above stated, are those of direction, co-ordination and supervision. The personnel of the organizations concerned, however, are not on military strength and therefore have no pension protection.

In all respects the nature of the duties of organization representatives, serving overseas, is equivalent to actual military service. It is the duty of these men to serve and assist the forces wherever they are or wherever they proceed, and to undergo the same dangers and hazards and exposure to enemy action.

In fact, organization supervisors, overseas, are recognized as virtual members of the forces at the present time. All personnel must be approved by the director of auxiliary services and the usual medical examination is required. These men are paid by the Department of National Defence at captain's rates, and are permitted to wear officer's uniform with special insignia, denoting their functions. They are furnished with ocean and land transportation, and with quarters and rations, and are eligible for hospital treatment. In the battle areas, they are authorized to wear battle dress. The only missing feature is actual attestation.

The question naturally arises as to why, in view of the nature of their duties and of the responsibility already assumed by the department, these men are not made members of the forces in the full sense of the word. The answer to this question is that, as a matter of policy, the Department of National Defence has decided that this work can be carried out more effectively amongst the members of the forces, if those engaged in it retain their civilian status. This point of view was repeatedly stressed by the late minister, the Hon. Norman Rogers, and has been reiterated by the corps commander, General McNaughton, and others.

It is a fact that during the last war certain Y.M.C.A. personnel, serving overseas, were taken on the military strength and enjoyed the attendant benefits, including pension protection, but it was decided not to follow this procedure in the present conflict. The Legion and, indeed, all the organizations concerned have been most anxious to comply with the policies of the department in every detail, but it will be realized that the lack of pension protection created a very difficult problem. It was obviously unfair to expose men to conditions of actual war without adequate provision for themselves and their dependents in the event of disability or death. The only course of procedure has been to insure these men with standard insurance companies, but it will be readily realized that the premiums in respect of risks of this kind are extremely high and have proved to be a great drain on the financial resources of the organizations concerned. Moreover, it will also be realized that the protection afforded falls far short of that provided by the Pension Act.

The matter was frequently discussed with the Hon. Mr. Rogers before his tragic death, and it was the Legion's definite understanding that he favoured the inclusion of this personnel under the Pension Act, and it is the Legion's conviction that, had Mr. Rogers lived, this would have been done long since.

The matter has also been discussed with the present Minister of National Defence, Colonel Ralston, and the impression was gained that he was sympathetic to the principle involved. Further, the Minister of Pensions, Mr. Mackenzie, and the Minister for Air, Mr. Power, have also indicated their sympathy and, indeed, it was the Legion's understanding that the matter was under consideration by the Government as a whole, but to date nothing has transpired.

It is the Legion's understanding that a favourable recommendation on this subject has been made by Canadian Military Headquarters in London and also by the Corps Commander, General McNaughton. It is also understood that the proposal is regarded favourably by Military headquarters in Ottawa.

The matter is brought to a head by the fact that casualties are now beginning to occur. Only a few days ago Mr. J. N. MacNeil, who left Canada for overseas as a representative of the Canadian Legion Educational Services, was reported missing due to enemy action at sea. There are four dependents in this case, the wife and three children. It is true that it may turn out that Mr. MacNeil is safe and well, but, if the contrary should prove to be the case, the dependents will not be entitled to pension and nothing that the Legion can do will equal the benefits of the Pension Act.

It is submitted that in view of the essential nature of these duties, and the accompanying risks and dangers, and in view of the favourable expression of opinion from so many high sources, the approved overseas personnel of all organizations engaged in this work should have extended to them the benefits of the Pension Act.

In the Legion's opinion this could be done quite simply by a proper enlargement to the definition of the term "members of the forces" in the Pension Act.

It is pointed out that the extent of the problem and the consequential liability is not large. So far only seventy persons, representing all the organizations, have proceeded overseas for this purpose. There are, in addition, three Legion educational representatives. The establishment is laid down by military authorities and members can only be increased by the same authority. It seems unlikely that existing personnel will be increased unless, and until, there is a further movement of Canadian troops to England.

The Legion, together with the organizations associated with it in this work, will be most grateful to this committee for its sympathetic consideration of this matter.

Respectfully submitted,

J. R. BOWLER,
General Secretary.

OTTAWA, May 7th, 1941.

APPENDIX "B"

REHABILITATION AND RE-ESTABLISHMENT OF MEMBERS OF HIS MAJESTY'S CANADIAN ACTIVE SERVICE FORCES

I. *Problems of War*

In modern warfare between Great Powers victory or defeat depends not entirely upon the Armed Forces but on the utilization of the whole manpower of the Nations involved, for use where such manpower can be properly utilized and upon the mobilization, conservation and utilization of the whole of the industrial and financial resources of the State. Manpower is therefore diverted into unnatural channels while industry has to be transformed from peace production to making of munitions and supply, while wealth which would normally be utilized to develop our resources, expand our industry and improve social conditions is diverted to the purposes of destruction and is wasted. In a highly organized civilization such as ours the result is a complete dislocation of the normal economic and social life of the country and the development of an unnatural state for a temporary period. With the termination of hostilities comes the period of reconstruction which presents problems no less difficult and no less important than the problems of war.

The issues of the war are so great, so vital and so far reaching that the natural tendency is to overlook these post-war problems and this was to some extent the course adopted in the last war, with, so far as ex-service men were concerned, as we know to our sorrow, disastrous results. With that experience still so fresh in our memory, it behooves us to see to it that these mistakes are not repeated and that these problems of war and of reconstruction should be considered inseparable from the outset and dealt with as one. A victory at arms, followed by social and economic disturbance at home would be of little avail, yet that is the condition which presents itself unless by careful and long range planning it can be avoided.

Reference has been made to the conditions following the last war. Indications are that conditions may be more difficult following this war. The last war came after a period of expansion and prosperity and while there were signs of depression or recession, yet unrest and dissatisfaction had not begun to develop. The present war comes following a period of depression during which unrest and dissatisfaction have developed to an alarming degree and when our national discipline had to a very considerable extent broken down. In the chaotic economic condition which is bound to follow the war, there will be a fertile field for the development of subversive agencies and, for the safety of our national life, it is very necessary that every practicable step be taken to carefully plan the future. In that planning nothing is so essential as that which will ensure that the men who have served are given every possible chance of re-establishment, that their loyal support and assistance may be available during the period of reconstruction. It may well be that we will all have to make sacrifices but the men who have offered life itself must not be called upon to make the greatest sacrifice.

II. *The Place of the Legion.*

In dealing with these problems the Legion has a great responsibility. As the largest veteran organization we have influence, and what is more, we have experience. For years we have lived with these problems and for years we have tried to solve them. The charge is made that as we have failed to solve our own problems, therefore how can we solve the problems of others. The answer is that we did not have a chance. When we became an effective force the harm had been done and in difficult circumstances we have done the best we could. In the difficult period of demobilization following the last war

the veteran body was disunited and ineffective. Our experience would indicate that a united body of veterans trained in this work could be a great assistance and, as such a body, it is our duty as ex-service men and as citizens to give what help we can during the period of demobilization, and in any event until such time as the veterans of the present war have returned and determined upon their future course. If we do our duty properly there will be far fewer real grievances, far less ground for agitation, than there would otherwise be and the veterans of the present war can organize in the manner which seems best to them, under more favourable conditions than existed in 1919.

In this connection it would be fatal for the Legion to give the impression that we are seeking to arrogate to ourselves the permanent position of the paramount soldier organization. Such an attitude would be strongly resented and probably lead to open antagonism. Our position should be clearly defined as assuming a temporary responsibility until such time as the veterans of the present war have an opportunity of determining their future. But if we do our work well, if we are efficient and helpful we may hope that our relationship with the new veterans will be friendly and co-operative and it might well be that, inasmuch as we are a dwindling army, we could share our facilities such as headquarters, clubs, and halls.

So far as pensions are concerned the Legion is the only organization equipped to give such assistance and such assistance will be readily available to every man now serving and we know that we can give efficient service. If the pension commission continues to be as co-operative as at present there should be few problems of pensions awaiting the returning veterans and one fertile source of agitation will be eliminated.

But the problems of re-establishment, so far as we are concerned have never been satisfactorily solved, and, therefore, it becomes our responsibility to examine carefully every aspect of this problem and be prepared to assist in every way possible. That responsibility can be discharged in four ways, first by critically examining the government proposals in the light of our experience; second, by advancing constructive proposals based upon our experience; third, by advising and helping the new veterans to take advantage of the opportunities offered; and, fourth, and this is important, to educate public opinion as to national responsibility in dealing with this problem.

III. *The Government's Responsibility*

The Canadian Legion has consistently maintained the view that every man serving overseas is in a sense a casualty and therefore, the responsibility of the federal government. If he suffers physical injury the provisions for compensation are as generous as are made by any government in the world and generally speaking more generous, if properly administered. But the disabilities of service are not confined to physical disabilities. Nearly every man who severs his connection with civil life and gives years in the service of his country suffers an economic handicap, as compared to the man who stays at home, and in respect of that disability he is also entitled to a like measure of assistance. It must be remembered that very few of the casualties are so injured as to entitle them to an allowance sufficient to enable them to subsist in comfort. The remainder must be rehabilitated, so that within the limits of their physical capacity they may amplify their allowances to ensure subsistence. And those who have escaped physical injury must, by some means, be assured of an opportunity of making a living, which in many cases implies that they be trained in some vocation. Until every man is given an opportunity to train for some vocation for which he is fitted, and until every man is afforded an opportunity to make a living according to his capability, the duty of the government of Canada and the people of Canada has not been discharged.

In the last war the consideration of the problem of rehabilitation was long deferred. According to our information the first report on the subject was presented on the 1st of November, 1918, and was not acted upon until the following year. In May the men began to come home in large numbers; no wonder there was difficulty in carrying out an orderly re-establishment. The government of the day have apparently realized this and already a committee has been set up to deal with the problem. That is all to the good. But the setting up of a Committee does not settle the problem. That committee has to work rapidly and the result of its deliberations implemented immediately. Rehabilitation is not merely a post-war problem, it is an immediate problem. Every man who returns from overseas is entitled immediately to consideration and the opportunities for rehabilitation made immediately available. If this is not done, small groups of dissatisfied men are sure to spring up all over the country and their existence is not going to help our war effort. The responsibility of devising schemes is upon the government; the responsibility of seeing that such schemes are fair and sound, and that they work in an efficient manner is, for the time being, ours.

IV. *Immediate Problems*

From the outbreak of war the Canadian Legion has been keenly alive to the urgency of these problems and has from time to time submitted memoranda to the government indicating immediate steps which we consider should be taken to protect the rights of the men now serving and to ensure as far as is possible the principle of equality of sacrifice. These recommendations and the arguments in support thereof are now embodied in our memorandum of March, 1940, and should receive the consideration of the convention. If approved it will be for the Legion to press for action in connection therewith. In that memorandum the Legion carefully refrained from giving expression to any views as to general policies preferring to await the result of the deliberations of the convention. It is therefore necessary that consideration should be given to such permanent policies and indication given as to the principles we consider should be adopted and methods which might be effective. The Canadian Legion with its accumulated experience of years, and particularly of the past six years when we have been striving to correct the errors of 1919, is peculiarly fitted to undertake this task.

V. *General Principles*

In approaching consideration of this problem we adopt as fundamental the principle that in war of the magnitude of that in which we are now engaged and in which a great portion of our man-power may be employed, the state owes a special duty to these men and that none should be cast adrift into civil life unless they are qualified for some employment and employment within their capacity is offered to them. Of course if a man does not seek to avail himself of these opportunities, that is his right, but it should be clearly understood that in so doing he forfeits any claims, and it should be the duty of the Legion to warn him of the dangers which he faces.

VI. *Classes Affected*

The men with whom we have to deal fall into three categories:—

(1) *Men on Leave of Absence from Employment*—In the main these present no problem except as to two classes:—

(*a*) *Men physically unfit for re-employment*—As a result of the loss of his sight, an arm or a leg, a man may be unable to resume his normal employment although such employment is available. These men must be carefully studied and an attempt made to retrain him in some occupation where he can earn enough, with his compensation, to ensure

him a standard of living equal to that which might be expected in his ordinary avocation. There has been far too great a tendency in the past to consider the obligation satisfied if he is found any kind of sheltered employment within his capacity. That, however, is hardly fair. If a skilled mason loses his right arm, you do not re-establish him by getting him a job operating an elevator. The ideal suggested may not be possible of complete attainment as many of these men have not the education to fit them for other gainful employment and are too old to acquire it. But an attempt should be made to do so.

(*b*) *Men physically fit but requiring a "refresher"*—There are many trades in which prolonged absence from work results in loss of manual skill which would make it impossible for the man to take on where he left off except by the tolerance of his employer. Such men would all be given refresher courses at the expense of the government until they are fit to carry on.

(2) *Men Who Have a Trade but no Employment to Which They Can Return*—For these the problem is finding employment, subject of course to reconditioning in certain cases, as set out in 1 (*b*). To deal with them involves first a knowledge of the number available, and, second, a survey of industry to ascertain what number can be absorbed. There is a further consideration that must not be overlooked, namely, the man's qualification. In our experience we have many men who claim to be skilled carpenters, painters, etc., who on trial are found to be anything but skilled. References should in all cases be obtained and checked as nothing can be more harmful to any rehabilitation scheme than supplying men as skilled who cannot do the work.

(3) *Men who are Untrained*—On the basis of the present enlistment there are by far the largest class and with the expansion of the Air Force the numbers of this class are going to be largely increased. The problem is further complicated by the fact that having regard to the unemployment which has prevailed many of these men have never worked regularly and will have reached an age when it is not easy to train them and when having been trained they are unlikely to be able to command a wage which they consider to be compatible with their age and standing. This has also been complicated by reason of the apparently unrestricted marriages which have taken place. It is not going to be easy to re-establish a boy of 24 years with a wife and perhaps a child, when the father has never held a steady job in his life. But these problems have to be faced and some solution found.

Another complicating factor in dealing with this class of men and one which must never be lost sight of in dealing with problems of rehabilitation, is that these men on their return to civil life are not normal. They went away boys, inexperienced and untried, they return men and men experienced only in the art of war. But as men of war they have a superiority complex, they have seen things, they have done things and they will not lightly accept a position of inferiority as compared with men who have not experienced what they have experienced. They will not readily admit their inexperience in the most important thing, the matter of making a living. Therefore the utmost tact will be required to adapt them to civil life but at the same time care must be taken not to inculcate any idea that the state owes them a living. The state owes them a fair opportunity but nothing more. But carried too far there is bound to be a percentage who will regard state assistance as a permanent thing in life. The reconciliation of the two viewpoints will not be easy, but yet it must be done.

VII. *Means to be adopted*

(1) *Disabled Men*—The public must be disabused of the idea that a pension is income. The pension awarded a man for disability incurred on, or attributable

to service is only based upon an estimate of the extent to which his earning capacity on the basis of common labour, has been impaired, as a result of war services. He is not to be expected to live upon such compensation and must be given every opportunity to profitably utilize the capacity which remains. He will therefore, if he is unfitted for his former vocation require re-training, if he has no vocation one will have to be found within his capacity and he will have to be trained therefor. To do this in a satisfactory manner it will be necessary that sheltered employment in every branch of public service and also in industry shall be definitely reviewed for these handicapped men.

(2) *Fit Men*—Here we will have men who have a good education but no vocational training, men who have inferior education and no vocational training. Their previous history may give little indication of their natural tendency or adaptitude. To select their niche is going to be a difficult task and one which will require infinite tact. Under the best of conditions industry can absorb only so many of each category. It is useless to train, for instance, more motor mechanics than the automobile industry can absorb, yet it is going to be extremely difficult to convince a man whose natural trend is towards machinery, that he should be a tailor's assistant. The agency responsible for allocation will have to exercise rare judgment and tact in guiding these men into vocations in which they can be usefully employed.

VIII. *Specific Methods*

(1) *Professional Training.*—Those who had already commenced to qualify for the various professions such as Law, Medicine, etc., should be assisted to complete their courses, but in this connection care should be taken that the normal requirements for qualification are not unduly relaxed. Experience in the last war has shown that such lowering of the standard of qualification has not been helpful to those to whom this favour was extended. On completion of the course some measure of assistance to start in life would have in most cases to be afforded. This however should be in the nature of a loan, not a gift.

Having regard to the expansion of the Air Force which has a great appeal to those leaving High School or who are in University there will probably be many, who in normal times have entered the professions. Consideration will have to be given to the desirability of assisting those to enter professional life, having regard to their academic standing and also to the fact that most professions are already overcrowded and only offer a living to a certain number.

In order that the man who has enlisted may not be placed at a disadvantage with those who have refrained it should be conceded that those who had at enlistment entered upon a University course, should be assisted to complete it. Under normal conditions many of these would have depended upon their parents to assist them, but it is hard to expect a young man of 24, or 25, years of age, who has played an important part in the war to again revert to a position of dependence upon his parents. Unless he is accorded this opportunity as of right he will probably abandon his course and accept any employment he can get, which is not desirable.

The problem of the boy who has just completed his matriculation upon enlistment will be a difficult one. A certain percentage of them would have gone on to University but are unlikely to do so on return. To afford University opportunities to all might result in a serious overcrowding of the professions, yet to deny them is to place the boy at a disadvantage with those who have not enlisted. It must be studied.

(2) *Vocational Training*—These will fall into three classes:—

(*a*) *Refresher Courses.*—This will be for men whose ordinary vocation requires manual skill and up to date knowledge which may have been lost by absence. This could probably best be given by actual work in

the industry in which they were formerly engaged, the employer paying the wage which the man is capable of earning, the Government augmenting such wages to the standard to which he would be entitled as a fully skilled workman in that vocation.

(*b*) *Retraining.*—This will be for men formerly skilled in some occupation but who by reason of physical disability are debarred from following their former calling. They are entitled to be trained in some other vocation where, with their compensation, they can enjoy the same standard of living as they would have enjoyed had they not suffered disability.

(*c*) *Beginners.*—There will undoubtedly be a very large number of these and it will be a colossal task to deal with the matter in a satisfactory manner and to be in any way effective early and long range planning will be a necessity. A special organization will have to be set up which will operate both overseas and in Canada. A preliminary survey should be made overseas before demobilization and the extent of the problems determined. During the period previous to demobilization the Canadian Legion War Services Educational Organization will prove useful for preliminary training but the greatest problem will be that of allocation. There will again be the problem of overcrowding and diversion of aspirants from one course to another in which more opportunity offers. For this work sympathetic understanding is necessary and it would be desirable that personnel be recruited as far as possible from men of the new army. A civilian school master or instructor is at a distinct disadvantage and, unless an outstanding man, can rarely appreciate the psychology of men who have served. Further, except for those undergoing professional or University training the idea of going to school should be eliminated. The boy of 21 years who had left school, gone to war and perhaps won the D.C.M. will not easily settle down to school, as such. Therefore, an attempt should be made to camouflage instruction as a job. The essence of the whole thing is, however, in the selection of personnel and the procuring of men, who understand the man, with whom they are dealing.

IX. *Employment*

Training while it may be difficult and expensive, is not impossible but finding actual employment when training is complete, is going to be the real task. It must be remembered that war industries are likely to be demobilized before the armed forces. Labour displaced there is going to find employment most readily available, which will of course limit the opportunities offering. It is for that reason that in our original memorandum we suggest something in the nature of compulsory action in order that those who elect to stay at home shall not dig themselves into all available good jobs to the exclusion of the serving men. A man who has given years of good service overseas is not going to readily take orders from a man of his own age and fitness who considered himself "indispensible" at home. This is one of the difficulties arising from voluntary service and if the government is to deal fairly with the volunteers it will have to be faced. Fundamentally all new employment in war time should be treated as "temporary" and at the conclusion of hostilities industry and employment should be reorganized to give the service man as good a chance as his contemporary of the same age who did not enlist. In no other way can justice be done. Specifically the following avenues might be explored.

A. *Dominion Civil Service*—It is assumed that the service man's preference will be preserved. But with the transition from war to peace there will in any event be large lay offs of temporary staffs and under ordinary circumstances the departmental head will desire to retain the best of these to ensure an efficient

permanent staff. There would, therefore, at the outset be very few openings. Departments such as the Department of Pensions, the Soldiers' Settlement Board, the Income Tax Department, organized during the last war and largely staffed by ex-service men and which afforded an outlet in the last war are now going concerns and fully equipped to handle the work of the new war with some additions to staffs. As these staffs are largely ex-service men of the last war we cannot contemplate any dismissals there. But for men who have given the highest form of public service, government service provides a natural means of continued employment. Therefore it is desirable that the whole situation be carefully reviewed and particularly:—

(*a*) That provision be made that all war time appointments to the service shall be temporary;

(*b*) That older men not required for executive positions, be retired at full pension, that is the maximum they might attain.

To ensure the maximum of success in utilizing the public service for this purpose it is absolutely necessary that the system of patronage be absolutely eliminated. The ex-service man resents, and most properly so, being dependent for his employment upon some local politician, while our experience has shown that any number of politicians, who may be very patriotic in war time, are quite ready to sacrifice the ex-service man, if he can sense some political advantage in making another appointment.

B. *Provincial Government Service*—While, of course, the dominion has no control over the provincial services, yet in war time a measure of co-operation might be secured and legislation obtained provincially giving the ex-service man a fair deal. In theory all provincial governments recognize the preference, but in practice, it simply does not work. The Legion has had infinite trouble in this field and if it is to be utilized it must be organized on a better basis.

C. *Municipal*—Here again the federal government has no jurisdiction but in our experience many municipalities have been most helpful, others again have been indifferent. Proper organization during the war would probably secure greater uniformity after the war. The point is that if we can in the enthusiasm of war effort, get legislation affirming the principle of preference, veterans can generally be depended upon to secure the retention of such legislation. However, it is not so easy to get after the war is over.

D. *Public Works Projects*—During the war public works projects should be limited to those necessary to the war effort but a careful survey should be made to ascertain what works could be profitably undertaken after the war and to devise schemes for development which while not perhaps immediately necessary would ultimately be useful, such as reforestation, soil conservation and pioneer roads to develop undeveloped areas. Plans for such projects should be prepared, so that work may be commenced as, and when labour is available and ex-service men utilized on such projects. Such a program necessarily involves the continuation of war spending long after the war, but such may be necessary if the men released from war service are not to be turned adrift without the means of livelihood.

E. *Industry*—As already mentioned a survey should be made to determine the extent to which industry and all National organizations, financial and otherwise, can assist in absorbing ex-service men. Again, the man who has not volunteered and who, during the war, has found for himself a place in established business should not be allowed to retain his position at the expense of the man who has served. Systems of apprenticeship, which will form part of the vocational training scheme will have to be developed but to get anywhere in this, arrangements with the Trade Unions will be necessary. The present limitations in this respect would effectually block any such general scheme.

F. *Railways*—The Railways are large employers of labour and should be expected to make a contribution. In the first place they should be required to establish the principle of preference. In some respects the companies, and the Canadian Pacific Railway Company particularly, have been very good in this connection, but the system has not been of general application. For instance in my work, in hearing applications for Naturalization, I have been astonished at the number of aliens who came to the country between 1924 and 1929, who have found permanent jobs in the maintenance of the way, even before they were naturalized.

Another problem which will have to be dealt with is the proper reinstatement of railway men who have enlisted. Labour in this business is highly unionized and governed by strict contracts. Following the last war we had great difficulty in settling seniority rights and securing for men enlisting that which was their due. The question should be settled now and principles defined, the fundamental of which should be that every man returning from service and fit for re-employment should be reabsorbed in the position he would have held if he had not enlisted.

G. *Housing Scheme*—Housing conditions before the war were, generally speaking, unsatisfactory, and will probably be worse after the war. The developing of housing schemes for ex-service men will give employment and tend to stabilization. Such schemes, however, will have to be carefully planned and economically carried out and provide accommodation at a reasonable rate. It is essential that administration should be absolutely non-political and on a strictly business basis. Experience has shown that a great many people regard their obligations to the Government very lightly and we want no recurrence of the conditions in the Soldier Settlement Board where we have a constant clamour for free grants.

The scheme should be absolutely under Federal authority as the tripartite arrangements following the last war have not proved satisfactory.

H. *Land Settlement*—Whenever rehabilitation is discussed land settlement invariably crops up and I believe that the Government is already considering it. In view of the tremendous amount of grief we have had with the Soldier Settlement scheme, I should have thought this would have been passed up. Of course there is a sound argument in favour of it, namely that Canada is basically an agricultural country, and therefore the basic industry should be utilized to the full in order to provide employment. That is correct. The difficulty is that this basic industry is not, as a result of world conditions operating upon an economic basis and provides little or no hope of assurance that any man, except the exceptional one, could ever hope, with present markets, to repay his investment. It will provide a better living for the average man than anything we can give him in the city (he will not believe it, but it is true), but that presupposes a very limited capital liability and as few returned soldiers will have any capital it is difficult to see how this can be accomplished.

Following the last war some 22,000 men were placed upon land, to-day there are only about 10,000 remaining and of these 25 are only there by the tolerance of the Board, they have no equity, they have no hope. Twenty-five per cent have no equity but given favourable returns might keep their heads above water. Of the remainder one-half have some equity and the other half have succeeded. This statement is approximate. As to the cost I hope to submit figures. Anyway, of the original investment the Government first gave a rebate of two years interest. Then there was a physical revaluation, by means of which several millions of dollars were written off, when the investment was valued on the basis of economic return. Then there was a straight capital out of 30 per cent and all debts for stock and equipment were written off. In other words those who had not paid their debts were given a grant of 30 per

cent of the value of their land and got their stock and equipment for nothing. Then in addition they were given a dollar for dollar bonus over a period of five years on all payments and were given the benefit of the Farmers' Creditors Arrangement Act, and thereby there have been substantial further capital reductions, made. And yet notwithstanding all that, we have only approximately 5,000 who have made good. And we have probably the most dissatisfied body of veterans in Canada. I have been responsible for initiating nearly all the concessions granted, yet I am the most cordially hated man in Canada by a group of Soldier Settlers because I have steadfastly resisted their demands that they should get their farms for nothing. Those who ask for this overlook the fact in equity it would require payment to all those who have paid in full and repayment of the equity to those who have an equity, otherwise we would be penalizing thrift and good management for the benefit, in many cases of the improvident. Furthermore, I have never been able to see why if the Settler got his home and business free, why every ex-service man should not receive the same concession. That is the picture of the Soldier Settlement Scheme, as seen by the Legion to-day. It has been the experience of every other similar scheme, both here and in Australia. Apparently with the Government as a creditor man will not behave normally, while the Government is handicapped as compared with an ordinary creditor in that it can only proceed by Statutory authority and cannot discriminate between the good and the bad. Nearly all concessions made have benefited the less efficient at the expense of the more efficient.

However as has been said agriculture is a basic industry and probably some means will have to be taken to utilize it. The original Soldier Settlement scheme was handicapped from the outset by the following factors:

(*a*) There was political interference and preference.

(*b*) Land, stock and equipment were purchased in a rising market or at the peak and at a value which could only be justified if price levels then prevailing could be maintained. This was impossible and will always be impossible.

(*c*) Land was selected or approved which was of inferior quality. Two factors entered there. First political influence or else the Government yielded to the settlers insistence against the judgment of their advisers. Veteran organizations sometimes were guilty also. There is an unique example of this in Alberta. There a group desired to settle in a certain District and the Government refused. The G.W.V.A. intervened and the decision of the Government's advisers were overruled. When I was Dominion President, I had the strange experience of having the Canadian Legion, the successor of the G.W.V.A. and many of whose officers were party to the original crime, gravely demanding that the injustice done to these unfortunate veterans should be rectified.

(*d*) The scheme was fundamentally unsound, in that it contemplated repayment of a capital expenditure of about 150 per cent of the value of the land, from the land itself, which according to agricultural experience in Canada and in the United States cannot be done. The amortised payments called for an annual return of 9 per cent while Statistics show that 8 per cent is the maximum return that can be expected year in, and year out. In other words unless a man has an equity this is no margin for his own living.

(*e*) Sufficient care was not taken to ensure that applicants had the necessary qualifications. After all Agriculture is a one man business and the capability of the owner is the determining factor between success and failure. The local farmer will not agree with me but I have the facts to prove it.

Those observations are not intended as a criticism of the Board which, given a free hand might have secured better results. But political interference and ill advised veteran interference made this impossible.

These are the danger signals therefore which confront us when we come to the consideration of the Utilization of Agriculture as a means of rehabilitation. If a new scheme is to be developed these should be borne in mind and a few other matters considered. These are:—

(*a*) The Government should now take steps to acquire suitable land coming onto the market, much of which could be acquired at less than its productive value.

(*b*) That all purchases should be approved not by professional valuators but by practical farmers, who are in no way interested in the sale of the land. The nomination of these farmers should be made by the Agricultural Department of a University in the area, who knows the farmers who are farmers. A veteran representative might be added with advantage. Some provision should be made that the report of this Board could not be over-ruled.

(*c*) Live stock should be purchased by a similar Board, similarly appointed. All of such Boards should operate outside of their own areas.

(*d*) Every applicant should be required to undergo a course of training specially arranged and no application should be accepted unless the applicant is approved by the University giving the course. In the case of a trained farmer he might be given his certificate just as soon as the Training Body was satisfied that he was in fact qualified. The fact that a boy is a farmer's son does not necessarily mean that he is a farmer.

(*e*) If the applicant is not in a position to pay at least one third down there should not be a sale outright but rather a lease option at a rental which will be sufficiently low to give him a chance to save. If he gets the habit of saving to buy outright, he will likely continue to pay as he can. Otherwise the worry of debt which will develop if he suffers reverses will soon turn him into a discontented bitter man.

The foregoing would correct some of the difficulties which have developed in Soldier Settlement but we have not got around the fundamental psychological difficulty of the refusal of so many to treat the Government as an ordinary creditor. There will always be a percentage that so long as they owe the Government will feel that by agitation and appeals to sympathy they can secure concessions and perhaps, ultimately, a grant. Nor does it overcome the lack of elasticity which invariably attaches to every Government scheme. For instance we have two neighbors. Both are equally good farmers and have equally productive farms. One however is punctiliously careful of his obligations and pays every cent he can. The other, secure in the fact that he is a Government debtor, only pays when he has to and then with the greatest amount of noise. Adverse years come. A private company would go to the first and say you have always been a good borrower we will share your loss and rebate your interest. To the other they would apply pressure as he deserves. The Government cannot do that. The system is and must be inelastic.

It is for consideration, therefore, whether an established Lending Company, with a good reputation might not be utilized to handle these loans, the Government supplying the money at a low rate of interest, leaving the Company free to operate upon a commercial basis. I expect this suggestion to be greeted with derision, in fact I could give, now the speeches which would be delivered in the House of Commons on the subject. Nevertheless it has merit. For the last eighteen years I have been dealing with Mortgage Companies and for the most part they are humane and reasonable and I believe

could do the job. Of course you would have to have some arrangements with Provincial Governments, otherwise their Debt Adjustment Boards might unreasonably interfere.

X. *Agencies to be utilized*

(*a*) *Governmental.*—There will, of course, have to be a Department of Rehabilitation to develop the various schemes which may be agreed upon and to supervise training and placements. Such Department should be staffed exclusively by ex-service men and the forces should be carefully examined to secure key men who by training are qualified for this work in its various Departments. There should, of course, be a leaven of ex-service men of the last war to contribute their practical experience of peace conditions. The extent of this development will depend upon the schemes adopted and can then be considered in the light of development.

(*b*) *Business.*—While it is the responsibility of the Government to develop schemes and finance the same, experience has proved conclusively that such schemes will never function efficiently simply under the direction of a Government Department. You have to have the co-operation of the employing public. In our work in the Veterans' Assistance Commission this has been demonstrated. Where we had a local committee keenly interested in the work, we got jobs, and lots of them. Where we did not have the co-operation we did not get jobs. Therefore all employing agencies must be organized to co-operate on a National basis. The fundamental principle of the Veterans' Assistance Commission must be adopted but the organization nationalized and extended. There should be a National Board to advise the Government. Under it then should be Provincial Boards and they in turn could organize local Boards. The intention should be to mobilize the greatest possible volume of voluntary effort to find jobs for ex-service men. In other words you must humanize, rather than departmentalize, the effort. Experience has shown that local offices operating under Government direction very soon tend to become strictly departmental. Success can only be attained by voluntary and enthusiastic effort.

(*c*) *The Legion.*—Until such time as the new Veterans determine their own course the Legion will have to assume a very large part in this scheme. Some of its activities may be summarized as follows:—

(*a*) To co-operate with the Government in an advisory capacity closely scrutinizing proposals and making suggestions as to the improvements.

(*b*) To closely watch the operation of the various schemes and to make representations to check practices which are detrimental to the interests of veterans.

(*c*) Through the agency of the War Services to maintain a competent staff at demobilization centres to advise men as to their right and advise them as to the course to be followed.

(*d*) Through our Educational Services to try and devise means of interesting the men in giving thought to the future.

(*e*) To seek by every means in our power to educate public opinion to the duty of the people to see to it that the serving men are given a reasonable chance to win their way back to civil life.

(*f*) At the proper time to seek to interest Officers and men of the Forces in the necessity of developing a strong veteran body in Canada and preventing any tendency to the chaotic conditions which prevailed following the last War. Officers in particular must be impressed with the fact that their relationship to their men does not terminate with demobilization, but that it is still their duty to give leadership, direction and support. It is too much to hope that we will not have agitation. Subversive organizations are sure to capitalize the grievances of the

discharged men. We can help eliminate these grievances but our greatest contribution will be to ensure the presence in some organization, either ours, or a new one, working harmoniously with us, of the great body of good men in the new forces.

This process would undoubtedly be helped if the Government could do, as the British Government have done, say they could recognize only one organization, or two, as the case might be—The Canadian Legion and one organization of the new Forces, plus of course the Amputations and the Blind.

XI. *Interim Arrangements.*

So far we have been considering the problem of general demobilization but we must not overlook interim discharges. Already many cases of hardship have come to our notice in Canada and 150 officers and men have been returned from overseas. As casualties develop this movement will be accentuated and special attention must be given to ensure that these men are cared for, if the atmosphere is to be kept clear for general demobilization. Not being in Canada during the last war until general demobilization was well under way, I do not know how the situation was handled, but I have the impression that it was not handled successfully with the result that long before demobilization commenced groups of dissatisfied veterans were organized and agitation and unrest had already developed. In the result, demobilization was carried out in an unhealthy atmosphere. To meet this situation it is essential that a temporary organization be set up to deal with these cases individually and ensure that every case receives careful attention. The Military Departments have enough to do to look after the prosecution of the war and therefore every man discharged should immediately be transferred to the Department of Pensions for care until such time as he can be re-established.

In this connection the Legion also has a great part to play. Through War Services, every man should be contacted at once and all our facilities placed at his disposal. It would be desirable that initial contact be made in England and for that purpose a special officer or officers overseas should be appointed to get in touch with these men early and seek to get them in the proper frame of mind for re-establishment. It would probably be desirable that the Department should similarly be represented. If advance information as to possible needs could be sent over, preparation could be made here which would prevent delays which are the most aggravating part of the process.

XII. *Distribution on Discharge.*

Every man on discharge, is entitled to return to the point of enlistment but during the last war every man had a right to elect where he would go. It is doubtful whether this is wise, as it may result in an influx of labour to points where such labour cannot be absorbed. We all know that British Columbia always has been our most difficult area for the simple reason, that on account of climate, many men go there for whom there is absolutely no chance of work. It might be better to give every man the right to return from whence he came, but if he had no prospects there, to divert him to a point where employment might be more readily secured. Otherwise movement should be restricted.

XIII. *Post Discharge Pay or Gratuity.*

Having established this principle in the last war the Government will find it very difficult to depart from it during this war. While it was greatly appreciated and in many cases beneficial it cost a great deal of money and it is doubtful whether the results justified the expenditure. Some men returned to step immediately into jobs, as good or better than those they left. They received the same as the man who had no job. Of course these men had a claim. They

required to refit themselves with civilian clothes. In their absence the home equipment had been depleted and had to be replenished. To that extent the grant was justified and necessary. On the other hand, many men assured of an income over a period of three to five months were impatient of rehabilitation measures, took their discharge and a holiday. At the end of that time, they were adrift and many of them have never tied up. Post War Assistance is necessary but it would seem that there should be some measure of control. I think every man going to a job should receive what assistance is necessary to enable him to carry on without going into debt and I also think that no man should be turned adrift until he has the means of subsistence. But, during that period there should be some measure of control to ensure that in the interim he is seriously devoting himself to the serious matter of re-establishing himself.

XIV. *Veterans of the Last War.*

We have so far been considering the problem of the Veteran of the present war. We must not, however, allow that problem to obscure the problem of the Veteran of the last war of whom we have very many still with us and many of whom are in dire straits. No matter how this war may develop it is unlikely that its veterans will endure more than those other veterans. So far as we can observe they have received infinitely better care than was accorded to us, particularly in the early days of the last war. And while new weapons may produce new dangers and hardships, yet they will not be condemned as we were at the outset, to fight practically without weapons at all. Therefore in whatever schemes of employment are decided upon the Veteran of the last war must have a place and each must have equal rights in so far as employment is concerned. As to the care of Veterans of the last war for whom no employment can be found, that is a matter which the Legion will have to continue to deal with as a special matter. But so far as employment is concerned the problem must be considered as one.

XV. *General Conditions.*

Successful rehabilitation depends upon three important factors, first, sound and adequate planning by the Government; second, the co-operation of the public, and third, the attitude of the men. We have considered the first two, the third is perhaps the most important of all and the hardest to deal with. In our previous memorandum we have discussed this question to some extent and showed the necessity for eliminating the inequalities which were so glaring and so provocative, after the last war. But the men themselves must be in a receptive mood and this cannot be done by lectures. It will require almost individual attention. Officers must be carefully instructed in the schemes proposed, in the conditions prevailing, and by every method possible required to see to it that their men are fully advised. Again let me urge that this cannot be done by preaching. There is nothing the private soldier detests more than being lectured. Round table conferences where frank discussion can take place, and quiet missionary work by selected leaders will probably be the best methods to be adopted.

But in particular care must be taken to check subversive propaganda. No one will ever convince me that there was not deliberate propaganda in the pre-discharge period of the last war to break down discipline and disrupt the Veteran body. For that purpose the discrediting of officers was the subtle means adopted, for while that was an attack on a class, that class represented established authority and leadership and with these discredited there was a fertile field for the agitation which followed. By whom this propaganda was inspired I do not know, but in the years which have followed I have seen its effects and while today its effects have been largely eradicated it has taken long years of hard work to secure the results.

In the light of experience I know how I would deal with it, but in those days I was young, I had no experience in public affairs. I could not conceive of anything occurring such as did occur. In this war we have in the forces Veterans who have had experience and if they survive they may be wiser than we were. But the warning should not be ignored and appropriate measures should be taken.

XVI. *The Veteran Body on Demobilization.*

There can be no doubt but that the public viewed Veterans Organizations with some feeling of apprehension following the last war, a fear which was doubtless shared by many in high places. Such a fear was based probably on the idea that such a body might occupy a predominate place of influence. There is such a danger if that body used its power unwisely but there is little fear of such a danger if the whole Veteran body is properly organized. The danger rather lies in the existence of strong groups which can be exploited by unscrupulous men for their own ends. In the difficult days which lie ahead of us the country needs the help of these Veterans and cannot do without it. But such an organization must be sane and well led. Therefore, every help should be given to the development of a National Organization of the best elements and when such an organization is developed the Government should strictly refuse to recognize any others. The fact remains that no matter what anyone may do Veterans are going to organize, and if they organize, they should be organized for good rather than evil.

XVII. *Conclusion.*

The foregoing observations are based upon actual experience. When the Canadian Legion first came into being it did so following a long period of agitation and unrest as a result of inexperience, both on the part of the Government and of the Veterans in dealing with these new problems. In the early stages of our existence we were preoccupied with dealing with immediate and pressing problems and it was some time before we recognized the difficulties resulting from faulty rehabilitation. But since 1929 I have been acutely conscious of this problem and have had excellent opportunities of considering it in all its aspects. I am familiar with the problem in all its aspects—I lay no claim to be qualified to solve it. The suggestions advanced may be impracticable, they will undoubtedly be very expensive, perhaps beyond the means of the Country. I have, however, sought to state the problem as I see it, and to explain the factors which complicate it. The suggestions made are only put forward as a basis for discussion and in the hope that by consideration and discussion we may evolve schemes which will meet the situation.

All of which respectfully submitted.

(Sgd.) ALEX ROSS,
Member,
Dominion Executive Council.

APPENDIX "C"

THE DOMINION OF NEW ZEALAND—THE OCCUPATIONAL EMERGENCY REGULATIONS 1939

GALWAY, GOVERNOR-GENERAL

ORDER IN COUNCIL

At the Government House at Wellington, this 11th day of October, 1939

Present: His Excellency the Governor-General in Council

Pursuant to the Emergency Regulations Act, 1939, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, doth hereby make the following regulations.

REGULATIONS

1. These regulations may be cited as the Occupational Re-establishment Emergency Regulations 1939.

2. "Employer" includes, in relation to any person accepted for service, any person for the time being carrying on the undertaking or service in which such first-mentioned person was employed when accepted for service, or carrying on any undertaking or service with which that undertaking or service has been amalgamated or in which it was comprised on the date on which such first-mentioned person was accepted for service.

3. These regulations shall be read subject to the Suspension of Apprenticeship Emergency Regulations 1939.

4. It shall be the duty of any employer by whom or by the predecessor of whom, in the relation of employer, a person accepted for service in His Majesty's Forces, whether in New Zealand or overseas, was employed when he was so accepted for service to reinstate him in his employment at the termination of that service or during any period of leave from that service without pay in an occupation and under conditions not less favourable to him than those which would have been applicable to him had he not been so accepted, including the benefit of conditions providing for increments in remuneration, such benefits to attach so as to entitle him to remuneration at the time of reinstatement at the rate which he would then have received had his employment been continuous up to that time.

5. Any employer who fails to comply with the provisions of the last preceding regulation commits an offence, and the Court may, in addition to any other penalty which may be imposed, order such employer to pay to the person whom he has failed to reinstate a sum not exceeding an amount equal to twelve weeks' remuneration, or remuneration for the period of leave, at the rate at which remuneration was last payable to that person by such employer.

6. In any proceedings for an offence against Regulation 4 hereof it shall be a defence to the employer if he proves that the person formerly employed did not, before the expiration of one month after the termination in New Zealand of such service aforesaid, or before the expiration of six months after the termination overseas of such service aforesaid, or during any period of leave without pay, as the case may be, apply to the employer for reinstatement, or that, having been offered reinstatement by the employer, he failed without

reasonable excuse to present himself for employment at the time and place notified to him by the employer, or that by reason of a change of circumstances (other than the engagement of some other person to replace him)—

(*a*) It was not reasonably practicable to reinstate him; or

(*b*) His reinstatement in an occupation and under conditions not less favourable to him than those which would have been applicable to him had he not been accepted for service in His Majesty's Forces was impracticable, and that the employer has offered to reinstate him in the most favourable occupation and under the most favourable conditions reasonably practicable.

7. No person shall terminate the employment of any employee either for the purpose of evading or attempting to evade any obligation imposed on him under these regulations or in the expectancy that the employee will or may be accepted for service in His Majesty's Forces.

8. In any proceedings for a breach of the last preceding regulation, if the Court is of opinion that there is reasonable cause for belief that the employment was terminated in breach of the last preceding regulation it shall be deemed to have been so terminated unless the employer proves that such termination was for a reason not connected with the obligations imposed on the employer under these regulations or not connected with an expectancy that the employee would or might be accepted for service in His Majesty's Forces.

9. Where a contract of service is in force between an employer and an employee when the employee is accepted for service in His Majesty's Forces, then—

(*a*) If an arrangement has been or is entered into between the parties to the contract, or if the contract makes provision for any of the following purposes, that is to say—

(i) For dealing with all or any of the obligations of the parties thereunder in respect of the period of service in His Majesty's Forces; or

(ii) For the reckoning of the period of contractual service in relation to the period of service in His Majesty's Forces; or

(iii) For the adaptation of the terms of the contract in relation to any extension of the period of contractual service;

the provisions contained in paragraph (*b*) hereof shall apply only in so far as they are not inconsistent with the arrangement or provision so made as aforesaid, but any such arrangement or provision shall be void so far as it conflicts with Regulation 4 hereof:

(*b*) If no such arrangement has been or is entered into or no provision made by the contract, or to the extent that any such arrangement or provision does not deal with the obligations hereinafter specified or with the reckoning or the adaptation referred to in subparagraphs (ii) and (iii) of paragraph (*a*) of this regulation, then, subject always to Regulation 4 hereof—

(i) The parties to the contract shall, in respect of the period of service in His Majesty's Forces, be relieved of all their obligations under the contract which relate to the following matters—that is to say, the payment of remuneration, the performance of work or the provision of work, maintenance (including medical or surgical treatment), or instruction:

(ii) The said obligations shall (unless otherwise dealt with by any arrangement or provision as aforesaid) be of full effect as from the date upon which the employee resumes his work, and where

the contract is for a period specified or ascertainable from it the period of contractual service thereunder shall be extended by a period equal to the period of service in His Majesty's Forces or by a period equal to the period of the contract unexpired at the date of acceptance for service in His Majesty's Forces if that period be less than the period of service in His Majesty's Forces:

(iii) A period of service (if any) remaining to be served under the contract apart from any period of extension, shall be treated as beginning immediately on the resumption of work, and any period of extension shall be treated as the concluding period of the contract, and the terms of the contract shall apply to that period of extension accordingly.

10. Nothing in these regulations shall confer upon any employer authority to make any contract or arrangement with reference to the period of service in His Majesty's Forces which he is not authorized to make under any power already possessed by him.

C. A. JEFFERY,
Clerk of the Executive Council.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 15

FRIDAY, MAY 9, 1941

WITNESSES

Mrs. R. Shirley, President of the Non-Pensioned Widows' Association of Calgary.

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health.

Mr. J. G. C. Herwig, Asst. General Secretary, Canadian Legion, B.E.S.L.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

MAY 9, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 10.00 o'clock, a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Black (*Yukon*), Blanchette, Bruce, Cruickshank, Emmerson, Gillis, Green, Isnor, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, Mutch, Quelch, Reid, Ross (*Souris*), Sanderson, Tucker, Turgeon, Winkler, Wright.—21.

Mrs. R. Shirley, President of the Non-Pensioned Widows' Association of Calgary, was introduced by Mr. Ross, M.P. (*Calgary East*). She also represented the Edmonton and Peace River branches of Non-Pensioned Widows' Associations and endorsed the submissions of the Toronto and Verdun branches of said association.

Mr. Walter Woods, Associate Deputy Minister of Pensions and National Health, was called, examined and retired.

The Chairman expressed to Mr. Turgeon, the pleasure of the Committee on his recovery from his recent illness.

A letter from P. G. Webb, Canadian Legion of Moose Jaw, Sask., to the Chairman was quoted from by the Chairman and was ordered to be printed in the evidence.

General H. F. McDonald was requested to explain the action taken by the Canadian Pensions Commission respecting compensation to the widows of two R.C.A.F. instructors who were killed while on loan to flying schools, and who were referred to in the above mentioned letter.

Mr. J. G. C. Herwig, Asst. General Secretary, Canadian Legion, B.E.S.L., was called, examined and retired.

Mr. Alex. Walker, President of the Canadian Legion, B.E.S.L., was recalled. He filed a brief which was ordered printed as part of to-day's evidence.

The witness retired.

The Committee adjourned at 1.00 o'clock p.m. to meet again on Tuesday, May 13, at 10.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, Room 277,

May 9, 1941.

The Special Committee on Pensions met this day at 10 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: This morning we are to hear from Mrs. R. Shirley, the president of the Non-pensioned Widows' Association of Calgary. That branch has already endorsed the briefs submitted by the previous delegations, but as Mrs. Shirley is here in Ottawa at the present time we should like to hear from her for a few minutes.

Perhaps Mr. Ross would bring Mrs. Shirley to the platform.

Mr. ROSS *(Calgary East)*: As the chairman has pointed out, Mrs. Shirley is the president of an association of widows of men who served in a theatre of war. There are some 85 widows in the association, and these widows are now too old to accept employment of any kind and too young to receive old age pensions; so that they are in a bad way, nearly all of them having to live on relief. This looks like a very great hardship for the wives of men who served their country so faithfully as did these men, and it is about this that Mrs. Shirley wishes to speak to you to-day.

I have much pleasure in introducing to you Mrs. R. Shirley of Calgary.

The CHAIRMAN: Thank you, Mr. Ross.

Mrs. R. SHIRLEY, President of the Calgary Branch of the Non-pensioned Widows' Association, called.

The WITNESS: I would like to thank the chairman of the committee for allowing me the privilege of speaking this morning for just a few brief moments. As the members of our association have already appeared before you and stated our case very well I thought, being president of the Calgary branch, there was nobody directly representing the west; and I would like to say as also representing the Edmonton branch, and the Peace river district branch, that we endorse the brief already submitted to you by the Maritime and the Quebec branch and also by the Toronto branch. And I think everything has been pretty well explained to you. But I would also like to express my opinion that I think the federal government should be responsible for the widows of the veterans who served in an actual theatre of war. As you know, many of our husbands were disabled pensioners who were taken care of when they were living, but just as soon as they died we were cut off everything. That meant that we had no support of any kind. As you know, we are getting on in years—I am 59 myself—and when we apply for any kind of work we are too old to get it yet we are too young to receive the old age pension. I think we are entitled to a little more than the old age pension for what our husbands did in the last war. This means that we haven't anything, that we have to rely on the kindness of friends and relatives; and we do not like that—at least, I do not. I like to feel independent. So, I think I have said all that it is necessary for me to say and you will understand, I think.

The CHAIRMAN: Are there any questions the members would like to ask this witness?

By Mr. Isnor:

Q. What would you consider a fair amount?—A. I think we should have a dollar a day.

Q. By that you mean $30.00 a month?—A. Yes, I think so. I do not think anybody could grumble at that at all. I think, a dollar a day. If you have to pay your room rent and have to pay for your living and, of course, one has to buy a few clothes—we don't want many clothes but we do need some—I think a dollar a day is not too little to ask.

By Mr. Reid:

Q. How many members are there in your association?—A. About 85. I think there are others who have not joined it who got a little bit discouraged. This is the fourth year since we formed our association—I think they may have become a little discouraged when they saw no results.

By the Chairman:

Q. And you members are all widows of those who served in an actual theatre of war?—A. In an actual theatre of war, yes. I think the men who fought in an actual theatre of war had their health greatly impaired on that account, as you know; or else they would not have been receiving the disability pension. That is what I would like to stress.

The CHAIRMAN: Thank you, Mrs. Shirley.

We will receive a statement now from Mr. Walter Woods.

WALTER S. WOODS, Associate Deputy Minister of Pensions and National Health, called.

The WITNESS: Mr. Chairman and gentlemen: Having been recently relieved of the responsibilities of chairman of the War Veterans' Allowance Board my only excuse for presenting the brief on behalf of that body is the fact that for the past ten and a half years I have been chairman of the Board. Colonel Carmichael, the acting chairman, is present with me this morning, and if you wish to interrogate him he is available.

Mr. Chairman and Gentlemen:

REPORT FOR PRESENTATION TO THE SPECIAL PARLIAMENTARY COMMITTEE ON THE PENSION ACT AND THE WAR VETERANS' ALLOWANCE ACT

Re: WAR VETERANS' ALLOWANCE ACT

Although the Government has introduced no bill to amend the War Veterans' Allowance Act, the terms of reference of the Committee include consideration of the general provisions of the War Veterans' Allowance Act. The following report on the operation of the Act is therefore respectfully submitted:

Origin of Legislation

So that one may have a clear conception of what was in the minds of those who framed the War Veterans' Allowance Act, and the principles upon which it was based, an examination of the records reveals that the matter of War Veterans' Allowance was first referred to in the report of the Parliamentary Committee of 1922 which Committee stated in its recommendations—"Where ex-soldiers reach the state in life considered to be old age and are not in receipt of such reasonable pension under the regulations, consideration should be given to the establishment of pensions or such other help as may be necessary".

Later in 1924 the Ralston Commission on this subject stated—"As advancing age accompanied by poor health comes on men now in the prime of life, there is bound to be a claim by them that the exertion and strain of service has been a contributing and hastening factor, and such claim will be hard to disprove. The Commission is of the opinion that the State will not see these men in want".

Later still in 1929, the Canadian Legion at its Regina Convention urged that the Government make provision "for the broken down or burnt out men who served in a theatre of actual war". The Army and Navy Veterans Association passed a similar resolution.

In 1930, the Honourable Dr. King, Minister of Pensions at that time introduced Bill No. 19 to the House of Commons—a bill "to provide allowances to those who have become old or who are suffering from disabilities not traceable to service." This was referred to a Parliamentary Committee and in May 1930 the War Veterans' Allowance Act was enacted to become effective September 1st of that year.

Terms of Legislation

The Act originally provided for the payment of allowances to veterans (subject to certain restrictions as to their income) upon attaining the age of sixty years, or if they were so disabled as to be "permanently unemployable". It provided that the veteran must have seen service in a theatre of actual war except in the case of pensioners who were rendered eligible regardless of where they served.

It provided further that those who served in H.M. Imperial Forces or the Forces of His Majesty's Allies were also eligible provided they were domiciled in Canada at the time of their enlistment.

In 1936 the Act was amended enabling the War Veterans' Allowance Board to give special consideration to veterans over 55 years of age who because of pre-ageing combined with disabilities were incapable of maintaining themselves.

In 1938 the Act was again amended in its present form, providing for three classes of veteran—

(*a*) the veteran who has attained the age of sixty years,

(*b*) the veteran not having attained the age of sixty years, but who is permanently unemployable because of disabilities,

(*c*) the veteran, who not qualifying under (*a*) or (*b*), but who served in a theatre of actual war and is in the opinion of the Board "incapable and unlikely to become capable of maintaining himself because of economic handicaps combined with physical or mental disability or insufficiency".

Under the last named clause (which was a new class provided for by the amendment), 8,324 veterans have been granted the Allowance who would otherwise have been excluded.

The 1938 amendment also enabled the Board to extend the benefits of the Act to veterans who left Canada and saw service during hositilities in the South African war. 467 such veterans have been granted the allowance under this amendment.

Present Situation

Since the Act was enacted, the Board has dealt with 65,103 applications. 3,578 were either withdrawn by the applicants or declined by the Board on the grounds that they were ineligible under the terms of the Act. The bulk of these were ineligible in that they did not see service in a theatre of actual war.

Of the remaining 61,525 who were eligible from a military standpoint, 31,684 have been approved and 29,841 declined. By far the great majority of the applications declined were on the grounds that the applicants were capable of working.

9,619 cases, which on first application had been declined, were subsequently approved either because of changes in the Act or changes in the applicant's physical or financial condition.

Although 31,684 applications have been approved up to the present, there are now, as at March 1st, 1941, only 23,926 veterans receiving the allowance. The remaining 7,758 have been cancelled due to death or change in circumstances. Of the 23,926 veterans receiving the allowance, 12,850 are over sixty years of age, the remaining 11,076 have been granted the allowance because of disabilities and handicaps which render the likelihood of their becoming self-supporting, remote. The annual commitment involved at present is $7,866,000.

Similar Legislation

Since the enactment of Canada's War Veterans' Allowance Act, Australia and New Zealand have enacted very similar legislation. In Australia it takes the form of a special service pension, and in New Zealand, the Act is named after ours—the War Veterans' Allowance Act.

In the United States veterans of the Great War who have no pensionable disability, are provided for by similar legislation provided they are permanently and totally disabled. Their legislation makes no provision for the veteran upon attaining a given age. It may be said that it also makes no provision for the veteran partially disabled.

In Great Britain, veterans who have served in the regular Forces who have a Campaign Medal and who are in receipt of a small pension, are granted a supplementary allowance upon attaining the age of 65.

Increase in Cost

It is anticipated that the number of recipients and the corresponding cost of this legislation will increase year by year until a peak is reached, which has been estimated to occur approximately 16 years hence.

The number of recipients and cost during the past year however has increased only slightly. There are only 700 more veterans receiving the allowance at this date than there were at the beginning of the fiscal year, namely April 1st, 1940. This is accounted for by the fact that the demand for labour occasioned by the war, particularly among skilled craftsmen, has afforded opportunity for many of our recipients to return to work.

Altogether the allowances of over 1,200 veterans stand suspended due to the fact that the recipients are either in the Services (mainly the Veterans' Guard), or engaged in Civil Guard Work or private employment associated with the war.

$35,000,000 has been expended from 1930 to date on this legislation.

Nature of Legislation

This is social legislation designed to meet the peculiar problems of the veteran. It differs in this respect from disability pension which may fall—like the rain—on the rich and poor alike. Insofar that all the monies paid under this legislation go to those in need, there is a great deal of satisfaction in administering it.

The act of approving or declining an application for War Veterans' Allowance does not represent the Board's only function. In addition to applications for the allowance, the Board reviews approximately 1,000 cases each month where increase, decrease, suspension, cancellation or resumption of the allowance is involved owing to changes in circumstances.

[Mr. Walter S. Woods.]

The right to appeal is not provided in the Act as the Board is prepared to re-open any case in the light of existing circumstances, upon request either by the applicant or by an individual or organization on his behalf.

The work of the Board is caught up to date.

Proposals for the future with respect to the new army

It is for the Committee to determine whether or not any amendments to this legislation are necessary at this time, particularly with respect to the men now serving in the Forces, and in this connection it is not inopportune to observe—

(*a*) It was not until 1930 or twelve years after the close of the Great War that it was felt necessary to provide for the aged or incapacitated veteran whose prospects of self maintenance were finished. It is to be determined whether or not this type has yet emerged from the present conflict in sufficient numbers to warrant immediate extension of the Act.

(*b*) The Act was enacted at the commencement of a crisis in economic conditions and was later amended because of the continuance of that crisis. It is to be determined whether or not economic conditions are now such as to warrant extension of the benefits of the Act to ex-members of the Forces engaged in the present conflict.

(*c*) The Act recognized what was commonly called a "burnt out physical or mental condition" due to the strenuous character of continuous trench warfare; thus the Act provides that the veteran must have served in a theatre of actual war.

By Mr. Green:

Q. That is except those with a small pension?—A. With that exception. I am referring to the bases upon which the Act was passed. No mention was made of the small pensioner when the Act was advocated by the Legion and other bodies or by parliamentary committees.

Q. But the actual legislation covers it?—A. Yes. The actual legislation does provide for pensioners. It may be said that less than 10 per cent of the recipients of war veterans' allowance are receiving it because of their pension, because they served in a theatre that would not otherwise entitle them were it not for their pension.

Q. You mean less than 10 per cent did not serve in a theatre of war?—A. Yes. Continuing:—

It is to be determined whether or not service conditions up to the present, are such as to produce a similar condition in the lives of those who are serving, or whether undue extension involving a departure in principle would jeopardize the structure.

(*d*) Iceland, Greenland, Newfoundland—even Canada—may yet become theatres of war. It is to be determined as to whether or not it is too early yet to make legislative provision for men who are serving in these areas.

Although great strides have been made, the government's demobilization and rehabilitation plans are not yet completed. The committee which is considering this question, has before it for consideration such matters as vocational training, sheltered employment, apprenticeship, unemployment insurance, etc. Any of these facilities might well reclaim a fairly young veteran who otherwise might be a problem for consideration under the War Veterans' Allowance Act.

Proposals advocating broadening of the Act for members of the C.E.F.

From time to time resolutions are forwarded to the Minister and the department by individuals and organizations urging that the provisions of the War Veterans' Allowance Act be broadened. It is the practice to advise the individual or organization concerned that their representations will be placed before the proper authorities at such time as amendments to the War Veterans' Allowance Act are under consideration.

Record has been made of the resolutions received since the Act was last amended in 1938, and attached hereto is a statement grouping these resolutions according to the nature of the change suggested, and giving the name of the individual or organization concerned.

The writer does not conceive it to be the function of the board to support or condemn any particular resolution. This is a matter of government policy. In advancing the attached list of proposals, however, the board may perhaps be permitted to make observation with respect to two of them which are perhaps the most important:—

Comment

1. That the allowance be continued to the widow of a former recipient until she re-marries or until her death.

At the present time the Act permits the board to continue the allowance to the widow of a veteran for a period not exceeding one year from the date of her husband's death.

The question of providing for the maintenance of the widow of a veteran who served in a theatre of war is a much wider one than making provision for the widows of those who were receiving War Veterans' Allowances. It involves widows in three categories:—

1. The widow of a recipient of War Veterans' allowance,
2. The widow of a veteran who received a small pension which was augmented by unemployment assistance,
3. The widow of a veteran who never qualified for pension or veterans' allowance, but who may be left indigent upon the death of her husband.

It is suggested that this question of continuing the allowance to the widows of veterans' allowance recipients be considered in the light, and with due regard, to the plight of the widows of the veterans in the other two classes named.

Resolutions urging that the amount of the allowance be increased commensurate with the increased cost of living.

The government's official tables on "cost of living" furnished by the Bureau of Statistics as they appear in the *Labour Gazette* indicate that although the cost of living essentials such as food, rent, fuel, clothing, etc. has gradually increased since 1934, it is still 12·8 per cent less than the average for the year 1930 when the War Veterans' Allowance Act was enacted.

By Mr. Green:

Q. Have you got the figures for the increase from the outbreak of the present war until the present time?—A. They are available. I can furnish them. I have not got them immediately at hand.

By Mr. Cruickshank:

Q. What is this figure based on? What date?—A. It is from the *Labour Gazette* for the month of March, as I recall it. In any event, it was the most recent issue of the *Labour Gazette* that shows the cost of living.

By Mr. Isnor:

Q. That is 1941?—A. Yes.

Mr. GREEN: If I remember correctly, the cost of living since the beginning of the war has gone up about 8 per cent.

Mr. QUELCH: I believe the Searle index shows an increase of 9 per cent.

Mr. MUTCH: There is no conflict there.

The WITNESS: I cannot dispute that it may have gone up 8 per cent. I cannot support or disprove that statement. I am merely saying that compared with the cost of living when this Act was enacted, the cost of living at present is still 12·8 per cent lower.

Mr. REID: It puts the cost of living in a different light by placing the facts like this.

Mr. MACKENZIE (*Neepawa*): I think the correct figure is 7 per cent in March.

The WITNESS: Continuing:—

What the future holds in this regard, it is of course impossible to tell.

I shall be only too pleased to furnish whatever information the committee requires with respect to the other proposals contained in the attached list.

I do not know, Mr. Chairman, whether or not you wish me to go through the resolutions. I have grouped them under different headings, widows, cost of living, broadening terms of eligibility, income, residence and miscellaneous.

The CHAIRMAN: What is the wish of the committee; do you wish to have the resolutions read to you?

Mr. REID: Are these letters and resolutions sent to you personally?

The WITNESS: Resolutions that have been sent to the minister or to the department or to our board since this Act was last amended in 1938.

Mr. CRUICKSHANK: I think we should have these resolutions read as we may have some questions to ask on them.

The CHAIRMAN: All right, Mr. Woods, read them.

The WITNESS:

SUGGESTED AMENDMENTS TO THE WAR VETERANS' ALLOWANCE ACT SINCE ACT WAS AMENDED IN APRIL, 1938

Widows

1. That widow of a veteran whose death occurs before application is dealt with be granted the allowance.—Canadian Legion, Regina (4).

2. That the widow of a former recipient receive the allowance until re-marriage or death.—Tisdale Branch, Canadian Legion (21); Newton and District Ex-Service Men's Assoc., B.C. (32).

3. That the widow of a former recipient receive the allowance until she is eligible for Old Age Pension.—Canadian South African Veterans, Vancouver (33); Teen-Age War Veterans' League, Vancouver (38).

By Mr. Green:

Q. What do the numbers mean?—A. They are index numbers and are put there in case the committee wish me to refer to any particular resolution. By the aid of these numbers I can get the original resolution for you.

By the Chairman:

Q. What does the word "teen-age" mean?—A. A veterans' organization in Vancouver, all younger veterans who feel that they are in a special group from an economic standpoint which requires special consideration.

Mr. GREEN: Men who enlisted under age.

Mr. CRUICKSHANK: Under twenty-one.

Mr. MUTCH: Under twenty in our province.

The WITNESS:—

4. That the terms of the Act be extended to include widows of disability pensioners and widows of men who saw service in an actual theatre of war in the last war.—Canadian Soldiers' Non-Pensioned Widows Assoc. (35).

5. That provision be made under the War Veterans' Allowance Act to grant an allowance of $20 per month to

(*a*) The indigent widow of a recipient of War Veterans' Allowance;

(*b*) The indigent widow of a pensioner who is not otherwise provided for;

(*c*) The indigent widow of an ex-serviceman who served in a theatre of actual war;

Provided they have reached the age of 55 or are physically unable to earn a livelihood.

It is also recommended that the widows in the above classes under the age of 55 years with children to support, and not otherwise provided for, receive $40 per month until the children have reached the age of 18 (47).—Canadian Legion, Dominion Convention, May 1940.

Cost of Living

6. That the rate of War Veterans' Allowance be increased to meet the higher cost of living.—Progressive Veterans Club Inc. (11); United Council of Veterans' Assoc., Hamilton (17); Chas. H. Weippert (20); Terrace Branch, Can. Legion, B.C. (24); Can. War Disability Pensioners Assoc. (29); Army and Navy Veterans in Canada, Vancouver (37).

Broadening Terms of Eligibility

7. That benefits be payable to any South African veteran who has lived twenty years in Canada.—Army and Navy Veterans in Canada (6); Colonel A. C. Garner, Regina (9).

That presumably refers to those who served in the South African war in the Imperials and came to Canada after that war.

By Mr. Green:

Q. At the present time the Act does not apply to Imperials unless they were domiciled in Canada at the time of enlistment?—A. That is correct. That was sponsored by the Army and Navy Veterans in Canada, Colonel A. C. Garner of Regina.

8. That ex-Imperials who have resided in Canada for ten years or more be eligible for the allowance.—Municipality of Carleton, Woodstock, N.B. (15); S. W. Button, Vancouver (30); (20 years)—Canadian Legion Dominion Convention, May 1940 (46).

Q. The intention there was to cover all Imperials who served in a theatre of war and who have resided— —A. Provided they resided in Canada for at least ten years.

Mr. MUTCH: The Legion recommendation was not ten years, it was twenty years, was it not?

Mr. ISNOR: Twenty years, yes.

The WITNESS: Yes, I am sorry. The Legion recommendation was for those who had resided twenty years. The resolution provided twenty years whereas the other resolution provides for ten years in Canada.

Mr. GREEN: Twenty years would not help them very much because very few of them were here twenty years.

The WITNESS: Twenty years would take one back to 1921 and there was quite a heavy movement of ex-Imperials from the Old Country in 1919 and 1920.

Mr. GREEN: Did not the majority come in 1925?

The WITNESS: I am inclined to think the heavier movement was up to and including 1924.

9. That benefits of W.V.A. Act be amended to include Imperial veterans who came to Canada prior to December 1st, 1924.—Imperial Veterans' Association (16).

10. That ex-Imperials who are eligible for relief be given Veterans' Allowance.—Edward Eagle—Verdun, P.Q. (18).

Now we come to the question of income, in resolution 11.

Income

11. That veterans be allowed to receive both War Veterans' Allowance and Old Age Pension provided income limitation is not exceeded.—Canadian Legion, B.E.S.L., Halifax (3).

By Mr. Mutch:

Q. Has very serious consideration been given to that proposal?—A. Up until 1938 there was no statutory bar to a veteran receiving $20 from the War Allowance Board and an additional $10 from the old age pension authorities. In 1938 that was amended providing that he could receive either one or the other but not both.

By Mr. Turgeon:

Q. What was the date of that amendment?—A. 1938. The argument, I think, was advanced that 75 per cent of old age pension came from the federal government and it would be establishing a preferred class to give veterans who reached the age of seventy and were receiving $20 a month veterans' allowance, to permit them to draw another $10 under the Old Age Pension Act. It would give the veterans of the age of seventy $30 a month, whereas veterans up to seventy could only receive $20. It would also establish a difference in so far as that the government's present scale for the single person under the Old Age Pension Act or under the War Veterans' Allowance Act is $20 per month so far as the dominion government's contribution is concerned, although they are permitted to earn or enjoy income from any source of $10 per month, and the argument was advanced to permit a veteran when he reached seventy to enjoy benefits from both Acts would be the dominion government helping him out of two pockets at the same time, if one could use that term.

Mr. MUTCH: Consistency and humanity were in conflict and consistency won.

Mr. TUCKER: There was no amendment to the Act bringing that about. I do not remember any amendment to that effect. Was it an amendment to the Old Age Pension Act or the War Veterans' Allowance Act?

The WITNESS: It was an amendment to the Act, yes.

Mr. MUTCH: By order in council?

The WITNESS: No. The amendment is section 4, para. 3 of the Act.

Mr. GREEN: To the War Veterans' Allowance Act or to the Old Age Pension Act?

The WITNESS: To both. As I recall it, the Old Age Pension Act was also amended.

Mr. CRUICKSHANK: Would it affect very many?

The WITNESS: No, a small number at present.

Mr. ISNOR: I do not think, Mr. Chairman, that interpretation is just as I understood it at the time. This originated from the city of Halifax, Nova Scotia, command if I remember correctly. It was certainly from no particular branch of the Legion at Halifax but a united effort, and it was somewhat along these lines:—

> That the pensioner be permitted to enjoy the benefits to the full extent, namely $20 per month; or, in other words, should he be receiving under the old age pension the average amount as shown in Nova Scotia, $14.75 he could, from the other source be paid the amount of $5.25 bringing his total up to $20. I think that was my interpretation as I recall it.

By Mr. Mutch:

Q. Would it be fair, Mr. Woods, to say that the actual result of the amendment of 1938 was to lower rather than to put the men, the war veterans, in the advantageous position; that it has actually had the effect in most instances to drop his income $10 a month lower than the man who was able to earn $10 and still get a pension. In the case of the few instances I have come across that has been the effect—to limit the man on veterans' assistance to $20 a month whereas somebody else who could make $10 a month gets the old age pension?—A. It was felt that it would create an inconsistency. With regard to civilian veterans or soldier veterans who had not reached France, for example, their standard so far as the dominion government maintenance is concerned is $20 a month.

Q. They allow them $20?—A. Yes, under the Old Age Pension Act and under our Act.

Q. And the mere fact that the man is getting veterans' allowance is because of the fact that he is not able to obtain anything?—A. Mr. Chairman, section 4 (3) of the War Veterans' Allowance Act provides that an allowance shall not be awarded or continued to a veteran or a recipient when such veteran or recipient is in receipt of an old age pension awarded under any provincial old age pension legislation. Now, the same provision exists in the Old Age Pension Act. Gentlemen may recall that when the amendments to the Old Age Pension Act providing old age pension for the blind at 40, when that was introduced it embodied that provision, that they could not receive war veterans allowance and this old age pension at the same time. It should also be remembered that when the War Veterans' Allowance Act was first introduced the principal argument for it was that it was too long for the veterans to wait for the old age pension until they were 70 years of age. The argument was advanced that the veteran's service had pre-aged him as compared with the civilian by 10 years. Therefore, the provisions contained in the Old Age Pension Act were made for veterans under the War Veterans' Allowance Act at age 60 instead of age 70.

By Mr. Isnor:

Q. And that was changed to 55 later?—A. Yes, subject to certain conditions.

By Mr. Green:

Q. Who pays the money first, the old age pension or the other?—A. That is a matter of choice for the veterans, but most veterans prefer the war veterans' allowance. They are rather proud of receiving a pension for their services, and then the exemptions and the benefits under the Act are more generous than under the Old Age Pension Act. There is no provision in our Act for example to take over the property of recipient at death.

By Mr. Isnor:

Q. Would you clear up the point in reference to the Halifax resolution as to whether they ask for an additional amount exceeding the amount paid under the War Veterans' Act, or if they simply ask that it be brought up to the limit?—A. I have not got the resolution with me, but I will certainly check it up. My impression is that they requested that as long as an income of $30 per month is permitted under the War Veterans' Allowance Act, if the recipient is only getting $20 and is eligible for old age pension he should be allowed to get the other $10 from old age pension. That is my impression.

Q. From old age pension or from war veterans' allowance?—A. If he is receiving $20 a month under the War Veterans' Allowance Act under which Act the permissible income is $30, that he should be allowed to draw the other $10 from the old age pension authorities if he is eligible also under their Act.

By Mr. Mutch:

Q. On the ground that he is incapable of getting it any other way?—A. Yes.

By Mr. Quelch:

Q. Upon the death of an old age pensioner the total amount paid can be charged against the estate if there is one; does the same thing apply under the War Veterans' Allowance Act?—A. No.

By Mr. Green:

Q. Did this amendment which was made in 1938 have the effect of reducing the amounts of money that were being received by some veterans who were getting both the war veterans' allowance and the old age pension?—A. I do not recall any cases that were adjusted, but if there were it would not involve any more than three or four; it was a negligible factor. The amendment was placed in there to conform with the Old Age Pension Act, as there had been some academic discussion on the subject and some correspondence. It had not become an issue because such a small percentage of veterans had reached that age of 70 that qualifies them.

Q. It will be an issue?—A. Yes, that is why a policy was determined through the medium of this amendment.

Q. Because practically all veterans who reach the age of 70 will be entitled to old age pension in the normal course?—A. I would not say all veterans who reach the age of 70.

Q. They would be able to meet the requirements of the Old Age Pension Act?—A. Those who are indigent.

Mr. CRUICKSHANK: We all expect to live to be over 70.

The WITNESS: "That the amount deducted when a married man is admitted to hospital be reduced."

By Mr. Green:

Q. What is the practice there now?—A. Where a married veteran receiving $40 a month from the board is admitted to a departmental institution, formerly the Act required that we must suspend the allowance, then the Act was amended

to enable us to suspend only part of it, and now we suspend a portion of the allowance having due regard to the needs of the veteran's family.

Q. Take the case of a single man?—A. In the case of a single man his allowance is suspended.

Q. You see they are in this position that they have a room rented somewhere and when they go to hospital for a month or so they cannot very well give up the room so they are carrying a certain expense whether they are in hospital or not. Is there no provision made so that you can help out a man who is in that position?—A. There is no provision. The Act was enacted to provide for the maintenance of veterans in necessity and otherwise unprovided for; and the view was taken by the parliamentary committee that worked on the Act that if the man was maintained by the country in one of their hospitals then his maintenance was taken care of.

Q. That is the trouble. It is not taken care of, because he has to pay for his room rent. There should be some discretion in your board to deal with cases of that kind.

By Mr. Cruickshank:

Q. Am I to understand that the amount is $40 for a married man?—A. The maximum that the board can pay is $40.

Q. If a married man goes to hospital—we will presume that his wife is also 70 years of age or somewhere around that—is it not reasonable that she will require the full amount? What is the actual saving?—A. What is the saving?

Q. It does not seem reasonable to me. She is an aged woman and she may have to travel to the hospital to see her husband?—A. If $40 is the scale provided for two it would seem that when one lives alone a lesser amount would be adequate for one.

Q. I do not agree with you, unless there is a proviso giving some discretion to your board. There may be other circumstances. She may be crippled?—A. There is discretion with the board, except that something must be suspended. The amendment of 1938 gave the board power to suspend part of the allowance instead of all, and the amount that we suspend is decided with due regard to the needs of the person at home.

Q. You could suspend, say, 50 cents a month?—A. Yes, quite.

Q. I think you should continue to do so.—A. You are presuming that we are doing it already.

By Mr. Green:

Q. The position is that you have discretion to meet the needs of the wife of the recipient in the hospital?—A. Yes.

Q. But you have no discretion to meet the need of the single veteran?—A. We have no discretion to continue any part of the allowance when a single veteran is admitted to hospital.

Q. That could be covered by an amendment to subsection 2 of section 13, could it not? If it was considered essential, whatever form the amendment takes, it would not be difficult to do that.

Mr. GREEN: I think there is a very real need there. I have had many cases where men have been in an extremely bad spot because they go to hospital, have to pay their room rent and so on while they are there and their allowance is cut off.

The WITNESS: Continuing:—

13. That the financial clause be deleted from the Act.—Thos. A. Martin, Vancouver (12)

[Mr. Walter S. Woods.]

14. That income exemptions be increased to $300 and $200 for married and single man respectively.—Canadian War Disability Pension Association, Winnipeg (27). Canadian Legion Dominion Convention, May, 1940 (41)

15. That veterans' allowance be re-instated at the end of their employment, to veterans who have had some employment, regardless of their income.—Canadian Legion, Calgary (29)

By Mr. Green:

Q. Just what is meant by that?—A. What is meant by that is this. Let us suppose that a single veteran has been receiving $20 per month for some years. As a result of the war he finds a job at his trade. He may work for three or four months and earn, for example, $400. When his work is completed we do not resume the allowance immediately, because the Act provides that his income in any one year must not exceed $365 in the case of a single veteran. So if, commencing for example July 1, he earned $400 in the months of July, August and September, we tell him "You will not be eligible for the resumption of your allowance for one year from the date that you commenced work, because in the three months you earned a year's income, a year's permissive income under the Act."

By Mr. Quelch:

Q. Are you allowed any discretion in that regard? He might have got a job where he had to buy an old car which might have taken a major part of his income.—A. Yes. The board does enjoy discretion in certain exemptions. For example, some of these boys who have gone on guard duty, it has been necessary for them to buy warm clothing and in some cases pay their fare to the job and back. The board does enjoy discretion in the case of exemptions.

By Mr. Mutch:

Q. There has been no problem in the administration of that part?—A. No.

Q. Until the beginning of re-employment since the war began?—A. The argument against resuming the allowance immediately work ceases is, of course, that that would render it possible for seasonal workers—men who work three, four or five months in the year, and whose income from that must sustain them for the year round—to do something that it was not intended they should do. It would be possible for seasonal workers, such as railroad men and so forth, to work their normal season's work and when that is completed immediately go on veterans' allowance to go around until their work starts again next season. That was not the intention of the Act.

By the Chairman:

Q. Mr. Woods, the allowance is ultimately restored if the board so desires, is it not?—A. Yes, the allowance is ultimately restored, provided he qualifies. The fact that he was able to work does not of necessity disqualify him from receiving an allowance when it is resumed.

By Mr. Cruickshank:

Q. If a man stays with his brother and gets his board for just doing chores around the home, is that classed as earning?—A. I would say that in such case the board ordinarily would grant him a partial allowance. There are a lot of these chaps who go out on a farm and chore for their board.

Q. We are not using cases here, so I am not naming any particular case. But a very badly wounded man has been kept by his brother for 20 years and I happen to know your board turned him down. I cannot see why a man cannot mow the lawn or weed the garden for his board, where he is in no shape or form able to earn his living.—A. Is he over 60?

Q. No. But he is very badly wounded.—A. Does he receive a pension?

Q. No.—A. He has no income?

Q. No.—A. Was he declined an allowance on the ground that he was not incapable of maintaining himself?

Q. That he was capable of maintaining himself.—A. I am not able to express an opinion. If he was badly wounded, it would seem that he should be drawing a pension.

Q. Unfortunately the pension board have made mistakes in the past—at least a few.—A. I would be very glad to look into it if you would refer it to me. Continuing:—

16. That veterans' allowance recipients be permitted to earn an amount in excess of that now provided.—Toronto and district ex-servicemen's advisory committee (31).

17. That recipients of War Veterans' Allowance be granted free hospitalization with no deductions from allowances.—Canadian Legion Dominion Convention, May 1940 (49).

By Mr. Green:

Q. What is meant by that?—A. That is the Canadian Legion Dominion Convention. I beg your pardon?

Q. What is meant by that?—A. I think its meaning is quite clear, namely that in respect to those men who are admitted to a departmental hospital, the allowance be not interfered with during their treatment.

Q. In other words, that you should not even have the power to take away any of the allowance while a man is in hospital?—A. That is as it reads; and I will confirm that. Perhaps the Legion might later wish to comment on that. I have the original resolution.

Mr. MUTCH: That was the tenure of the discussion at the time.

By Mr. Green:

Q. To deduct either from a married man or a single man? It would cover them all?—A. It does not distinguish between the two.

By Mr. Wright:

Q. Are these men under the War Veterans' Allowance allowed free hospitalization at the present time?—A. The receipt of the allowance itself does not entitle them to any hospitalization privileges. All veterans are entitled to hospitalization, subject to certain conditions under departmental order in council; but the receipt of the allowance itself does not entitle anyone to hospitalization because he receives it.

By Mr. Green:

Q. It would be class 18 treatment, would it, in most cases?—A. I presume that is what this refers to—class 18, or class 2. Continuing:—

18. Benefits under the Act be payable to veterans residing in the United States.—Canadian great war veterans of California (2). W. H. Stebbings—Detroit, Michigan. (19).

Q. What is the position with regard to that at the present time?—A. The position is that the allowance cannot be paid out of Canada.

By Mr. Cruickshank:

Q. Do you know if there are many affected?—A. The Legion perhaps are in a better position to tell you about the number of veterans in the United States.

Q. But your board has not had many? I do not mean veterans that are in the United States. But has your board had many applications from veterans residing in the United States?—A. Not very many. There are a few trickling in all the time, but there is no great volume of them. After all, the solution lies in their own hands. All they have got to do is come back to Canada.

By Mr. Quelch:

Q. That does not apply to pensions, does it?—A. No, it does not apply to pensions. The reason for providing that the allowance is not payable out of the dominion is that it is social legislation; and so far as I know the benefits under no social legislation is paid out of the country in which the money is raised. Certainly old age pensions are not payable out of the dominion. Continuing:—

19. That veterans' allowance be paid outside of Canada provided the veteran is living within the British Empire.—Army and navy veterans in Canada (5); Tisdale branch, Canadian Legion, (22).

20. That the War Veterans' Allowance Act be amended so as to eliminate the requirement of six months residence in Canada after residence outside thereof.—Canadian Legion Dominion Convention, May, 1940 (44).

By Mr. Green:

Q. What did the Legion recommend on that? Did they recommend that a man should be entitled the minute he came back to Canada or did they suggest a shorter time than six months?—A. They suggested eliminating it. I will not take the time of the committee to quote it, but there was some discussion on that question when the Act was enacted. Continuing:—

21. That members of the Riel Rebellion be admitted to the benefits of the Act.

By Mr. Black:

Q. Would that be the rebels or what?—A. I imagine both sides would qualify. Continuing:—

North West Field Force, Toronto (1); Army and navy veterans in Canada (Dominion Convention) (7); Canadian Legion Dominion Convention, May, 1940 (43).

I may say that most of these resolutions were considered by the parliamentary committee in 1936. At that time I tabled a similar list of resolutions and requests, and this is one—in fact, most of the resolutions here were under consideration by the parliamentary committee at that time.

By Mr. Cruickshank:

Q. Might I go back to number 12? I should like to know the reaction of the commission or board or whatever it is. Personally I cannot see—

The CHAIRMAN: What section did you say, Mr. Cruickshank?

Mr. CRUICKSHANK: Number 21, I should say.

By Mr. Cruickshank:

Q. The suggestion is that members of the Riel Rebellion be admitted to the benefits of the Act. Why should they not be as much entitled to it as anybody else? Are they not getting it now?—A. I have just said that this matter was before a parliamentary committee. This resolution was before a parliamentary committee in 1936 and that committee decided that the Act should not be amended at that time.

Mr. GREEN: Of course, that committee made quite a few mistakes.

Mr. CRUICKSHANK: Plenty.

The WITNESS: Probably. As to the arguments pro and con, it has been said that this is an Act that was enacted to recognize what has been termed a "burnt out" condition in men who served under shell-fire and in the trenches under a terrific physical and mental strain, and that that produced in them a "burnt out" condition that would pre-age them. That was the argument that was advanced in General Sir Arthur Currie's brief, by the Legion and other organizations that urged enactment of the War Veterans' Allowance Act.

By Mr. Cruickshank:

Q. It was not extended to South African war veterans, was it?—A. Only those who fought during hostilities.

Q. Were there no hostilities in the Riel Rebellion?—A. There were several thousand veterans who went from Canada to South Africa to the South African war who did not reach there before the war was over. They got there just after the war was over and they are not entitled because they did not serve during hostilities.

Q. Because they did not serve in an actual theatre of war? Is that correct?—A. Yes.

Q. But the Riel Rebellion, at least if I remember my history aright, was a theatre of actual war. At least, I would think so, on listening to my father.—A. If you would permit me to continue for a minute, I submit first of all the principle on which the Act is based. That is the "burnt out" condition that modern warfare is supposed to cause in individuals. It must then be remembered that there were 190,000 men who served in the Canadian forces in Canada only during the great war and they are not eligible. There were 76,000 men who crossed the Atlantic during the submarine hazard who served in Great Britain during the great war and those men are not eligible for the benefits of the Act, except in the case that Mr. Green pointed out, of a man who receives a pension. By far the bulk of those men who served in Great Britain and did not reach France during the great war are not eligible under the Act.

Mr. GREEN: The parallel case in the Riel Rebellion would be men who were called up and did not get out of Ontario. Surely men who served—

Mr. EMMERSON: Why Ontario?

Mr. GREEN: Or Quebec or any other province. Surely the men who actually got to the Northwest Territories and were in the field of battle have as much claim as men who were in more recent wars.

The WITNESS: I am not arguing against these old soldiers. I have as much respect as any other ex-service man has for these old gentlemen who fought in the North West Rebellion. I am not arguing against them. I am trying to bring to you the arguments that I have heard pro and con. The men of these forces, by virtue of their age, are already entitled to old age pension.

By Mr. Green:

Q. You just told us a few minutes ago that it is far better for the war veteran to get the war veterans' allowance than for him to get the old age pension.—A. Yes. I acknowledge that. In the first place you cannot pick out this group and extend the benefits to them—I have heard this argument—without recognizing that group of 76,000 men who served in Great Britain during the great war. If they were admitted, then claims would arise all down the line—it would be more consistent to recognize great war veterans first.

Q. To recognize who first?—A. Those who served in Great Britain during the great war.

Q. But they were not under any fire. The men in the Riel Rebellion were.—A. They were under bombing. They went through the submarine hazard.

Mr. CRUICKSHANK: Bombing was a joke in the last war. We used to enjoy it in London.

Mr. MUTCH: Speak for yourself.

Mr. CRUICKSHANK: I was in the real army. There were no men lost through submarines, nor was there any Canadian convoy attacked by submarines, as far as I know.

The WITNESS: It is for the committee to determine whether the conditions of service were more hazardous in Great Britain during the great war or whether they were more hazardous in the North West Rebellion.

Mr. MUTCH: If any one has any doubt about what the people went through who went to the North West Rebellion, they want to try going through those black flies during that time of the year. Speaking seriously, you raised a question there as to who is to be eligible. For instance, would you make eligible only those who went out under Wolsley or from the east or would you have to recognize the veterans of the opposing army whom someone called rebels a few minutes ago? You could not consider the one without considering the other. As a point of information, how many are left? I have a couple of them in my part of the province.

Mr. CRUICKSHANK: There cannot be very many affected.

The WITNESS: I do not think the cost of taking these old gentlemen under the Act has ever been a deterrent in doing something for them. I think it has been more the question of adhering to the principle on which the Act was based and being consistent; that is to say, it has been argued that it would be inconsistent to recognize them and to ignore the claims of men who served in Great Britain during the great war.

By Mr. Tucker:

Q. You were saying that persons who qualified as having served in the South African war had to take part in the actual fighting. I am just wondering about that. The Act itself says that the war is presumed to end from 31st May, 1902. If they landed in South Africa at all before the 1st of June, 1902, then they are eligible?—A. That is true.

Q. So that if our definition of when the war took place is correct, then it is quite possible for a man to have landed there before the final ending of hostilities and still qualify?—A. That, of course, was possible with respect to the C.E.F. in the great war. A man might have landed with his company on the 11th of November, 1918. Many of them did land in France on the 11th of November, but they are considered to have served in a theatre of war.

Q. So that the "burnt out" argument certainly does not apply to them. Then these old gentlemen who carry wounds, who were under fire and endured whatever hardships there were in getting there and getting back, are surely just as much entitled to that as a man who just landed in France on the 10th of November, 1918. I do not think that by drawing this distinction we are doing any credit to ourselves.—A. That is for the committee to decide.

By Mr. Green:

Q. The man who landed in Cape Town in the South African war, who never got within a thousand miles of the front, can qualify but these old men cannot?—A. I think perhaps extreme cases are being quoted. There are bound to be shades of service and degrees of service in every campaign.

Q. But the Act simply takes the position that the service in the Riel Rebellion did not amount to anything. That is in essence what the Act means; it exempts these men.

Mr. MUTCH: The Act simply does not take any position with respect to them. It just never contemplated them at all.

Mr. GREEN: It ignores them entirely.

Mr. MUTCH: Personally I think we might as well make up our minds to include anybody that ever fought anywhere, because over a period time—I speak seriously—these things are bound to come. It means nothing. If we put in everybody who was in the Riel Rebellion, if you like, it means comparatively little; and surely it will mean nothing if you put in all the residue from the South African war. That is all we have behind us. From now on the principle is established of taking care of everybody in it. This last ditch defence principle does not amount to anything very much. You might as well say it is an extra so many hundred dollars, and we will save that much time in discussion.

The CHAIRMAN: The committee will carefully consider this later, gentlemen.

By Mr. Wright:

Q. Going back to number 19, "that veterans' allowance be paid outside of Canada provided the veteran is living within the British Empire," I have a question to ask. I understand that Australia and New Zealand also have veterans' allowance Acts?—A. That is so.

Q. Could some reciprocal agreement not be arranged between those countries which have War Veterans' Allowance Acts, to take care of war veterans from those countries?—A. I have no doubt that it could. But I think perhaps the greater number affected by any such change would be those that go to Great Britain.

Q. Where they have no war veterans' allowance?—A. Not similar to our legislation, no.

Q. War veterans' allowances of any kind?—A. The one I quoted when I referred to legislation in other countries in the earlier part of my report. They have a special campaign pension payable to men of sixty-five subject to their having enlisted for the ordinary term of service in the regular forces and having received a war medal during such service. I shall read 22 again: That in the case of sickness, transportation to and from hospital be made available.

By Mr. Green:

Q. What is the provision now? Is there any transportation paid now? —A. No. When you come to hosiptal, of course, the resolution itself is ambiguous in that it does not say departmental or private hospital. But there are no hospital privileges under the War Veterans' Allowance Act and therefore there are no transportation benefits attached to it because there are no hospital privileges.

By Mr. Cruickshank:

Q. You do give transportation in the case of an applicant coming in for examination?—A. Yes, if we bring in a man for examination we can furnish him transportation.

23. That the amount of War Veterans' Allowance which shall be a first charge on the accumulated unpaid instalments of retroactive pension shall not exceed the amount of such allowance paid during the period for which the retroactive pension is awarded.—Canadian War Disabilities Pensioners Assoc., Winnipeg (25), Canadian Legion Dominion Convention, May, 1940 (39).

Mr. GREEN: What about that, Mr. Woods?

By Mr. Cruickshank:

Q. What is the reason for that?—A. Members will remember that in 1920 or 1921 the amendment to the Pension Act provided that the smaller

pensioner could commute his pension and take a lump sum, and many thousands of them did that. That right was abolished I think in 1930, and they were allowed to have the pension restored provided disability still persisted, and a great number were given adjustment in the way of retroactive pension and so forth. About that time the War Veterans' Allowance Act was enacted and it was considered advisable to make a provision in the War Veterans' Allowance Act that if by means of veterans' allowance we carried a needy veteran along for a few months or a year until he was awarded a pension or retroactive pension or adjustment of pension then the money advanced to take care of him for the time being should be recovered out of that pension adjustment. That was the basis for the provision in the Act. The Act says that if and when a veteran is given a retroactive pension any veterans' allowance he has received should be recovered from the adjustment that is paid to him.

By Hon. Mr. Black:

Q. You do not take more than you advance?—A. No, sir, not any more than he received.

Q. Then this is without point at all.

By Mr. Gillis:

Q. Does that not work in another way? Say a veteran fails to establish a pension claim for a period of years and during that time becomes the recipient of a war veteran's allowance. Then, when his pension is granted retroactively the money he received under the War Veterans' Allowance Act is deducted. That becomes a hardship in the case of a man who dies before the pension right is established. The widow naturally expects something and is not in a position to take care of the burial expenses and so forth. In some cases the entire retroactive pension is completely wiped out through repaying the veterans' allowance?—A. Yes, in some cases.

Q. I think that in the case of a widow the retroactive pension should come to her instead of repaying what he has received during the time he was alive.—A. Anything that she is granted in the way of widow's pension is not recoverable by us. There may be a pension granted to her husband for a year or so prior to his death. From that amount we can recover any veteran's allowance we have paid, and if the widow's pension commences at the time of his death we cannot recover from that, because the Act says, "If any recipient is granted," and she is not a recipient, so we cannot recover from the widow her pension but we can recover any of her husband's pension payable to her.

Mr. ISNOR: His debt dies with him, of course.

Hon. Mr. BLACK: That is fair enough.

By Mr. Green:

Q. I do not understand 23.—A. The proposal of this resolution is that instead of our taking all that we have paid from this adjustment up to the limit that the veterans' allowance board has paid to him we only recover the allowance that we paid to him for the period for which the pension is granted. We may have paid the man veteran's allowance for ten years. Now, he is granted a pension. General McDonald's Act, I think, can only make it retroactive for twelve months.

Q. Eighteen.—A. Eighteen is the maximum. Now, this resolution urges that instead of our taking all the allowance that we paid, we take only that allowance that is paid him for the period for which the pension covers, that is, for the eighteen months.

Q. In other words, if a man got $100 a month retroactive pension for eighteen months you could take $1,800 that you had advanced him, if you had advanced him that much?—A. Yes.

Q. The Legion are asking that you only be allowed to take eighteen months of war veterans' allowance at $20 a month.—A. Yes, that is correct; that is the proposal.

By Mr. Gillis:

Q. Take the case of a widow. She may not be getting any pension at all. The man may be granted a pension for a certain disability, and he may not have died from that disability. In that case the widow would get nothing at all. The veterans' allowance board reclaims or takes whatever retroactive pension was given, and the widow has to take the responsibility for the funeral expenses and so on, and she has nothing left to take care of that.—A. It is a hypothetical case and a good argument. It would be very unusual because in a pension of that kind the widow would probably get a pension if it was a posthumous award.

Q. I have a case in mind.

By Mr. Green:

Q. Is not the position this: By legislation pension is chopped off after twelve months or eighteen months, whatever it is. In other words, you cannot go back more than twelve or eighteen months—A. That is right.

Q. Would it not be fair if the war veterans' allowance were chopped off in the same way? If you cannot go back more than five or ten years in the case of the one should the same principle not apply in regard to the other?—A. I think frankly there are arguments and sound arguments in both directions. Perhaps the most important phase of it that the committee should give due consideration to is this, that the number of retroactive pensions now granted has dropped tremendously, but in the past ten years, particularly after that period of restored pensions that I spoke of that had been commuted, we have recovered from thousands and thousands of veterans a tremendous amount of money. I am wondering if such an amendment were made at this time for all the few cases it would affect, would you not be duty bound to retrace your steps and give back to all these thousands where it has been recovered the money adjustment.

Q. No, because the Pension Act is arbitrarily cut off in 1936. We said you cannot go back more than eighteen months. They started a new procedure in pension law. You have not adopted such new procedure in war veterans' allowances and you can go back an unlimited number of years, provided the money is there to take.—A. As a result of the change you spoke of, Mr. Green, the number of retroactive pensions has diminished tremendously. I am saying to you if you now make the change in the light of the number affected, can you do so consistently without our going back and making restoration in the many thousands of cases where we have made recovery in the past ten and a half years? That is a matter for consideration.

Mr. MUTCH: At the time we put this time limit on this particular resolution was subject to all kinds of debate. It was argued at that time it was going to kill the problem of retroactive pension. We ought to investigate that. I am still of the opinion that this is one of the best resolutions. We have something to say with regard to retroactivity on the part of the man but we have not done so on the part of the War Veterans' Allowance Act coming back and taking whatever they can out of his pension.

Mr. CRUICKSHANK: In this committee we have already gone against making retroactive teen-age soldiers, I do not see why we cannot do it in this case.

Mr. MUTCH: There is no trouble about doing it, but what are you opening up?

[Mr. Walter S. Woods.]

The WITNESS: Resolution 23 is endorsed by the Canadian War Disabilities Pensioners Association, Winnipeg, the Canadian Legion Dominion Convention, May, 1940.

24. That transportation be made available to the nearest point where the department considers an examination necessary.—Canadian War Disabilities Pensioners Assoc., Winnipeg (26); Canadian Legion Dominion Convention, May, 1940 (40)

That is done at the present time except in the case of comparatively short distances.

By Mr. Ross (Souris):

Q. Is there no provision made for making allowance for short distances? —A. We can send them transportation. There is nothing to prevent us sending them transportation for any distance; but when I say "short distance" I am thinking of this. Suppose a man lives 20 or 30 miles away. We do not know what facilities he will use and so forth.

By Mr. Cruickshank:

Q. The particular case I am speaking of is only 40 miles.

The WITNESS:

25. That Veterans' Allowance be paid to South African veterans who arrived in South Africa after the armistice.—George Fuller, Saskatchewan (36)

Since these resolutions were tabulated and as a result of the publicity occasioned by this committee sitting, Mr. Chairman, a few more resolutions have come in, and I just wanted to record that amendment No. 2 on the matter of widows has also been endorsed by Mr. P. M. Tamlyn of Woodstock, N.B., and the Local Council of Women, Vancouver, B.C., and I ask for permission to place it on the record. Amendment No. 6, cost of living, is also endorsed by Mr. Tamlyn of Woodstock. He also advocates that allowance be made for each child. Then, under eligibility, No. 8, this amendment is also endorsed —this concerns ex-Imperials—by Mr. Wm. Richards of British Columbia, and Mr. J. E. Hodges of Alberta. The first amendment covered herein is that men who saw service in England upon attaining the age of sixty should be granted veterans' allowance; this was submitted by Mr. Joseph Lee of Vancouver. Another is that Imperials now residing in Canada who fought in the South African war be eligible for veterans' allowance. That is submitted by the Brotherhood of Railway Carmen of America and Mr. S. W. Button, Vancouver. Another is that British Isles be included in theatre of war. That is submitted by Mr. George Black, M.P. Another is that small pensioners receive veterans' allowance at the rate of $1 per day. That is submitted by Mr. Fred Waters. Another is that wife's income be not taken into consideration. That is endorsed by Mr. P. M. Tamlyn, Woodstock, N.B. That concludes the resolutions.

By Mr. Cruickshank:

Q. I should like to go back to 11 and 12. "That veterans be allowed to receive both war veterans' allowance and old age pension provided income limitation is not exceeded." The reason I want to go back to Nos. 11 and 12 is that I want to speak of funerals which was discussed by Mr. Gillis. Suppose a man dies in hospital, who pays for the funeral if he has war veterans' allowance?—A. The fact he receives war veterans' allowance does not entitle him to anything in regard to burial expenses. His entitlement would be determined by his eligibility from the standpoint of pension.

Q. But suppose he has no pension. As I said before, the widow may be an aged lady in the home. She may be a cripple and while her husband is in the hospital she may require the full amount for extra assistance. How is that

woman in the home supposed to save up enough money to bury the man? I am not in favour of deducting the expenses from the miserable sum she receives while he is in hospital. I do not think there should be any deduction at all while the husband is in the hospital, on that ground alone. I understand there is absolutely no provision now for funeral expenses of a man who is in receipt of pension, and that it is discretionary when the soldier dies. Is there provision at all with regard to veterans?

General McDONALD: With regard to the pensioner, yes, we can pay $100 if the estate which he leaves is not sufficient to provide for his funeral expenses.

Mr. CRUICKSHANK: Put it another way. If the estate is $101 does the estate have to pay it all then?

General McDONALD: No.

Mr. CRUICKSHANK: You have discretionary power there?

General McDONALD: Yes.

The WITNESS: Mr. Chairman, I understand that in the case of the indigent veteran who dies in the hospital, in these circumstances, if he is not entitled to assistance from the Pension Commission the Last Post fund will look after the funeral.

Hon. Mr. MACKENZIE: I have a very excellent statement prepared in regard to burials in the department and would be very glad to put it on the record later on.

Mr. QUELCH: What is the Last Post fund?

Hon. Mr. MACKENZIE: Would you mind waiting until I get the statement from the department? It gives the situation very well.

Mr. GREEN: What is the provision with regard to wives' income under the War Veterans' Act?

The WITNESS: The aggregate income in the case of a married veteran is considered to be income of the veteran.

By Mr. Green:

Q. Which section covers that?—A. It is not covered in the Act specifically. It says the income of the married veteran in effect must not exceed $730 per annum. To the extent that it is lower than that we can grant allowance to bring him up to $730.

Q. Under a regulation?—A. Under the Act.

Q. That you make the husband's and wife's income is added together?—A. It might be said, Mr. Green, that the old age pension regulations regard half the income of either spouse as belonging to the other. That would have the same effect.

The CHAIRMAN: Colonel Carmichael, the acting chairman of the board, is present and would be glad to answer any questions.

Mr. GILLIS: Mr. Chairman, I should like to have Mr. Woods' opinion on one matter. I notice there has been no resolution submitted to the Veterans' Allowance Board with regard to the case of maximum allowance. I know there has been representations from time to time on that question. A single man is allowed under the Act a maximum amount of $240 a year. In addition to that he is allowed to have earnings of $125 a year. A married man is allowed a maximum of $480 a year plus earnings of $250 a year. From time to time a question has been raised of amending the Act so as to permit the recipient of war veteran's allowance having earnings equal at least to the award made in the Act. I think the minister will remember last November I asked him in the house as to whether that matter would be considered. He said it would be taken into consideration. It would mean no additional

cost to the government, and it certainly would not provide anything like a standard of living to those who are obliged to eke out an existence under the allowance. Has any consideration been given to that by the board?

The WITNESS: Of course, this board does not conceive it to be its function to suggest policies. Where we see an inconsistency in the Act or where we believe the Act is not carrying out the intention for which it was framed, there is an inadequacy there that parliament really intended to do something, but there is an obstacle there, then we feel free to suggest to the minister that when the Act is amended this should be provided for, but when it comes to such a question as that of our initiating the raising of rates or the lowering or broadening of the fields of service, surely these are matters of government policy that we should not determine. A married man who receives $480 is allowed to earn or receive income from other sources of $250, bringing him up to a maximum of $730, when it is advocated that instead of allowing him an income of $250 he be allowed an income of $480 equivalent to the allowance, to say that that would not cost the country anything is incorrect; it would cost the country that amount of money that would be paid which hitherto has been denied because the man's income prevents him from receiving it. Definitely it would cost the country more money. Whether that $480 should be allowed a man as income and on top of that whether he should be given another $480 is a matter of policy. I am not prepared to express an opinion on it.

Mr. ISNOR: It would cost the country $115 in one case and $230 in the other case.

By Mr. Gillis:

Q. In what way would it cost the country anything? That man can go out and increase his income to that extent from his own efforts. He is not permitted to do that under the Act. As I see it it is merely creating an incentive for men to do nothing.—A. If he is receiving at the present time $480 we would only give him $240. You are advocating that we should give him $480 instead of $240.

Q. No. I am advocating that he should be allowed to earn, to have an income if he can pick it up in some way by securing jobs, equal to the allowance paid him under the Act.—A. In order to make the argument clear, may I instance the case of a man who has a job at the present time as a janitor and who is receiving $480 a year. At the present time there is nothing to prevent us giving him $20 a month or $240 a year and keep within the Act. It is argued that we should give him, instead of $240 a year, $480. I am saying that that would cost the country more money.

Q. My experience has been that if a man is a janitor and is making $480 a year he does not receive any war veteran's allowance. The first qualification, as I understand the matter, is that he must be certified as being totally unemployable by some medical authorities before you will take him under the Act in the first instance.—A. There are a good many men who are receiving the allowance by virtue of their age. A man over 60 does not have to have any disability under the Act. There are a good many men over 60 years of age who are earning a partial livelihood such as may be derived from caretaker or janitor or things like that, and it is the board's practice, if need is indicated, to augment that by a partial allowance.

Mr. ISNOR: You say 60 years of age—is it 55 or 60?

The WITNESS: Sixty.

By Mr. Gillis:

Q. There may be odd cases like that. I am thinking of the hundreds of men in the cities who are certified totally unemployable. They receive this allowance, and after getting the allowance they find it is not sufficient to live

on. There is a chance from time to time in certain seasons of the year when a man can go out and earn something, and I think they should not be debarred from doing so; it should be permissible. I think that earnings equal to award as the Act sets it out at the present time are something that should be permitted. There are many cases of that kind; I know many of them.—A. That is a matter, Mr. Chairman, for the committee to determine. I was only endeavouring to make the point that it was hardly correct to say that it would not cost any more to permit a higher standard of income and to give the maximum allowance on top of that.

Mr. TURGEON: Mr. Chairman, may I be permitted to make one observation in order to keep the record clear. I have noticed that in all our discussions, such as we are indulging in now—

The CHAIRMAN: Mr. Turgeon, I would like to interrupt you for a moment to say that I am sure the committee are pleased to see you back with us after your illness and to know that you are fully recovered.

Mr. TURGEON: Mr. Chairman, I wish to express my appreciation to the committee for their solicitude in regard to myself during my absence which I regret very much.

I was going to say that I notice in these discussions relating to income apart from allowances, the term is used that a veteran is not permitted to earn more than a certain income. I think the expression is unfortunate and I object to it simply because it creates a wrong and a false impression in the minds of the public. The veteran is not refused permission to earn any income; when he does earn a certain income then the allowance that is given to him is lowered, but he is permitted to earn anything he can earn, and that is the statement I wish to make to keep that part of the record clear.

The WITNESS: Mr. Chairman, may I in conclusion make a brief statement on the subject of income as it is a fairly contentious one: that is with respect to the allowances which the board pays to men who are located on farms. Quite frequently we are told that we are only paying a partial allowance whereas we should pay the maximum to any farmer who can demonstrate that he had no net income, and I am sure that is not very difficult to prove to-day with respect to a lot of farms.

Mr. CRUICKSHANK: Has any farm a net income?

The WITNESS: It is our practice to pay partial allowance to men on farms despite the fact that they do not demonstrate any net income. The reason for that is that the Act was enacted to provide for people in necessitous circumstances. That term was used by the Canadian Legion in its Regina convention and it was used by Sir Arthur Currie and it was used when the original Act was introduced to parliament. It is based on necessity. It provides allowances for men who are in necessitous circumstances.

By Mr. Ross (Souris):

Q. Does that apply to farm operators or to people who are employed as help?—A. To farm operators. I am referring to farm operators.

Now, having regard to that basic principle that this was enacted to provide for people in necessitous circumstances we have conceived it to be the board's job to determine what amount of allowance is necessary to relieve that necessity. We have been told that we have the power to set the amount of the allowance in such sum as the board deems to be equitable having regard to all the circumstances. Despite the fact that a man who is operating a farm, a soldier settlement farm for example and shows no net profit, and that is not difficult to do—we may set the rate or the allowance if he qualifies from a medical standpoint—we may set the rate of allowance depending on the size of his family and his own physical capacity at $15 or $20 a month. Frequently it has been pointed

out to us that under the Act if a man's income does not exceed $250 a year we are required to pay him $480 a year. We have felt out our powers in that regard and we are assured, and as a matter of fact we have been practising for ten years, that we have discretion in the amount of the allowance that we set; and the reason we pay $15 or $20 a month instead of $40 a month is that this man is operating a farm which contributes in perquisites to his maintenance those things which the town man has to furnish out of his allowance. For example, the farmer may have rent, he may or may not have fuel, he may have vegetables, he may or may not have fruit, he may have milk, butter, eggs and so forth, which the chap in the city must furnish out of his $40 a month, or if he happens to have income from other sources, out of $60 a month those very things. We feel that in the case particularly of a soldier settler established on farms by the state that it would most certainly create a preferred class despite the fact that the Act from a legal standpoint might permit us to pay $40 to any man on a farm provided he does no demonstrate income over $250, and expect the man in the city to furnish all his requirements out of that same amount.

By Mr. Cruickshank:

Q. The man in the city does not have to pay payments that the soldier settler has—taxes.—A. No; and in setting the rate of the allowance, we have not recognized his overhead obligations—if we did one could hardly resist paying the maximum to every farm case; but it is a case of relieving his necessity, his requirements of life in the way of food, fuel and shelter—

Q. May I ask who makes the investigations in the rural districts?—A. Who makes the investigations? The soldier settler superviser, ordinarily.

Q. I cannot see how the soldier settler superviser, with all due respect to them, and I know several of them—I do not see how they can tell whether a man is physically unfit. I know of one particular case where a medical man, recognized by the Dominion Medical Council as an efficient doctor, says that a man is unable to work and the soldier settlement superviser says he is. Who should know, the medical man or the travelling salesman?—A. His physical fitness would not be determined on the opinion of the field man.

Q. In this particular case the medical man said that the returned man was absolutely unable to work?—A. The medical man may be describing physical conditions that in the opinion of our medical officers do not incapacitate him.

Q. That is what I am pointing out. Your medical authorities have never seen this man, and on the word of the soldier settlement collector who says that the man is able to go out and get a job and over the opinion of the man who has tended to this man in hospital and says that he is unable to work, you take a certain stand?—A. If there is a conflict of opinion like that and the medical examination indicates that there may be some doubt, it is our practice to bring the man into the nearest centre and have him checked up there.

Mr. QUELCH: In regard to that matter I agree that it is fair that where a man is on a farm the amount of allowance should be reduced, generally speaking, but the constituency I represent is very largely composed of drought area and there the tendency has been to reduce the soldier's allowance down to $30 instead of paying him $40. In many cases these soldier settlers are farmers only in name. That land is not producing anything. They have not got any stock. The horses have gone and the cows have gone, they have died as the result of lack of feed, and there are no chickens or no food to feed chickens; and the income of these men is absolutely nil. In the past they have been eligible to receive $30 instead of $40. I have had complaints from these men and I have pointed out to them that in view of the fact that they are not getting any income from their land in order to get $40 they should move into town, and in several cases they have done so and received $40. However, I suggest that it might be well to allow them to continue to live on the farms even though those farms

do not produce anything and allow them the full $40 in case the good years should happen to come back. It is possible that they might be able to get a cow or something like that. I appreciate the point raised, but I think that those men should be allowed to stay on the farms even if they are not producing anything and should receive $40; otherwise you are driving those men into town.

The WITNESS: I think the board is in agreement with you, but what I was endeavouring to express was merely the general policy that governs us. In spite of what I have said there are a good many men on farms who are receiving $40, men who are totally incapacitated and cannot do the chores, and men with large families whose farms are unproductive. In circumstances such as you cite, if the farm is such that they cannot even keep a cow or poultry then I agree that special consideration should be given.

Mr. CRUICKSHANK: You have that power?

The WITNESS: Yes, we have that power.

Mr. ROSS *(Souris)*: Following up the statement of Mr. Quelch, suppose a man gets discouraged and leaves the farm—a man of 50 years of age—and he is a misfit for any other occupation, is there any provision made for that man and his dependents?

The WITNESS: If he qualifies from the medical standpoint, if his physical condition is such and his economic handicaps are such that the likelihood of his maintaining himself is very remote there is nothing in the Act to stop the board giving him an allowance.

Mr. MUTCH: And in point of fact there are hundreds of cases of that sort which are being dealt with all the time.

The WITNESS: Yes.

Mr. ROSS *(Souris)*: He has got to prove some physical handicap, has he not?

The WITNESS: Yes. He does not have to be, as has been stated, totally incapacitated.

The CHAIRMAN: Mr. Wright, you wanted to ask a question, did you not?

Mr. WRIGHT: I was going to ask the same question as Mr. Quelch has asked.

By Mr. Tucker:

Q. A man living in a town or city could have a property with a capital value of $2,000, and it seems to me that that is more value in helping him to get along than lots of the alleged holdings of some of the farmers I know. It seems to me that when you cut down the man who happens to live on a farm by $10 and leave the city or town fellow with a property valued at $2,000 clear that you are not cutting him down at all. I am bound to say that it seems to me there have been discriminations between the country districts and the city districts. Now, I may be wrong, but that is the impression I have. I have had veterans who are in great need, and it was only after a great deal of trouble that they finally got $20 a month—that is a man with a family—because he happened to be on a farm. Now, Mr. Woods has said that if it can be demonstrated that he has no income—that means that if he has an income but it can be covered up—I do not like that attitude because it seems to me that if there is a thought that a man is covering a thing up there should be an investigation, and it can be demonstrated in many cases I know of that there is actually that condition, that attitude—but there is that tendency where a man is on a farm and has got cattle or cows and some chickens to make that mean more than it does?—A. If I have created the impression that the man was concealing his income I am very sorry. I did not intend to create that impression at all; I merely said that although he is unable to demonstrate an income in money—I did not mean that he was concealing anything. I am not unfamiliar with their problem; I was

associated with land settlement for eleven years before I came down here; and I do not mean to suggest that those boys who show no income are concealing any revenue at all. I made the point that farm perquisites are taken into consideration when setting the rate of allowance.

Q. I can see that you have to be careful that you do not make a preferred class, but I did come to the conclusion that you wanted them to demonstrate their need and in case they did demonstrate their need they finally got the allowance, but it is made pretty hard. I suppose you had good reason for this course because of the fear of creating the class you mentioned.

Mr. MUTCH: In the case of persons who would have a $2,000 property and who would be receiving $40 the number would be small indeed, and for the sake of a man himself, if he has such a property he had better get rid of it as quickly as he can; it will certainly be a terrible liability in the present circumstances.

The WITNESS: I am sorry to say that these men with the house worth $2,000 clear are almost as scarce as the farmers that can show a profit.

Mr. TUCKER: It was intended that when a man had something like that it should not affect his allowance. I was arguing by analogy that when a man had a farm with the perquisites such as butter and eggs there were these other perquisites to be taken into consideration too on the part of the town man.

Mr. CRUICKSHANK: I am now using a hypothetical case: in connection with a single man living with his brother, he is getting his board for the small chores that he does and requires medicine—say he has diabetes or something like that—he needs medical care—under the Act there is no provision made for that kind of case. Now, would he be taken into consideration and would he be allowed $20 rather than $10?

The WITNESS: Certainly his medical needs would be taken into consideration.

By Mr. Isnor:

Q. Mr. Woods, the War Veterans' Allowance Act came into effect in 1930? —A. Yes.

Q. And you estimate that the peak year will be 1957. What has been the average number added to your lists each year of those receiving the allowance?— A. In the first fiscal year the allowances were granted to 2,229 veterans, in the second to (1931-2) 1,651, then each year in succession to (1932-3) 1,040, (1933-4) 990, (1934-5) 1,379, (1935-6) 1,673, (1936-7) 2,502, (1937-8) 1,997, (1938-9) 6,819 (this was the year of the last amendment), (1939-40) 3,268 for the year 1939-40, and (1940-41) 859 for the fiscal year just closed.

Q. I wanted to get those figures because of the statement you gave us in which you say there are only 700 more veterans receiving allowances at this date than there were at the beginning of the fiscal year, namely April 1st, 1940. Would it be fair to say that that is brought about largely because of the very splendid work being carried out by the veterans' assistance committees throughout the country in respect of placing veterans in employment? —A. They have made quite a contribution, the committees set up under the veterans' assistance commission, and also the business men's committees that have been set up during the past year. They have undoubtedly made quite a contribution. But the most important factor of all, the most important governing influence has been the demand for labour created by the war.

By Mr. Green:

Q. The guards; men going on guard duty?—A. Over 1,200 of our men have renounced the allowance, to go to work. I think that is a great tribute to them. Remember, the ones we have taken are only the old veterans or men we have considered as physically incapable. The manner in which they

have given up their allowances to go back to work has removed from my mind any impression I may have held that the men would rather get an allowance than work. That is not the case. They would much rather work.

The CHAIRMAN: It is also true with respect to civilian staffs at the airports. I know of several cases where men have taken posts there and given up allowances.

Mr. ISNOR: Yes. That is true around Halifax and perhaps the same applies to Sydney. Mr. Gillis would know about that. I think it applies to Sydney and Halifax in particular. Great credit is due to the veterans for their willingness to take on employment and act as guards, not only under the Department of Defence and the R.C.M.P., but with the private firms that find it necessary to maintain guards.

The CHAIRMAN: In fact, they are willing to take any form of employment.

Mr. ISNOR: Yes.

By Mr. Green:

Q. What consideration is being given by the board to the question of giving the Imperials who have resided in Canada for a long period of time an allowance?—A. That is another matter of policy for the government to determine. Our Act has only recognized those men who went from Canada to defend the country, whether they served with the Imperials, or the allies—whatever they served in. It only recognizes those men who were in effect Canadian citizens and went abroad from Canada to defend the Empire.

Q. Have you not made some study of the problem, for example, to determine the probable number of applications there would be if the Act were extended to cover Imperials?—A. There are no accurate figures. But the evidence presented to the parliamentary committee in 1936 gives some and in some cases astronomical figures, in estimates ranging all the way from—I hesitate to quote them now, but I believe the Army and Navy Veterans estimated there were 50,000 ex-Imperials here. I do not think there is any very reliable estimate. But those who argue against including post-war Imperials under legislation of this kind point out that in the first place the veterans' allowance, unlike pension, is not a matter of right; it is beneficial legislation to help people in need, citizens of the country who are up against it. They argue that if you made it available to anyone who served in the Imperial forces, it might attract a movement of ex-Imperials here. Perhaps that is the reason why those organizations who advance resolutions stipulate that after 10 or 20 years, as the case may be, residence they then become eligible.

By Mr. Ross (Souris):

Q. How about the chap who, after the outbreak of war in 1914, paid his own passage to the old country and joined the Imperial forces? There is no provision for him, is there?—A. Yes. He is eligible under our Act. There is also to be considered that, with respect to any Canadian who finds he is stranded in the old country and up against it, there is no Veterans' Allowance Act there for him to receive the benefit of.

By Mr. Quelch:

Q. There is something I should like to ask about a class that I believe will increase as time goes on. I have in mind the small farmer, with a farm which is returning only a low income. He has a son. That farm is not capable of maintaining the soldier and his wife and his son and his family. Yet as time goes on the soldier becomes too old or is unable to work the farm himself, and naturally the logical thing to do would be to turn that farm over to his

son and get the War Veterans' Allowance. Would section 8 prevent that action being taken?—A. There is nothing in the Act to prevent the transfer from the father to the son.

Q. The Act says, "When it appears to the board that any veteran has made a voluntary assignment or transfer of property for the purpose of qualifying for an allowance. . . ."—A. Yes.

Q. Will that interfere with it?—A. The board has the difficult task of determining whether or not that transfer took place in order to qualify the father for the allowance. If the board is satisfied it is a bona fide transaction —and usually we commence by a medical examination on the father—we grant it. If we are satisfied he has reached the end of his tether and physically cannot carry on, then we have granted an allowance in a number of cases of that type. There is nothing to stop us doing so, if it is a bona fide case.

Reverting to the ex-Imperials, Mr. Chairman, I certainly should not be put in the position of advocating that they should be granted the benefits of the Act or that they should not be granted benefits of the Act. That is a matter of policy that will have to be determined by the government.

By Mr. Tucker:

Q. Is there much pressure from many people that they should be granted the benefits of the Act? Is that increasing or diminishing or does it exist in any great strength?—A. Pressure of all kinds has diminished tremendously since the war broke out. It has relieved conditions. Pressure of all kinds is lightened now. It is difficult to determine what you would call a great deal of pressure. Reputable organizations have sponsored it. Reputable organizations or responsible organizations have advocated that consideration be given to the ex-Imperials in legislation of this kind.

Q. Has the Canadian Legion ever sponsored it?—A. Yes.

Mr. GREEN: Yes.

Mr. CRUICKSHANK: They are asking it right now.

The WITNESS: They are quoted here as sponsoring a resolution.

Mr. ISNOR: With a proviso of 20 years. It is number 8.

Mr. GREEN: Yes.

Mr. CRUICKSHANK: They say 20 years.

The WITNESS: Yes, 20 years.

By Mr. Green:

Q. You mentioned the case of a Canadian who was stranded in England. He would be eligible in all probability for the benefits of their social legislation, which is greatly in advance of Canadian social legislation.—A. That is true.

By Mr. Tucker:

Q. There would not be any discrimination against him because he is a Canadian, I do not think?—A. I mentioned it because of a question about reciprocal legislation in other countries.

By Mr. Green:

Q. These Imperials who have come to Canada have given up their rights to the advanced social legislation in Great Britain?—A. Yes.

Q. And yet over here they cannot get the benefit of the War Veterans' Allowance?—A. They can get what every Canadian citizen gets. Every Imperial who comes to Canada is entitled to whatever social legislation exists for any other Canadian born citizen.

Q. Except soldier's legislation?—A. No. The country so far has not assumed responsibility for his military service.

Q. He cannot even get class 18 treatment, can he?—A. No.

Mr. CRUICKSHANK: He cannot get ordinary social legislation benefits unless he qualifies for a period of years.

Mr. ISNOR: 20 years.

Mr. CRUICKSHANK: In pension matters he cannot come in and get the benefits. He has to reside here a certain number of years.

The WITNESS: Most of them have residence stipulations, yes.

By Mr. Green:

Q. Have you made an estimate of how many Imperials there are in Canada who would be eligible for war veterans' allowance if the Act were extended to cover them?—A. I do not believe I would care to make an estimate unless I were given an opportunity to make some study of it.

Q. The department really has not made a complete study of the situation?—A. No. One could, after a study. We reached an estimate of the South African veterans that would come under this Act if it was amended and we were extremely close. I would not care to make an estimate of the Imperials unless I was given time to study it.

Q. Do you think it would be wise to have such a study made?—A. I presume the organizations that are sponsoring the case of the Imperials probably have made a study of it themselves.

Mr. MUTCH: I think that is an unwarranted assumption.

By Mr. Green:

Q. Would it be very difficult for the War Veterans' Allowance Board to make such a study?—A. It would require a study by the executive officials, members of the board; and most of us these days are carrying pretty well our load.

Q. Of course, your board are not very busy now. Your number of applications have been cut down a great deal in view of the war, and you are not taking on nearly so many men as you were formerly?—A. By the same token, they have lost two of their members—the chairman, and one of their members who is overseas.

The CHAIRMAN: Are there any other questions?

By Mr. Tucker:

Q. How would you go about it? Are there enough details given in the coming census or are there enough details asked for so that you would be able to get the information from that? Or could you get the information from the national registration of last year? In the national registration last year I think everyone was asked if they had actually served in any of the armed forces of the crown, but I do not think they were asked where. I do not remember that.—A. I think you perhaps would have to go about it by taking a certain community, using that as a cross section of the dominion; make an analysis of the community.

By Mr. Isnor:

Q. Is it not reasonable to suppose that should there be amendments suggested for the War Veterans' Allowance Act, the ex-Imperials would present a brief as to why they were entitled to consideration?

Mr. GREEN: They have made submissions time and again throughout the years.

Mr. ISNOR: Yes. I know.

Mr. J. R. BOWLER: At that point, if I may interject, may I say that the Canadian Legion has, as part of its organization, an Imperial division which meets in convention at the same time as the general convention, and we have a number of resolutions dealing with Imperial problems generally. We had hoped, sir, at a convenient time, to present that to this committee.

The CHAIRMAN: Thank you, Mr. Bowler.

Mr. GREEN: I think it is very important that we should hear that.

The CHAIRMAN: Yes. Are there any further questions? Have you anything to add, Mr. Carmichael?

Mr. CARMICHAEL: No, I have not.

The CHAIRMAN: Thank you very much, Mr. Woods. I assume you will be available if there are any further questions raised.

The WITNESS: Yes.

The CHAIRMAN: Before calling on Mr. Bowler who has a supplementary statement to present, I have a letter from the Moose Jaw-Saskachewan branch of the Canadian Legion of the British Empire Service League, signed by the secretary, Mr. P. G. Webb. I shall not read the letter at the moment, but I shall give you a summary of the contents. With your permission I shall put the letter on the record and you may read it. I will ask General McDonald to comment on it.

The letter referred to is as follows:—

No. 59

THE CANADIAN LEGION OF THE BRITISH EMPIRE SERVICE LEAGUE

HIGH STREET WEST,
MOOSE JAW, SASKATCHEWAN,
May 2nd, 1941.

Chairman,
House of Commons Committee on Pensions,
Ottawa, Ont.

DEAR SIR,—A condition has arisen in connection with the operation of elementary service flying clubs, that needs action at the earliest possible moment.

A specific case has occurred in Moose Jaw and we outline briefly the circumstances:—

Sgt. J. H. Scott, R-70529, was killed in a crash here on November 21, 1940, while acting as instructor for the Moose Jaw flying club, his pupil, a student pilot, was also killed.

Application for pension was made by Sgt. Scott's widow, but the claim was denied on the grounds that Sgt. Scott was on leave of absence without pay from the R.C.A.F.

We are aware that the pension commission had no other action open to them under the provision of order in council, P.C. 1971.

We would however submit that Sgt. Scott was a member of the R.C.A.F. at the time of his death, as evidenced by the publication of his name as a casualty in the official list; by the receipt of condolences by the minister and by the erection of a stone on his grave.

We submit also, that the amount of pay he received—$250 per month—was very little more than the pay of an instructor with allowance for wife and one child in the more advanced flying schools. It is certainly not sufficient to enable one to provide for a sum equivalent to a pension ($75) a month.

The fact that the department adopted the policy of conducting elementary schools in this manner should not deprive the instructors of the department of the necessary protection for their families; more so, by reason of the insistence of the department that all such instructors be members of the R.C.A.F.

It appears to us that the Department should follow one of two courses; either they should accept responsibility and pay pensions, or they should insist

that the flying clubs who undertake the operation of elementary schools insure the instructors for such sum as will produce a monthly amount equivalent to the pension.

In this particular case, the coroner's jury returned an open verdict, and we have been informed that it would be practically impossible to secure compensation from the flying club, through suit.

It is a tragic situation for the widow and child and we strongly urge that your committee give most serious consideration to the matter, with as little delay as possible.

Yours very truly,

P. G. WEBB,

Secretary.

Brigadier-General H. F. McDONALD, Chairman, Canadian Pension Commission, recalled.

The WITNESS: The cases referred to, Mr. Chairman, are in elementary flying training schools which are operated under contract with civilian organizations. They employ a certain number of flying instructors under civilian contracts. I am informed by the Department of National Defence for Air that these flying instructors are given a refresher course at the central flying school, and for that purpose they are enlisted in the R.C.A.F. On completion of their course and the assumption of their civil duties with the flying schools, they are given leave without pay from the R.C.A.F. They are paid under civilian contracts at rates substantially in excess of what they would receive in a corresponding instructor's rank in the regular R.C.A.F. schools. I am also informed by the Department of National Defence for Air that arrangements have been completed whereby in the payments made to the flying organizations, the civilian flying organizations, a sufficient amount is included and it is insisted that these men should be insured at rates comparable to Workmen's Compensation rates in the particular province in which they are operating. These arrangements have been concluded and are now, I have been informed, in force in all such schools.

Two cases occurred in which fatal accidents occurred to personnel prior to those arrangements having been effected and put into practice—the case of Mrs. Scott of Moose Jaw, which was referred to in this letter, and the case of Mrs. Piper of Calgary. There was no provision made in the case of Mrs. Scott by the Moose Jaw organization. There was some insurance provision of a modest character in the case of Mrs. Piper by the Calgary organization, these arrangements having been voluntarily made. These two cases presented considerable hardship on the widows, and at the request of the Minister of National Defence for Air the commission have found a way to grant to these widows pensions of what they would have received had the present arrangement been in effect at the time of their husbands' deaths.

By Mr. Cruickshank:

Q. Maybe you cannot answer this question, but I will ask it anyway, General McDonald. I should like to ask Mr. Power also. I presume these are private companies in Moose Jaw and Calgary?—A. Yes. They are companies organized for the purpose.

Q. Whatever company that was, was it approached to see that it brought the pension or the insurance up to what the normal amounts are? These are private companies and they are making fortunes out of this war, and there is no reason why they should not do that.—A. I do not know about their making fortunes, but they are now compelled to provide that.

Q. Do you know if these particular companies were asked to bring it up? Of course, it is not your department, but the government has it in its hands to cancel the contract overnight. We cannot find money apparently sufficient for our ordinary purposes. I cannot see why the government should assume the cost of giving pensions to these people owing to the unfortunate fact of that not being in effect. I know it is a matter of policy. I say the government should force them to put that up. They are making fortunes, make no mistake about that.

Mr. MUTCH: Everybody but the farmer is making money.

Mr. TUCKER: As a matter of fact, the only one I know is in Prince Albert. With respect to the company that runs the flying school at Prince Albert, in their whole set-up it is definitely provided that any money that is made as a profit is set aside as a trust for the development of aviation. Those people are not making anything out of it at all.

Hon. Mr. MACKENZIE: The same thing is true in Vancouver. It is absolutely non-profit making.

Mr. MUTCH: All I am taking exception to is the unwarranted assumption. There may be companies making money, but I know of half a dozen who are operating on a cost basis.

Mr. CRUICKSHANK: A cost plus basis and a good cost plus too.

Mr. MUTCH: I did not say cost plus. Speak from what you know, but do not include all in that.

Mr. CRUICKSHANK: I know the B.C. one.

By Mr. Emmerson:

Q. You made a statement to the effect these instructors were paid substantially in excess of what they would receive as flying officers in the R.C.A.F. How much more? That is, would it be sufficient to more than take care of the higher class of insurance, should they wish to make provision for their dependants?—A. I do not know the actual rate; I am merely informed by the department that they are receiving—this letter is from Moose Jaw and quotes that the amount that they received is $250 in this case, which would be substantially in excess of the pay and allowance of a flight sergeant, I would imagine. However, the situation as it existed and as it affected those two unfortunate cases has been met.

By Mr. Ross (Souris):

Q. The arrangement is that the flying company is to take care of the insurance of these people so employed?—A. Yes, to the extent of the rate provided by the Workmen's Compensation Act in the particular province in which they are operating.

Hon. Mr. MACKENZIE: It was not done in this case.

By Mr. Green:

Q. The government will have to do something for these companies, will they not?—A. I presume if they force the companies to do something they will give them financial provision to enable them to do so.

Mr. ROSS *(Souris):* A company started out in Manitoba was guaranteed five per cent on everything. That is just part of the cost. They turn over the plant and five per cent on the total operation will be part of the cost.

The WITNESS: I presume so.

The CHAIRMAN: With these explanations we will hear Mr. Bowler.

Major BOWLER: Mr. Herwig is going to present the brief, Mr. Chairman.

Mr. J. G. C. HERWIG, Assistant General Secretary, Canadian Legion, B.E.S.L., called:

Mr. TUCKER: Mr. Chairman, I should like to express appreciation of the action of the Board of Pension Commissioners in looking after these two cases. So far as I am concerned I am glad to do so.

The WITNESS: Before I proceed with the presentation of the war veterans' allowance resolution passed by our dominion convention at Montreal last year, may I say that the Legion, and I think I can add, returned soldiers generally, regard this Act as a very satisfactory piece of soldier legislation. It has met the needs of thousands of old soldiers who can no longer earn a livelihood. It has removed the necessity of their competing with younger and more robust men in the labour market. Yet it does not entirely prevent them from earning a few extra dollars if they can.

The Act has been well administered by Mr. Walter Woods and his colleagues. I can say this in all sincerity because the Legion has some understanding of the problems involved. The relations between the Legion and the board have always been of the best.

It is not my intention to-day to present anything relating to the application of this legislation to the veterans of the war now in progress, except to say that in principle we think it should be made to apply whenever cases arise which meet the required conditions of eligibility.

The first two proposals relate to sections 5, 6 and 7 of the Act, and have to do with the relation between the allowance paid and the income from other sources permitted under the Act.

Increased Income Exemptions

It is proposed by the Legion that income exemptions be increased to $300 per annum for married men and $200 per annum for single men.

This proposal has arisen out of complaints received from rural areas where some recipients of war veterans' allowance feels that the assessment of sustenance derived from the produce of a farm or small holding, which has not been converted into cash, has been too high, so that the allowances granted by the board are regarded in many instances as inadequate. While sustenance derived from a farm or small holding in the form of food and shelter may be an advantage in some circumstances, nevertheless the amount of cash income provided by the board should allow sufficient for other basic needs, such as fuel, clothing, medical attention, etc.

The proposal is also intended to enable any recipient to obtain, by his own efforts, a larger cash income to meet his or his family's needs.

The legislation, while it provides for a maximum allowance of $20 (single) and $40 (married) also permits additional income from casual earnings or from other sources. In describing the terms of the legislation in the departmental annual report of 1931, the War Veterans' Allowance committee submitted in part the following:—

> The maximum payable to a single man or widower without children is $240 per annum and for a married man or widower with dependent children who is residing with his family, $480.
>
> Any income in excess of $125 per annum in the case of a single man or $250 in the case of a married man is deductible from the allowance payable.
>
> The Act, therefore, enables the committee to supplement the income of a single man up to $365 per annum and that of a married man up to $730 per annum.

It is doubtful if any request for an increase in income would have been advanced if the board paid the maximum allowance in all cases where the

statutory income limit had not been reached, or to put it another way, if the board deducted only for the purpose of keeping income within the statutory limit.

Even in cases where no income is received or where there is income which would still permit the maximum to be paid, the board does not always provide the maximum in such cases. If it were mandatory to pay maximum allowances in all cases, except where statutory income limitation demand a decrease, the situation complained of would be largely remedied particularly at this time where there is an advance in the cost of the basic necessities.

Transportation for applicants for war veterans' allowances

That an applicant in rural areas be provided transportation and sustenance from his home to the nearest point where the War Veterans' Allowance Board asks him to report for examination.

This proposal has to do with applicants for war veterans' allowance, whose physical condition, as a factor in reaching a decision, is in doubt and a medical examination becomes necessary. The board may call the applicant in to one of the departmental hospitals but cannot provide transportation or sustenance. The man either does not receive the examination or he has to beg or borrow the money to make the trip. Where circumstances are such that the board cannot decide from the reports received in the usual way, they should have the authority not only to bring the man in, but also to bear the cost.

Mr. WOODS: May I be permitted to say a word in that connection? I think the board is empowered and does issue transportation for bringing a man in for examination. It has no power, however, to grant what is termed sustenance, but we do grant transportation in such cases.

The WITNESS:

Allowances while in hospital

That recipients of war veterans' allowances be granted free hospitalization with no deductions from allowances.

This resolution calls for the free hospitalization of recipients of war veterans' allowances and continuation of the allowance while in hospital. When a man goes into hospital, single or married, a serious problem is immediately created. In many parts of the country housing and rooming conditions are such that, upon return from a period of hospitalization, a single man is unable to secure the room which he previously had because of his inability to pay the rent while he was away. In cases of married men with families the income is immediately depleted either wholly or in part, and a great deal of hardship is caused. It is felt the board should have the power to continue allowances during periods of hospitalization.

Veterans of the Riel Rebellion

That veterans of the North West Field Forces (Riel Rebellion) be included in the provisions of the war veterans' allowance.

There are very few veterans of the North West Field Forces alive to-day and no doubt many of them are receiving the old age pension. However, these men feel keenly that war veterans' allowance legislation should be applied to them equally with veterans of the great war and the South African war. The cost would not be great because they are so few.

Reference was made to the resolution Mr. Woods quoted about adding war veterans' allowances to veterans in the United States. This is the resolution that intended to cover some part of that. I may say the Legion has received from its branches in the United States a great many resolutions and representations that something should be done about Canadian veterans in the United States.

This resolution has to do with residence qualifications in Canada which many of these men, if they could return to Canada, would immediately receive the allowance, and there is no doubt that many of them would return. The resolution reads:

Residence qualifications

> That the War Veterans' Allowance Act be amended so as to eliminate the requirement of six months' residence in Canada after residence outside thereof.

This proposal arises out of difficulties encountered by Canadian veterans, otherwise entitled, who, because of indigency, are unable to either enter Canada or, if granted entry, maintain themselves for the six months' residence required by the Act. This applies particularly to British-born Canadian veterans who may be considered by the immigration authorities to have lost their Canadian domicile and, therefore, may meet difficulties in addition to their inability to maintain themselves. The man allowed entry is in a no less difficult position because he cannot obtain local relief during the period in question and suffers great hardship. For this reason it is felt that the residence requirement could be dispensed with entirely.

Recovery of retroactive pension awards

Section 14, War Veterans' Allowance Act reads as follows:—

> If any recipient is awarded a retroactive pension under the Pension Act, the sum of any payments of allowance previously made to him shall be a first charge upon the accumulated unpaid instalments of such pension and shall be withheld accordingly. 1930, C. 48.

In many cases the effect of this section has been that the recovery has absorbed the entire retroactive pension and this is considered to work a hardship in many instances.

Several years ago the government had under consideration the doing away with retroactive pension awards. However, it is largely on the grounds that some hardship has been suffered, particularly in connection with long drawn out pension claims that it was decided to limit retroactive payments to twelve months with an additional discretionary period of six months where special hardship is shown. With this in mind it is unreasonable to admit and provide for the presence of hardship in the Pension Act and then deprive the pensioner of this benefit because his circumstances, at least partially due to the non-receipt of pension, obliges him to become a recipient of war veterans' allowance. We believe the moral right to retroactive pension remains, notwithstanding statutory limitations, and what is now left should not be entirely wiped out by the recovery clause in the War Veterans' Allowance Act.

We suggest that if recovery is to be made, only that amount of war veterans' allowance covering the period of the retroactive pension award should be deducted from the retroactive payment.

By Mr. Green:

Q. What do you mean by that?—A. I think you had the point very well discussed a little while ago. If a retroactive award is given for twelve months, not more than twelve months of war veterans' allowance should be deducted from it and the rest should be allowed to the veteran.

By Mr. Isnor:

Q. Which is correct, twelve or eighteen months, General McDonald?

General McDONALD: There are three dates on which pension can commence, first the ruling is made, then twelve months after the application is made. If it

is more than twelve months after the date of application the commission may give twelve months' retroactive payment, and in the case of special hardship in other cases another additional six months.

Mr. QUELCH: In some cases you do not make it retroactive at all. I know one case where a pension was awarded and it took five years to get it through but it was not made retroactive at all.

General MCDONALD: I would like to hear of that case, Mr. Quelch.

Mr. QUELCH: Perhaps I should give the name. It was an amputation case. I brought it up in the house.

General MCDONALD: If you will give me the name privately I will be glad to look into it. It may be if it had been made retroactive it would have all been absorbed in paying back war veterans' allowances. In that case you would be giving it with one hand and taking it with another. When that is done it only irritates the man. If the retroactive payments are going to be fully absorbed by the War Veterans' Allowance Act we tell the man that we cannot give him any more because it would only be taken from him by another board. If you will be good enough to let me have that case, Mr. Quelch, I shall be glad to look it up.

The CHAIRMAN: Proceed.

The WITNESS: Our next resolution has to do with war veterans' allowance to indigent widows.

The proposal to apply the provisions of the War Veterans' Allowance Act to indigent widows of ex-service men (who were either pensioners or who served in an actual theatre of war) until such time as there is adequate social legislation to take care of their need has been dealt with at length in the Legion's presentation regarding pensions.

The resolution adopted by the dominion convention in May, 1940, is as follows:—

> That pending the introduction by the government of adequate social legislation, which should include widows and their dependants among its beneficiaries, provision be made by an amendment to the War Veterans' Allowance Act to grant an allowance of $20 per month to:
>
> 1. The indigent widow of a pensioner who is not otherwise provided for.
> 2. The indigent widow of a recipient of war veterans' allowance.
> 3. The indigent widow of an ex-serviceman who served in a theatre of actual war.
>
> Providing they have reached the age of 55 or are physically unable to earn a livelihood.
>
> We further recommend that widows in the above classes under the age of 55 years with children to support, and not otherwise provided for, receive $40 per month until the children have reached the age of 18.

The CHAIRMAN: Are there any questions?

By Mr. Cruickshank:

Q. This was nearly all covered in the brief Mr. Woods read.—A. They have been referred to, yes.

By Mr. Isnor:

Q. Am I to understand that you are recommending benefits of the Act be payable to veterans residing in the United States?—A. We did not have a resolution on that, no. The point I was making there is if it were possible for these fellows to get back and immediately be placed on war veterans' allowances—

Q. Yes, you are suggesting the six-months' clause be eliminated. In other words, you favour those who during prosperous years went to the United States and earned big money and who would now like to return. You want the six-months' clause reference eliminated?—A. That is one way of putting it. Many went over for other reasons.

Mr. TUCKER: Did Mr. Woods deal with the possible objections to that, if there are any? I do not remember that he did.

The CHAIRMAN: No.

Mr. TUCKER: I wonder if we could just ask him about that, Mr. Chairman.

The CHAIRMAN: Mr. Woods, would you answer that question of Mr. Tucker?

Mr. WOODS: The question of influx from the United States if the residence rule of six months were removed was considered by the parliamentary committee in 1936 and in 1938 the Act was amended reducing it from twelve months to six months. Perhaps it might be interesting to the committee to read what was said by the Canadian Legion when the Act was under consideration. General Lafleche who at that time was Dominion President of the Canadian Legion was on the stand and the question was asked by Mr. Arthurs as follows:

By Mr. Arthurs:

Q. This morning I raised an objection to clause (*c*) of section 5, subsection (1). What do you say about that?—A. I agree very much with your thought in that connection, that three years may be a little too much to demand of these possible beneficiaries. If I might suggest something, sir, it would be to fix upon some qualifying term of residence.

Q. Why not take the provision in the description which you were quoting a while ago, "resident and domiciled in Canada" and let the pension continue only during the time while he is so resident and domiciled?—A. If you think that is sufficient, sir, I would have no objection to it.

Q. Would it be satisfactory to you?—A. Oh, quite. We would not like to see those persons flocking back to Canada just for the purpose of coming within the scope of this Act, and neither would you like that I am sure; I am satisfied you will arrive at some period which will safeguard that.

Q. There might be some case like this, where a man who would otherwise be eligible had friends in the United States, and because he has no friends here and no home in Canada, he would go to his friends in the United States; then perhaps if they died he would ordinarily want to come back to Canada?—A. Possibly so.

Mr. THORSON: That man probably would have retained his Canadian domicile, and when he comes back to Canada he has a residence here.

The CHAIRMAN: And is resident and domiciled in Canada, and to be only continued during such residence and domicile?

As the result of that discussion, the qualifying term was lowered to twelve months. The president of the Legion concluded his argument by saying that it was suggested that there would be an influx of men from the United States in order to get the allowance and that that was not desirable. They did, however, lower the required residence from three years to twelve months and later this was lowered after consideration by a parliamentary committee from twelve months to six months.

By Mr. Tucker:

Q. I wonder what Mr. Herwig would say with regard to the policy expressed then by the Legion?—A. We have changed our opinion very considerably because of representations we have received from down south. We have a number of branches there. I would not use the word "flock" because they do not come in such large numbers; they do not flock into this country.

Mr. CRUICKSHANK: Maybe it is the lease-lend bill.

The WITNESS: There does not seem to be any reason now for the stand taken by General Lefleche at that time.

Mr. TUCKER: Do you think that the condition is so altered that it would not at any rate be undesirable to have these people come back if they wanted to come back?

The WITNESS: I do not think so.

By the Chairman:

Q. Mr. Herwig, with reference to the veterans of the Riel rebellion, you would include veterans of both rebellions if any of the first rebellion still survive?—A. I think we take the ground that anyone who served under fire should come within the terms of this Act.

Q. It is not very probable that any veterans of the first rebellion are still living.—A. I doubt it. We do not know exactly how many there are.

By Mr. Isnor:

Q. In support of the cost of living increase, I cannot see that as an organization you have made any direct representations.—A. On the cost of living question itself we shall be making representations in respect of relief rates being paid—the unemployment assistance rates being paid by the department.

Q. In your cost of living comparison you mention 1931. Did you take that as a basis in comparison with the present year?—A. The Act came into existence in 1930, and Mr. Woods has already pointed out that we are still below the cost of living mark of 1930.

Q. In view of the fact that you are still 12 per cent below, do you still feel you are justified in saying that in view of the increased cost at the present time? I cannot coincide the two?—A. What I am getting at there is that I was not referring to the cost of living as such, I was referring to the power of the board—the Act enables the board to pay an allowance so that a married man's income will reach a maximum of $730 a year. They do not always do that.

Q. You cannot base your argument on the increase in the cost of living as between those two periods.—A. We have not submitted any argument; we are saying that the cost is now increasing.

Q. Increasing as compared with 1930?—A. I did not say that.

Q. If you are making a comparison you must take some one period.—A. I will say this that the majority of veterans' allowance awards have been made during the period when the cost of living is very low. If I remember correctly in 1930 the cost of living was about—I am not sure of the figures—it dropped suddenly about 20 points in less than two years, and the Veterans' Allowance Act came into existence in September 1930, and by 1932 anyway it dropped 20 points.

Q. I am not speaking against the increase, but I am speaking of the principle used in arriving at it.—A. The majority were awarded in the low periods, and now a raise has taken place and most of them feel it. They have been living on the allowances given during the low cost of living period and there has been an increase in the cost of living since that time.

Mr. CRUICKSHANK: Did I understand you to say that the cost of living was at its lowest in 1930?

The WITNESS: At its highest. In 1930 the figure was 120·8; in 1931 it dropped to 109·1; in 1932 it was 99; in 1933 it went to 94; then it began to rise again and the next year it was 95·7 and the next year 96·2; in 1936 it was 98·1; in 1937 it was 101·2; in 1938 it was 102·2; and in December 1940, it was 108. It may be around there now.

By Mr. Isnor:

Q. That is the point. Your percentages bear out the contention I was making that we are still below the 1930 costs. The figure was 120·8 as compared with December, 1940, of 108, or a difference of 12 per cent roughly.

Mr. GREEN: That is on a new basis. You are entirely ignoring the time when the bulk of these allowances were granted. In 1930 practically none were granted.

Mr. QUELCH: In 1930 the price level was falling. We all know that in 1930 we were going into a depression.

Mr. TUCKER: The reason why 1930 was taken as a base was that that was the year the Act was passed.

The WITNESS: In 1930 the figure was 120·8.

Mr. TUCKER: I say, Mr. Chairman, that so far as I am concerned about the suggestion for the removal of the six months' limitation with regard to people coming back into Canada and applying for this war veterans' allowance, if the Legion is really serious in pressing for some change in that regard I am in this state of mind that I feel they have not proved their case, they have not given us any idea of the numbers that would be affected or what effect it would have upon the situation of returned soldiers. In other words, they have not, as far as I am concerned, shown that there has been sufficient change in conditions to warrant the change of attitude in their own organization. It seems to me that if they want us to consider that, we should have some idea of the number likely to be affected and what effect it would have upon the whole situation—a more adequate reason for the change in policy. Of course, if they do not seriously press it, we should not waste any time on it.

Mr. GILLIS: Mr. Chairman, I think that the recommendations made by the Legion in respect to this matter are absolutely sound. Why should we put economic barriers up in this country which compel men to reside in another country—men who donned the uniform and fought as citizens of this country. Why should we set a period of six months or twelve months or twelve years? I think the opinion of the Legion as expressed by General Lafleche was absolutely wrong. At that time men were compelled to leave this country after returning from the war because they could not get a job. They took up residence in the United States. Why should we continue to keep that barrier up? These are men who fought for this country and who have been obliged to reside for ten years in the United States because they could not get a job in Canada, and they have a right to the provision laid down by the government with respect to protecting them against the time when they are unable to work. Those men are entitled to come back to this country and receive the same benefits as other Canadian soldiers receive. In this country some of the boys were lucky enough to be able to get a job.

Mr. TUCKER: I suppose Mr. Herwig will be getting us some more information?

The WITNESS: The resolution is really based upon representations made from our branches in the United States. I do not think there have been any large number of cases. The number would not run into hundreds or anything

like that. Every once in a while a branch will have some difficulty. Some man who, if he were residing in Canada would come under this legislation. There are several barriers to that man coming in. First of all, if he is British born he has probably lost his Canadian domicile, and the question of Canadian domicile arises in allowing him to come back; and then there is the question of money being available to send him back or keep him here for the six months he must remain. However, there are not a large number of cases. Sometimes these cases create hard feelings and bitterness which are not good for relations between the two countries. We should not have cases of this kind where, perhaps, for years they have been trying unsuccessfully to get a man his pension and the only thing left is the war veterans' allowance. It is a matter of relationship between the two countries, and it is better to bring such men back and put them on the war veterans' allowance. Whether that would bring them back in hundreds I do not know. If it once became known hundreds might come back, I cannot say. I would say no judging by the number of cases that have been brought to our attention in the last few years.

Mr. MUTCH: Don't you think it is unfair to refer to this matter as a barrier? The object is not to keep men from coming back but to ensure that they give evidence of good faith when they do come back. I am not sure that I would not remove this; I have not considered it; but certainly it should not be presented as a barrier designed to keep Canadian soldiers out of the country. There is nothing to prevent them coming back, but this does ensure that they cannot come back and exploit a certain type of social legislation without giving evidence of good faith.

The WITNESS: Yes, of course.

Mr. GILLIS: That man is not coming back to exploit anything; he is coming to receive the same compensation as you or I by virtue of the fact that we went to the last war. The great majority of them are in the United States because they could not get a job in this country.

Mr. MUTCH: That does not enter into it at all as many of them went over there to get a better job. I spent two years wandering around doing the same thing myself and I know what I am talking about; but I do take exception to any suggestion that we are building a barrier to keep our boys from coming back.

Mr. GILLIS: That is the way I see it.

Mr. MUTCH: That may be the effect of it.

The CHAIRMAN: Gentlemen, obviously we cannot come to a decision on this point to-day. Are there any other questions you wish to ask Mr. Herwig?

Now, I might ask Mr. Bowler if he has anything further to add. Would you prefer to have this put on the record and have Mr. Walker back here for questioning?

Mr. WALKER (Dominion President of the Canadian Legion): Last Tuesday we were asked to prepare a brief on the question of the preference. We have given very careful study to that and we are ready to report now. If you so wish it, our brief can go on the record and a copy will be handed each member of the committee, and I shall ask Mr. Bowler and Mr. Herwig, who have had many years' experience in pensions on civil service matters to hold themselves available for you gentlemen if questions are to be asked.

Mr. MUTCH: We might file the brief and have it printed in our record and we will be prepared to discuss it the next time we meet.

The CHAIRMAN: I assume, gentlemen, that it is your wish to place this brief on the record and we will have Mr. Bowler and Mr. Herwig available for questions at a later date.

THE CANADIAN LEGION OF THE BRITISH EMPIRE SERVICE LEAGUE MEMORANDUM *RE* DISABILITY PREFERENCE UNDER THE CIVIL SERVICE ACT

In discussing the disability preference it may be of value first of all to clarify the Legion's position and interests in the matter.

It should be clearly understood that the Legion is definitely not a disabled soldiers' association as such. Its membership is open to all who have served in His Majesty's Forces and have been honourably discharged and, while it is true that it has in its ranks a large number of pensioners, the fact is that the great majority of Legion members are non-pensioners.

The Legion's Constitution calls upon it to protect and further the legitimate interests of all concerned and particular emphasis is placed on its responsibility towards the disabled, and towards dependents.

The Legion's primary approach to the question, therefore, is on the basis of comradeship, and reflects the desire of those who have escaped injury to assist those who have not been so fortunate.

The second consideration from the Legion's standpoint, and not less important, is that, as a matter of practical common sense, it is obviously more difficult to rehabilitate a disabled man than a fit man. Special measures are necessary for this purpose. The disability preference is one of the means adopted.

Thirdly, also as a matter of practical common sense, the Legion believes that it is very much against the public interests to permit the existence of large groups of unemployed disabled men, whose pensions are for the most part inadequate to maintain them. Such a condition of affairs would create a public scandal.

It will be seen from the foregoing, therefore, that, in addition to the sentimental consideration of comradeship, the Legion's approach to the matter is governed by considerations of a practical and realistic character.

The Relation of Pensions to Earnings

It is a fact that a great deal of confusion still exists, in the Legion itself as well as elsewhere, as to the underlying principles governing awards of pensions and as to the right of a pensioner to supplement his pension by gainful earnings, if he can. The suggestion is not unfrequently heard that pension should be set off against salary, or wages. Very often one hears the question, "If a man is assessed at 100 per cent disability, how is it possible that he is still able to work?" Common, indeed, is the suggestion that the disabled man at least has his pension, whereas the fit man has nothing and is therefore in greater need of assistance.

With no claim to omniscience the Legion has necessarily given some study to these questions since the last war and, therefore, its views and opinions may be of interest.

The relationship of pensions to earnings was studied as far back as 1916, when the report of the special committee of parliament for that year contained the following recommendation:—

> That, to encourage industry and adaptability, no deduction be made from the amount awarded to such pensioner owing to his having undertaken work or perfected himself in some form of industry. The welfare of the State demands that so far as possible those who are at all able should endeavour to augment their pension allowance. If the pension granted were subject to reduction, owing to the recipient having remunerative work, your committee are of the opinion that a premium would be put on shiftlessness and indifference.

Dealing with this recommendation in the House of Commons, Mr. W. F. Nickle, K.C., a member of the committee, made the following statement:—

> The committee took perhaps a radical step in another matter, but a step that seems to me to have been fair. They said that a man in receipt of a pension should be entitled to the fruits of his labour; that if a man who had lost his eyes adapted himself to circumstances and was able to earn the means of life, if he had lost his feet or his hands, and had the pluck to again face life and through the advantage of vocational training, or otherwise, was able to secure employment in another sphere of activity, that man was entitled to keep what he earned. The committee took the stand that, if those who had suffered greatly in this war had the courage when they returned to endeavour to earn a fresh place for themselves in civil life, they should be paid their pension in respect of the physical disability they had suffered; and should also be entitled to what earnings they made, and that the earnings should not be deducted from the pension.
>
> To adopt any other scheme than this seemed to the committee to have as an inevitable result the encouragement of shiftlessness and laziness and the committee felt that in a country like this everything possible should be done to encourage the men to take on themselves fresh employment when they again returned to this country.

This report was approved by parliament and became the basis of pension legislation both then and for the future.

In the parliamentary committee of 1917 this question was again discussed, particularly with reference to the effect of the principle of re-establishment and vocational training.

The representatives of the Military Hospitals' Commission pointed out to that committee the difficulty which had been met with in undertaking re-establishment training until the soldier had been assured that increase in his earning power would not adversely affect his rate of pension. The Honourable J. S. McLennan in giving evidence on this point stated:—

> Last year, however, the Canadian parliament with the greatest wisdom laid down the general principle that increased earning capacity should not interfere with pension.

It was pointed out to the committee that, until posters had been distributed throughout the country emphasizing this point, it had not been possible to approach soldiers successfully, in order to induce them to undertake re-establishment training.

That committee included in its report the following recommendations:—

> That every returned soldier entitled to be placed on the pension list should have it made known to him at the earliest opportunity that the amount of his pension is based on the injury received, without regard to his subsequently acquired earning capacity. This will result in the pensioner being encouraged to make himself more efficient, physically and economically, knowing that his pension will not be decreased thereby. He will then naturally avail himself of the free and practical vocational training and re-education, and make wiser use of the separation and sustenance allowances now provided by the government through the Military Hospitals' Commission. The object of this is that the returned soldier may, at the earliest possible date, secure suitable employment, and, once more, assist in national production.

Subsequent parliamentary committees have accepted this principle without comment and without any further amendment or discussion, including the Ralston Commission of 1923 which made probably the most exhaustive and complete study of re-establishment conditions made by any public body.

In the original Pension Act of 1919, the principle referred to was clearly enunciated. Section 15 states:—

> The occupation or income or condition in life of a person previous to his becoming a member of the forces shall not in any way affect the amount of pension awarded to or in respect of him.

Section 24 (4) states:—

> No deduction shall be made from the pension of any member of the forces owing to his having undertaken work or perfected himself in some form of industry.

Both the above sections have remained without change since the inception of the Pension Act. They have been closely examined by Parliamentary Committees, studying the Civil Service Act as well as the Pension Act, but no modification of the principle has resulted. In or about 1933, a proposal contained in the Budget of that year appeared to have the effect of setting off disability pension against salaries in the case of Government employees, but on representation being made the proposal was withdrawn.

Now, there is no doubt at all that the spirit underlying the adoption of the principle that permitted pensioners to secure gainful employment without prejudice to their awards was a generous one and it is still so regarded. It should be pointed out, however, that there were other considerations of a very practical nature, which undoubtedly had a substantial bearing on the decision arrived at. One of these considerations is referred to by Mr. Nickle (quoted above) when he pointed out the danger of encouraging shiftlessness and laziness, if pensioners were only permitted to work at the expense of their pensions.

However, in The Legion's opinion there was another and more formidable consideration.

The problem faced by parliament at that time was that of devising a basis of award which would give reasonable compensation for the disability suffered, but which would avoid compensation on the basis of pre-war occupation, and would eliminate the necessity for relating the future rate of pension to the future occupation of the pensioner. On a purely equitable basis compensation should be based on post-war capacity to carry on pre-war occupation. On this basis, however, large pensions would have to be paid, for example, to expert musicians who suffered loss of fingers, whereas the compensation to the unskilled labourer with the same disability would be comparatively small. It is not difficult to imagine numerous examples of the same nature. The loss of a hand might involve hundreds of thousands of dollars, through his life time, to a skilled surgeon; whereas, under appropriate conditions certain types of unskilled labour can be carried on with an artificial hand. From the point of view of equity the compensation should meet the circumstances of each case.

In the first place, it is obvious that a pension system of this nature would involve vast inequalities in awards, which would be the source of constant controversy and discontent; and secondly, the administrative task of determining each individual award and of varying it to conform with the future vicissitudes in life of each pensioner would be extremely difficult and tremendously complex. It is easy to understand that it was desired, at all costs, to avoid procedure of this nature.

Therefore, the ultimate decision was to lay down a flat rate of pension for all (excepting senior officers) regardless of pre-war or post-war occupation, and the measuring stick for determining the extent to which pension should be paid was the capacity of each individual to perform common labour, regardless as to his true occupation.

It will be seen, therefore, that the Pension Act does nothing more than afford a rough and ready method of compensation for disability, applied indiscrimin-

ately to all. It made no effort, whatsoever, to afford compensation according to the circumstances of each case, and it adopted the lowest possible measure of compensation, namely, common labour.

Now, it is possibly true that under this system some few men have received as much as or more than they were capable of earning had they not been disabled. It is also undeniably true, however, that a whole host, if not indeed the great majority of those who served in the Canadian Expeditionary Force, possessed occupational potentialities far beyond the field of common labour.

It is for this reason, therefore, that pensions under our Canadian system cannot be related to earnings, and it is for this reason that the pensioner has been given complete freedom throughout to supplement his pension in any way he can. The pension simply compensates him for the disability he suffers, and lives with, and there has never been any intention to remove those benefiting under the Pension Act from the field of employment. Had this been the intention, an entirely different, and much more complex and expensive basis of operation would have been necessary.

It is hoped that this survey may assist in clearing this issue and in answering the questions propounded at the outset. The fact that a man receives 100 per cent pension simply means that he has no value in the unskilled labour market. That is the measure of his compensation. In some cases it is true that the nature of the disability is such that useful activity is very limited or impossible, but in a great many cases many fields of useful activity still remain, and in some instances special qualifications and abilities may not be impaired at all. Nevertheless, disability according to the labour market exists, and pension is accordingly paid on this standard. Just as the disability is the peculiar possession of each individual, so is the pension for it. It has nothing to do with earnings.

Principles Underlying Disability Preference

Once it is accepted that the pension of a man suffering war disability bears no relation to his earnings, the approach to the principle underlying the disability preference in the Civil Service Act is greatly clarified. There is no longer any need to consider the argument that pension is intended in whole or in part as a substitute for employment, and that the person enjoying both is receiving some sort of illicit benefit.

The fact is that, while the disability preference is undoubtedly a generous measure, nevertheless, generosity is by no means the major consideration.

It is the acknowledged responsibility of the state, at the termination of a war, to assist in the rehabilitation into civil life of those who have served. This principle applies to all. In practical application, however, the problem divides itself into two main headings:—

(*a*) Rehabilitation of the fit.
(*b*) Rehabilitation of the unfit.

It is obvious on the face of it that the rehabilitation of the latter class presents the greater problem, a problem which is not diminished in any way by the fact that these men are in receipt of pension.

It has already been shown that pension has no relation whatsoever to earning capacity, and in any event it should never be forgotten that pension is only payable in accordance with the extent of the assessed disability. The great majority of pensions paid are extremely small and would not begin to provide adequate maintenance, even if that was the intention.

It is of no avail from the point of view of rehabilitation to argue that pension is intended to equalize matters as between the wounded man and the fit man; and that, therefore, they should be treated on an equal basis. Payment of pension does not lessen in any way the problem of securing employment for a disabled man. The handicap of his disability still remains.

From the inception, therefore, the government of Canada has recognized this special responsibility towards the disabled. It realized that this responsibility

was not discharged by payment of pension, and at an early date it introduced special measures to deal with the problem. Amongst these might be mentioned the vocational training plan, which was for the benefit of those not able to carry on their pre-war occupation; and also the plan whereby employers are indemnified against compensation claims in respect to disabled men in their employ.

To state the point in simple language, the government realizes that, if left to his own choice, the average employer would prefer to hire the fit man rather than the unfit. First, because he could naturally expect greater efficiency; and secondly, because of the absence of risk of injury, etc.

Exactly the same consideration applied in respect to the Civil Service. The Government, like any other employer, desires to secure the maximum of returns for salaries paid and would, under ordinary circumstances, quite naturally select the fit as against the unfit.

Under these conditions, the chances of a disabled ex-service man securing employment in the Government services would have been negligible. It was to correct this, and to make sure that above all things the disabled should not be without employment, that the Disability Preference was introduced.

There can be no doubt but that one of the considerations on the part of the Dominion Government in establishing this measure was to set an example to Provincial and Municipal authorities and to employers generally. They wanted no large class of unemployed pensioners and special measures, the Disability Preference amongst them, were necessary to achieve this objective.

The original preference clause in the Civil Service Act was introduced in 1918. This clause places any returned soldier who served Overseas, and who qualifies in a competitive examination, over any person who did not serve Overseas, regardless of his standing.

The Disability Preference was not included in the Act until 1921, three years later. This clearly indicates that difficulties had been encountered in rehabilitating disabled men and that unusual methods were required.

The Disability Preference applies only to those who:—

(1) have not been re-established,

(2) are not able to follow their pre-war occupations because of war disability,

(3) have expressed a desire to claim the Disability Preference.

It is necessary for this class also to qualify by competitive examination before the preference can apply. It is also necessary that the man be physically capable of performing the duties of the position.

Judging by results, the Disability Preference has proved to be the most effective method of rehabilitating disabled men in the Government service yet introduced. 3,178 persons who claimed and were considered to be entitled to the Disability Preference have been employed since 1921. Of these 2,442 received their disabilities serving Overseas, while 736 served in Canada only.

It will be seen, therefore, that, as a re-establishment measure, the Disability Preference has stood the test of time and has enabled the Government as an employer to contribute substantially, by Act and by example, to the solution of a most difficult problem.

It is believed that the great majority of these men have proven satisfactory in their positions and that complaints have been few and far between. The opinion of the Chairman of the Civil Service Commission might be obtained in this regard.

The experience of the Legion is that the Disability Preference operated smoothly and without objection for some twelve to fifteen years. It was accepted by all concerned that the disabled man should be helped over the stile; and this notwithstanding the fact that he was in receipt of pension.

It was during the depression years, when unemployment and consequent hardship and distress became rife, that for the first time real objections to the preference were advanced. In the midst of suffering, the original principles were subjected to question; and it was argued that, whereas the pensioner at least had his pension, the unemployed fit man had nothing, and that, therefore, if any special help should be given to anyone, it should be to the latter, particularly if he had dependents. In a time of economic chaos, this attitude can be readily understood.

The question to be decided, of course, is whether objections to the Disability Preference on this basis outweigh its value as a rehabilitation measure. It is the Legion's considered opinion that they do not. As has been stated, this question has been discussed exhaustively at Legion Conventions and every angle has been argued with vigor and force. The Legion still believes, however, that the Disability Preference should be maintained. For the reasons given above, it is believed that the principle is sound.

At the same time, however, in the light of apparent inequities and injustices which may have occurred in some instances, the Legion believes that the majority of the difficulties encountered might be avoided if the Civil Service Commission is given authority, in its discretion, to take into consideration the economic factor in each case.

Other Objections

Questions have arisen as to the disability preference being extended to small pensioners. Often the individual may not appear to be suffering from any great handicap, which ordinarily would mark him out for special consideration; and other ex-service applicants, not understanding all the factors involved in the case, may complain. Sometimes objection is also raised by the department concerned, when better qualified men would otherwise receive the appointment.

This objection is met for the most part by pointing out that, more often than not, the small pensioner would not be prevented from following his pre-war occupation because of his disability. In any case, he is not given the preference unless he claims it and establishes his right to it. A further important point is that the understandable and natural desire of the departments concerned to secure the best man is one of the very reasons that the disability preference had to be established, otherwise disabled men would have been shut out of the service altogether.

Another consideration for complaint arises out of the granting of the disability preference to men, who served in Canada only. The only answer to this is that, if a man is disabled as a consequence of service, then, regardless of where he served, he will require special measures for his rehabilitation.

Suggestion for more Scientific Placements

Some years ago a plan for training disabled ex-service men for government positions was introduced by Order in Council. The object of this measure was to fit disabled men into work suited to them and their disabilities. This plan involved a period of training in the job itself.

For various reasons this Order in Council did not achieve its objective. In the first place, it was not easy to find vacancies in permanent positions which could await a training period. Furthermore, the Order in Council was subsequently declared ultra vires of the Civil Service Act and as a result the plan ceased to operate.

Since then the Civil Service Commission has introduced special measures to deal with certain types of disability cases (amputations) by individual placement in positions where the physical handicap does not affect efficiency to any measurable extent.

The Legion feels that further exploration of the facilities in this direction might be undertaken to advantage, with resulting felicitation of the administra-

tive functions of the Civil Service Commission, and with perhaps more effective results to the individual and to the department concerned. This proposal, however, would not involve the abandonment of the principle of the disability preference, but only a more scientific method of its application.

During the course of the committee's proceedings, certain questions were addressed to the Legion, dealing with the following points:—

Preference to Ex-Service Men of the Present War

In advancing the proposal that the preference to ex-service men should be applied to veterans of the present war, the Legion has regard primarily to the position already stated; namely, that the new soldiers should be treated with no less consideration than the old. The Legion believes that along general lines the application of the preference should remain unchanged.

The question will arise, however, as to place of service. In the case of the last war, the essential qualification was laid down that the man must have served "Overseas on the Military Forces of His Majesty, or on the High Seas with a sea-going ship of war in the Naval Forces of His Majesty, or of any of the allies of His Majesty. . ."

The Legion does not believe that the new ex-service men should necessarily be limited by the conditions governing the old war. The matter should be governed by the circumstances in each case. If, therefore, in the case of the present war, the definition of "theatre of actual war" should be broadened, to include, if deemed desirable, parts of Canada, the Legion thinks that this definition might conveniently and appropriately be taken as the basis of eligibility for the preference.

Relationship between Old and New Veterans

The question also arises as to whether there will be any conflict between the veteran of the last war and of the new war in respect to the preference.

The Legion believes that the conditions of eligibility for the old war should remain unchanged, and in respect to the new war, should be governed by new circumstances. Once eligibility is established, however, there should be no distinction between the old veteran and the new, except that certain types of positions might be designated exclusively for men in the age group into which the majority of veterans of the last war would fall.

Preference to Veterans of the Imperial Forces

The present legislation makes it quite clear that men who served in the Imperial Forces are to receive the preference, providing they meet the domiciliary requirements of not less than five years' residence in Canada. This was no doubt undertaken not only as an indication of Empire comradeship, but also as an encouragement to British immigration. The same considerations will, undoubtedly, arise in regard to the present war.

There have been objections to the Imperial Preference, but these do not as a rule come from Canadian ex-service men who, generally speaking, are inclined to regard the Imperial soldier as a comrade deserving equal consideration.

It is to be noted that the Special Parliamentary Committee of 1938 to consider the Civil Service Act dealt with this question extensively and no change was recommended in so far as Imperial ex-service men are concerned.

One of the objections frequently expressed was that the preference was granted to a British soldier who did not serve outside of the British Isles. It will be difficult to argue in the present war that the British Isles is not a "theatre of actual war".

Preference to Allies

The question of modifying the preference to the Allies of His Majesty in the war of 1914-18 received the consideration of the Parliamentary Committee in 1938, when the following recommendation was made:—

> Your Committee is of the opinion that the preference granted by sections twenty-eight and twenty-nine of the Act to persons who have served overseas in the military or naval forces of His Majesty's Allies shall apply only when such persons are natural born or naturalized British subjects, and also had been resident in Canada before the Great War.

The Legion is in accord with this recommendation in so far as it applies to the veterans of the war of 1914-18. This formula would also appear to be appropriate in dealing with veterans of His Majesty's Allies in the present war.

Allied Veterans whose Countries are now Enemies

The point has been raised in this Committee that, under the legislation, persons whose country of origin is now at war with the British Empire are entitled to receive the preference. The case of Italian ex-service men in particular is cited.

In the opinion of the Canadian Legion, there is no justification for denying previously established rights to such persons unless their subsequent conduct has been such as to cause suspicion of their loyalty to Canada and to the Empire.

On the basis of the 1938 Committee Report, quoted above, the preference would only apply to an ex-ally who had been resident in Canada prior to the Great War, and according to section 33 of the Civil Service Act only when such persons have become naturalized.

The CHAIRMAN: Gentlemen, at our next meeting we will hear from the Canadian Corps Association representative very briefly, and then I think we should proceed at once to discuss certain sections of the bill that are controversial, taking evidence at the same time as we go along.

Mr. CRUICKSHANK: Shall we be allowed to hear Major Bowler on this matter?

The CHAIRMAN: Certainly.

Mr. GREEN: And on the question of the Imperials?

The CHAIRMAN: Oh, yes.

The committee adjourned to meet Tuesday, May 13, 1941, at 10 o'clock a.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 16

TUESDAY, MAY 13, 1941

WITNESSES

Colonel C. E. Reynolds, President of the Canadian Corps Association.
Dr. W. C. Givens, Secretary, Canadian Corps Association.
Mr. J. R. Bowler, General Secretary, Canadian Legion, B.E.S.L.
Mr. Richard Hale, Chief Pension Adviser, Canadian Legion, B.E.S.L.
Captain George Kermack, Representative Imperial Division, Canadian Legion, B.E.S.L.

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1941

MINUTES OF PROCEEDINGS

TUESDAY, MAY 13, 1941.

10.00 a.m.

The Special Committee on the Pensions Act and the War Veterans' Allowance Act met this day at 10.00 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Black *(Yukon)*, Blanchette, Bruce, Cruickshank, Emmerson, Ferron, Gillis, Green, Isnor, Macdonald *(Brantford)*, MacKenzie, *(Neepawa)*, Mackenzie *(Vancouver Centre)*, MacKinnon *(Kootenay East)*, Macmillan, McCuaig, McLean *(Simcoe East)*, Mutch, Quelch, Reid, Ross *(Souris)*, Sanderson, Tucker, Turgeon, Winkler, Wright.—25.

In attendance: Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission.

The Minister advised the Committee that a new Order in Council had been passed granting treatment to members of the Canadian Active Service Force for one year after discharge.

The Chairman informed the Committee that the medical history of a case referred to by Mr. Walker would be placed before the Committee.

Colonel C. E. Reynolds, President of the Canadian Corps Association, was called, examined and retired.

Dr. W. C. Givens, Secretary of the Canadian Corps Association was called, examined and retired.

Dr. Bruce moved that payment of the travelling expenses of Colonel Reynolds and Dr. Givens, who appeared as witnesses before this Committee to-day be authorized. Motion adopted.

Mr. J. R. Bowler, General Secretary of the Canadian Legion and Mr. Richard Hale, Chief Pension Adviser of the Canadian Legion, were recalled and examined.

The Minister submitted orders in council and reports of the Inter-departmental Committee dealing with matters in connection with funeral arrangements for deceased members of the Forces. This was ordered printed as Appendix "A" to this day's evidence.

Medical treatment and Hospitalization was dealt with by Mr. Hale.

The Witnesses then retired.

The Committee adjourned at 1.00 o'clock p.m. to meet again at 8.00 o'clock p.m. this day.

TUESDAY, May 13, 1941.

8.00 p.m.

The Committee resumed at 8.00 p.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Blanchette, Cleaver, Cruickshank, Emmerson, Gillis, Green, Isnor, Macdonald *(Brantford)*, MacKenzie *(Neepawa)*, Mackenzie *(Vancouver Centre)*, MacKinnon *(Kootenay East)*, Macmillan, McCuaig, McLean *(Simcoe East)*, Quelch, Reid, Ross *(Souris)*, Sanderson, Tucker, Turgeon, Winkler.—21

Captain George Kermack, Representative of the Imperial Division of the Canadian Legion, B.E.S.L., was called, examined and retired.

The Committee went into *camera* to consider Bill 17, an Act to amend the Pension Act.

The Committee adjourned at 10.40 p.m. to meet again on Thursday, May 15, at 10.00 o'clock a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

ROOM 277,

May 13, 1941.

The Special Committee on Pensions met this day at 10 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Gentlemen, the minister wishes to make a statement before beginning our proceedings.

Hon. Mr. MACKENZIE: It might be of interest to the committee to know that on the 3rd of April, before the Easter recess, I made a recommendation to Council in regard to the treatment for one year after discharge of all the men who were discharged in the present war. That recommendation went through last Saturday. I think possibly the order-in-council might become part of the proceedings; it would be of interest to members of the committee.

P.C. 2763

Privy Council, Canada

AT THE GOVERNMENT HOUSE AT OTTAWA,

SATURDAY, the 10th day of May, 1941.

HIS EXCELLENCY,

THE GOVERNOR GENERAL IN COUNCIL:

Whereas by virtue of the regulations established by order in council P.C. 3005, dated the 5th October, 1939, former members of the naval, military and air forces who have served on active service during the war with the German Reich are placed on a parity in all respects, in so far as the matter of treatment and other benefits associated therewith are concerned, with former members of the naval, military and air forces who served during the great war.

And whereas by virtue of such regulations the Department of Pensions and National Health may, in addition to any hospital treatment required for a service related disability, furnish active remedial treatment for non-service related disabilities, not otherwise obtainable, when required by pensioners, and non-pensioners, where, in the case of non-pensioners, they saw meritorious service in a theatre of actual war, the purpose of the provision of such treatment being to remove or alleviate conditions which prevent such persons from obtaining or continuing in employment;

And whereas the Department of Pensions and National Health has been charged, since the above regulations were established, with the implementation of further schemes leading to the re-establishment in civil life of all former members of the forces, and it is considered that, as a means to that end, the Department should also be empowered to provide such active remedial treatment, not otherwise obtainable, as may be required within a reasonable period subsequent to discharge by all former members of the forces who served on active service during the war with the German Reich, irrespective of the place of service.

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Pensions and National Health, is pleased to amend the regulations established by order in council P.C. 91, dated the 16th January, 1936, passed under and by virtue of the Department of Pensions and National Health Act, Chapter 39 of the Statutes of 1928, and they are hereby further amended as follows:

1. The following class is added to Clause 2 immediately after Class 19:—

Class 20,—A former member of the forces who served on active service during the war with the German Reich and who is not otherwise qualified for treatment under this order in council, but who in the opinion of departmental medical authority requires active remedial treatment for an acute disease or disabling condition not attributable to service, subject to the same terms and conditions as to admission and treatment as apply in the case of former members of the forces admitted to treatment under Class 2 of this clause; provided, however, that admission under this class shall not be authorized upon a date more than one year subsequent to the date of discharge from the forces.

2. The following class is added to Clause 19 immediately after Class 19 thereof:—

Class 20,—Comforts and clothing (Clause 16).

A. D. P. HEENEY,
Clerk of the Privy Council.

The Hon. the MINISTER OF
PENSIONS AND NATIONAL HEALTH.

Mr. GREEN: Does that mean free treatment for all men in the active army?

Hon. Mr. MACKENZIE: All men who have been discharged, regardless of pension or otherwise, who are in financial need and cannot provide treatment for themselves. It is similar to one that was passed after the termination of the last war, not during the last war, and I believe will enable the department to effect re-conditioning medical treatment in many cases where we could not otherwise have the authority.

Mr. GREEN: That stands for a year from the date of discharge?

Hon. Mr. MACKENZIE: A year for every man from the time of discharge.

Mr. REID: That applies to all enlistments in the R.C.A.F.?

Hon. Mr. MACKENZIE: In the present war.

The CHAIRMAN: Are there any questions? You will recall that at our last sittings a case was referred to by Mr. Walker, the president of the Canadian Legion. This case has been investigated, and I have here a complete record of that man's service.

Mr. TURGEON: Who was the man?

The CHAIRMAN: I would prefer not to state his name in public. I was going to remark that I have this copy, and I shall endeavour to have copies made for each member of the committee. I do not think it is advisable to place this on the record, if that is satisfactory.

We are to hear this morning from the representative of the Canadian Corps Association.

COLONEL C. E. REYNOLDS, President, Canadian Corps Association, called.

The WITNESS: Mr. Chairman and members, I should like at the outset to congratulate the government on the institution of this parliamentary committee to investigate these matters. We feel that by this action the government have demonstrated their desire to do everything possible to improve the Pensions Act and rehabilitation.

As president of the Canadian Corps Association, I should like to make a few remarks and then call upon the chairman of my pensions committee to present a brief to the committee.

As a means of introduction, I should like to say a little bit about the Corps. The Canadian Corps Association was formed in 1934, immediately after the first Corps reunion held in Toronto. The idea originated with a group of N.C.Os., who felt it was desirable to have an ex-service men's organization which would bring in the senior officers and would carry out the ideals which prompted Earl Haig to organize every one in the mother land.

The Association was formed on the basis of the wartime units of the Canadian Corps and men were asked to re-join their units. At the re-union in 1938, attended by upwards of 100,000 veterans, certain principles were presented and subscribed to by the unit associations. These principles embodied the idea that Canada's destiny must be fulfilled as an active member of the British Commonwealth of Nations; that our familiar democratic institutions and practices must be preserved and improved; that everything which tended to weaken and undermine our democracy must be combated, and, in general, our political and economic life be made to conform more closely with the ideals of true democracies.

The Association also at that time advocated the establishment of an adequate national defence force. In addition, it advocated that proper attention be given to the problems of ex-service men in regard to employment, pensions, hospital care and general welfare.

The Association has never departed from the principles at that time accepted. It has endeavoured unselfishly to work in the national interest, and has been particularly active in this regard since the outbreak of war. It is suggested that the Association is worthy of consideration for certain specific actions which have resulted in the formation of the Veterans Guard of Canada and the reserve companies of this Guard. These formations alone have given potential employment to not less than 15,000 who are giving service of vital national interest at the present time. The Association has taken a keen interest in the question of giving adequate vocational training to young men in Canada. Before the outbreak of war, it formulated a national plan of vocational training which was accorded very extensive public approval. It is still pressing for the adoption of this plan, both as a necessary war measure, and an essential aid to the country during the period of demobilization, which must follow our final victory. The Association has succeeded through its efforts in securing extension of vocational training through the secondary schools and the qualified men for industrial employment. It has from the outbreak of war, given a great deal of time and effort to the placing in civilian employment of ex-service men from the great war, and young men discharged from the present army. It will continue this work to the full extent of its power. It has also been instrumental of securing for the active army, many veterans of the great war for special duties, which they are well qualified to perform. The Association from its inception has taken a special interest in the cases of ex-service men involving pensions. By reason of its years of study of such cases, it feels it is well qualified to give a testimony before this committee. In this connection it would like to be on the record as saying that it has always worked very closely and with complete harmony with the officers of the department, particularly those in Christie Street Hospital. Their advice has not only been sound, but it has been given readily and without regard to the additional work involved.

The Canadian Corps Association is organized under provincial councils in the following provinces: British Columbia, Alberta, Saskatchewan, Ontario and Quebec. The whole is controlled by a dominion council representing all nine provinces. Its membership cannot be exactly stated as it is a reflection of the changing internal situation in the country, but it is safe to say that not less than 150,000 ex-service men subscribe to and approve its policies. As far as pension activities are concerned within the association, pension committees in units collect evidence and then utilize the veterans' bureau in every instance, with complete satisfaction. Units pass resolutions and forward to council, who in turn refer to chairman of the pensions committee.

In that respect I should like to read a letter that was addressed to the late Hon. Norman McLeod Rogers, Minister of National Defence, dated October 11, 1939. It reads: —

> At a meeting of the Dominion Council of the Canadian Corps Association, held on October 5, 1939, a general discussion regarding the keeping of medical records during the war was held; the feeling being that mistakes made in the last war in recording medical histories must be obviated in the present struggle, in justice both to the men affected and to the country.
>
> As a result, the following resolution was adopted:—
>
> That the following medical records be obtained concerning all enlisted soldiers, (*a*) urine examination; (*b*) blood pressure; (*c*) blood-Wasserman; (*d*) blood typing; (*e*) X-ray of chest;
>
> That consideration be given to this question of recording medical information in a man's pay-book, in addition to recording it in his casualty form;
>
> That unit medical officers be required to keep war diaries, for the purpose of recording medical information.
>
> It would be appreciated if this could be put into effect.

I do not pretend to be an expert on pension matters, but we have a very capable pensions committee under the capable and able chairmanship of Dr. W. C. Givens, who has prepared a brief; and with your permission, Mr. Chairman, I should like to call on Dr. Givens at this time to present that brief.

The CHAIRMAN: Before you withdraw, are there any questions that members of the committee would like to ask Dr. Reynolds?

By Mr. Isnor:

Q. I should like to ask Colonel Reynolds whether their various branches throughout the dominion all bear the same name?—A. Yes, they are all the same name now. At one time they were not. But about six months ago the change was made. B.C. was the only one that operated under another name, and it is now operating under Canadian Corps Association.

Q. Where is your headquarters in Nova Scotia and what is the name of your branch there?—A. I do not say that we have a branch in Nova Scotia. We have a man in Nova Scotia, Mr. A. G. Smith, who represents the corps there. I have not said that we had a branch all over the provinces.

Q. You said in nine provinces?—A. No. I said we had representatives in nine provinces. If you want to make that clear I will name the provinces that we have provincial representatives in.

Q. No. I was just seeking information. That was all.—A. In that regard I said:

"The Canadian Corps Association is organized under provincial councils." Then I said, "The whole is controlled by a dominion council." It is not organized in every province in the dominion. It is organized in British

Columbia, Alberta, Saskatchewan, Ontario and Quebec, in provincial councils. In the other provinces we only have, in many cases, one; in one case one and in other cases three and four outstanding veterans there who get all briefs and all resolutions and comment and pass them as the case may be before we adopt them. But we are operating under provincial councils.

By Mr. Ross (Souris):

Q. May I ask who your representative is in Manitoba?—A. In Manitoba it is W. E. MacDonald, in Winnipeg, who is on the council. In fact there are others there. There are four others there. He is the main councillor. He is on the dominion council, W. E. MacDonald.

The CHAIRMAN: Are there any other questions?

Mr. ISNOR: Just one more. Who did you say your representative was and where does he live in Nova Scotia?

The CHAIRMAN: Mr. Smith.

The WITNESS: Mr. Smith in Halifax.

The CHAIRMAN: Thank you, Colonel Reynolds.

The WITNESS: I will now call on Dr. Givens. I have a number of copies of Dr. Givens' brief if you would like to have them passed around to the members.

Dr. W. C. GIVENS, Chairman, Pensions Committee, Canadian Corps Association, called.

The CHAIRMAN: Proceed, please.

The WITNESS: Mr. Chairman and members of the special committee on the Pension Act and War Veterans' Allowance Act:—

As chairman of the Pension Committee of the Canadian Corps Association (in Ontario) I have studied Bill 17—An Act to Amend the Pension Act—and the views I express are the unanimous opinions of the Council of the Canadian Corps Association in Ontario.

Having read certain of the evidence submitted by representatives of some of the veterans' organizations, and having noted the many pertinent questions which members of your special committee have asked, it is plainly evident, that you, as well as we, are desirous of having a satisfactory Pension Act. In using the term "satisfactory" we wish it to be understood that both the soldier and his country should get a square deal. Parliament has, however, in earlier years, decided that where a doubt exists in any case, the benefit of the doubt must be given to the soldier or his dependents.

I shall follow the Bill 17 as printed.

Section 1, paragraphs (i) (j) and (p) require no comment.

It meets with our approval that the government on November 10, 1939, under P.C. 3359, made provision for the payment of pensions to such persons employed in ships of Canadian registry or licence, and such Canadian salt-water fishermen, as, in the pursuit of their callings, suffer disabilty or death as a result of enemy warlike action, or counter-action taken against the same.

May I be permitted here to ask if similar provision is made in cases of members of Salvation Army, Y.M.C.A., K.O.C., educational workers, Legion war services, etc.

If they have not been, gentlemen, I submit that that should be arranged.

The CHAIRMAN: That is all being considered by the committee.

The WITNESS: We are in favour of that.

Re—Paragraph (o) "Theatre of actual war"—

It will be very difficult to give a complete definition now, but it should be broad enough to include any and all areas, on sea, on land, or in the air, where danger or hazard of war might be experienced by any member of the forces.

We might vest temporary authority, subject to appeal by an applicant, in the Canadian Pension Commission to decide or define an actual theatre of war, in each case, pending cessation of hostilities.

Section 2, Page 2—requires no comment.

Section 3 (b)—Page 2—

In selecting commissioners, and I will have more to say a little later on that, we would stipulate—

(1) That each appointee shall have served in an actual theatre of war, during the Great War or the war with the German Reich.

(2) All branches of the services—naval, military and air, shall have representative commissioners.

(3) Consideration should be given to the advancement of members of staff of Department of Pensions & National Health, both medical and lay, to the rank of commissioner, etc., who by virtue of long and faithful service, should by now be particularly qualified for this type of work.

Section 4, Page 2—

No discussion.

Section 9, Page 2—

I am just recording that the pension commissioner may have pension for life—

"The Governor in Council . . . . may grant to him a pension for his life not exceeding one-third of the salary to which he was entitled as such member."

No comment.

Section 5, Pages 3, 4 and 5—

The most important question to be decided by you, in my opinion, is whether or not the "insurance principle" is to be applied to soldiers who incur disease or disability, not in an actual theatre of war.

After long and careful thought, we are of the opinion that the insurance principle, which was removed by order in council effective May 21, 1940, should be restored and made retroactive.

The reasons for this opinion will be discussed under the headings (1) death due to accident or sickness (2) disability due to accident or sickness.

(1) (*a*) Whereas prior to May 21, 1940, widows of members of the Canadian forces who lost their lives as a result of accidents or illness are now in receipt of pension; and whereas in cases of a similar nature, death having occurred after May 21, 1940, the dependents are not eligible for pension—the Canadian Pension Commission having ruled that death was not directly connected with Military Service—we feel there is unjust discrimination, and that all such cases should be considered on an equal footing.

(*b*) We believe the vast majority of those enlisting for military service during the present war, were motivated by the highest ideals of patriotism and naturally expected that the State would afford the same degree of protection for their dependents, in case of death, as prevailed during the Great War.

(c) We have had some cases brought to our attention where death has occurred since May 21st, 1940, as the result of an automobile accident involving soldiers going on, or returning from leave, and ruling has been given that the dependents are not eligible to pension. Surely it must be admitted that the soldier would not have met his death in that place but for the fact that he was in the service of his country. In many such cases, the widow and his dependent children must apply for and rely on assistance from the Mothers' Allowance Commission and this assistance is not immediately forthcoming, resulting then in the necessity of application for relief. She must then try to secure employment in an endeavour to maintain her family. But for her husband's enlistment, there are strong possibilities that he would have been employed and thereby able to provide his family an average degree of protection and make provision for future security.

We are therefore, strongly of the opinion, that in all cases of death involving a member of the forces, the dependents should be pensioned, except where it is shown without doubt, that the soldier died as a result of misconduct.

(2)———The same principle applies to those members of the Canadian forces who incur disabilities as a result of sickness or injury. We are not unmindful that in many instances, the benefits derived as a result of the Insurance principle are very generous.

However, it must be admitted that soldiers are more exposed to infectious diseases than men in civilian life, e.g. measles, mumps, influenza, pneumonia, meningitis, etc., and frequently disabling complications result. The presence of many soldiers sleeping close together in one hut is doubtless the responsible factor. Exposure to elements might also be cited .

Then we dress our soldiers in khaki so that it may be difficult for the enemy to see them. It is equally difficult for autoists to see them, and consequently many soldiers are injured, especially at night.

(I am just quoting part of what appears in the bill).

Section 5 (c) Page 4

"———but no pension shall be paid for a disability or disabling condition which at such time was *"wilfully concealed"*.

Section 5 (c) Page 4 "wilfully concealed," cont'd.

This is a term that implies dishonesty or fraud. We strenuously protest the use of this phrase, and insist that the Canadian Pension Commission be refused permission to use it, except where there is undoubted proof.

It should not be permissable for them to use the term as in the past, casting a slur on the soldier—and then placing the onus on the soldier to disprove it.

In the case of a policy-holder and an insurance company where fraud, etc., is suspected, or information is wilfully concealed, the onus is on the insurance company to prove dishonesty in court.

The pension commission, representing the government, should be in the same position as an insurance company in cases of suspected wilful concealment.

Section 5 (f)—

"———No pension shall be paid for disability or death incurred by a member of the forces, during leave of absence from military service, unless his disability or death was attributable to his military service".

In the explanatory notes, the reference is only to air personnel on leave, to act as instructors to civilian aviation clubs.

I ask this question: Is this not war work? There is no question of doubt that a lot of these men acting as instructors have trained men wearing the uniform so that they would more quickly become pilots and get their wings.

Section 5 (2) Page 5—

If the insurance principle is restored, the date May 21st, 1940, will be deleted.

Section 6, Page 5—

I would like to read this section 6 of the bill which appears on page 5 of the bill and then discuss the brief.

> "that in the case of veneral disease contracted prior to enlistment and aggravated during service, pension shall be awarded for the total disability existing at the time of discharge in all cases where the member of the forces saw service in a theatre of actual war, *and* no increase in disability after dischagre shall be pensionable, *but, if it subsequently appears upon examination that such disability has decreased in extent, pension shall be decreased accordingly.*"

The Wassermann test, or Laughlen test, should be done on every enlisted man. A number of cases of syphilis would be discovered and treatment would commence at once. This would prevent many cases from becoming pensionable—which the country hopes to prevent—and in addition, thousands of dollars will be saved in hospitalization expenses.

This subject was given exhaustive study by the Canadian medical advisory committee but as far as I can learn, no finality of decision has been made by the army department. I would suggest that effort be made to implement this recommendation.

By the Chairman:

Q. Would not that be a question for the Department of National Defence?—A. I think, gentlemen, that that should come up right here. You will be making representations to the house and I believe there will be representations coming from other committees.

Q. You would relate it I suppose to line 3; this would prevent many cases from becoming pensionable?—A. Absolutely. This morning I met on the train down a doctor who was coming to meet with another committee of the government and discussed with him the question of doing the Wassenmann test on all soldiers. He, of course, is very much interested in it and he gave me this information which he has written out, and I will read it to you:—

> Dear Dr. GIVENS,—In answer to your query concerning venereal disease and its relationship to the army; you will be interested to know that I am in receipt of a letter from Dr. Thomas Parran, Surgeon General of the United States Public Health Service, in which he states that the Wassermann reaction for the detection of syphilis is being done on all men called up in the selective draft. This means that this test will be undertaken on sixteen and a half million men.
>
> For reasons which I am unable to ascertain no such action has been undertaken in Canada.

Gentleman, we made a great step forward in public health when we insisted on X-ray examination of every enlisted soldier. This is something that should be done also with every enlisted man. I have suggested here the Wassermann's test or the Laughlen test. The Laughlen test is a test that was discovered by a doctor who served in the last war. It is a test that is quite rapid; it can be done within fifteen minutes, and I believe it is given credence as being practically as good as the Wassermann's test. There have been hundreds of thousands of these tests done. I know this, that in the large hospitals in Toronto it is done without question before any blood is accepted from any person for transfusion purposes.

In connection with the blood banks that are being organized throughout the country—I am speaking of Toronto, and I am sure the same will apply throughout Canada—the blood is drawn from each person and then subjected to the Wassermann's test before it is used. There is no question of doubt in my mind that we are failing not only in doing something for the soldier, but for his family and for his country if we do not insist on this being done. If there are any medical members on this committee they will be able to tell you—and they will amount to hundreds in this country per year—of the number who are occupying beds in mental hospitals. There are great numbers in many other general hospitals, and you can take it for granted that we will have hundreds as a result of this war if we do not do it now. We should have done it a year ago. We should have done it before every man was enlisted. This test is as important as any other examination that we have done. These tests can be done without slowing up the acceptance of any man. As I mentioned before the Laughlen test takes fifteen minutes. During the past fall I was interested in one of the women's organizations who hoped that maybe their services might be employed in some way by the government. I insisted that all persons should have a medical examination. All the examinations were voluntarily done and I had associated with me a number of doctors who served during the last war. We did that in the outpatient departments of the various hospitals at night, and in that examination we did certain laboratory work on each one of these women, and they varied from eighteen years to fifty years of age. We did the urine examination, the hemoglobin examination and the blood colour examination. Every one of them was blood typed for transfusion, and we did the Laughlen test. We have done as many as sixty examinations between 8.30 at night and 11, and by the time that we had completed this physical examination the laboratory assistants had all these tests done; so that we can tell you of the fifty or sixty young women that we examined whether there were any cases of syphilis in that group.

Now, you can see it would be a very simple thing to have that test done on all these soldiers who are presently in uniform or those who may subsequently be enlisted.

Hon. Dr. BRUCE: Mr. Chairman, perhaps I may as well express an opinion here to-day as at any other time. I entirely concur in the recommendation made by Dr. Givens for the Canadian corps. I am rather surprised that this test has not been made heretofore. It is a very simple test; it could be easily carried out in every case. It is not expensive to do, and I am sure it will save the country a very large amount of money later on, if this test is done before the soldier is enlisted; and even if he has been enlisted and is still in Canada I would recommend that this test be done on all of them.

Mr. BLANCHETTE: May I say a word in this respect? I heard the letter read by Dr. Givens saying that the American draftees are subject to the Wassermann's test. I might say that during the last war in the United States every man who was called for service was given that test immediately; and I for one am in favour of giving that test to all troops entering the service.

The WITNESS: I may say also that before leaving yesterday I was in touch with one of the doctors in the air force in Toronto and asked him if it were done in every case there. He said no, and also said he wished it were done. He said "we compulsorily blood test every person both military and civilian who works as a cook or in any of the cook's houses." There is no question in my mind, gentlemen, that this test is as important as the X-ray test.

By Mr. Reid:

Q. Has it been put up to the military authorities?—A. Yes, it has.

By Mr. Green:

Q. Why will they not do it?—A. I do not know. As a matter of fact when Colonel Reynolds wrote here in October of 1939 we requested that the following medical record be obtained, consisting of the enlisted soldier's urine examination, blood pressure, blood Wassermann, blood typing, X-ray of chest. I cannot tell you why it has not been done, but I think it should be looked into.

By Mr. Reid:

Q. They have expressed no objection to it, have they?—A. I do not believe so, not that I can learn.

Mr. MUTCH: I fancy there is no difference of opinion in this committee about the desirability of it, and I would suggest that we proceed.

Mr. GREEN: Would the minister or General McDonald tell us why it has not been initiated?

Hon. Mr. MACKENZIE: It is entirely outside our department.

Mr. MCCUAIG: I do not believe it is a fair question.

Hon. Mr. MACKENZIE: We can call Brigadier-General Gorssline and find out.

Mr. GREEN: He is in charge—

Hon. Mr. MACKENZIE: Of the medical services.

Mr. GREEN: I should like to ask him some other questions too.

The CHAIRMAN: Proceed, doctor.

The WITNESS: We are not in favour of restrictive dates re application for pension either with respect to the great war or the present war. Here is something, gentlemen, that I think is important, and in view of the announcement that the minister has just made before the commencement of the meeting, a record should be made—if it is not made—of each and every soldier who reports for treatment, even though refused. This would have proved valuable to many soldiers in the past year, as evidence of request for treatment, and also application for pension.

Hon. Mr. MACKENZIE: Outside of hospitals?

The WITNESS: No, at hospital clinics. Requests for treatment as above should be considered as synonymous with application for pension. I might enlarge upon that. An ex-soldier may have applied to a certain hospital—I mean a hospital under the Department of Pensions and National Health, or previous to that under the Department of Soldiers Civil Re-establishment. He would ask for treatment for a certain thing. His file would be drawn and they may say, "Well, you are not entitled to that treatment." And no record kept that the man came there and he would have no proof that he had ever presented himself. I am suggesting that it might be wise, in the interest of the soldier, to make a duplicate entry of such a visit, and in the event of the refusal of treatment, even the refusal of treatment written on the record. Also the reason for the refusal of treatment written on the record, and the soldier could be given one copy and that would be his proof that he had attended.

By Mr. Mutch:

Q. You want to get away from this idea of not being able to establish continuity of the trouble?—A. Absolutely, and the fact that he did actually apply but had been refused.

Q. If he had made his application in writing it would be on his file, but if he applies orally it is not?—A. Yes.

Mr. MUTCH: Well it calls for vigilance on the part of the department and it would be a help to the soldier.

The WITNESS: Section 8: "This would penalize some ex-officers, who incurred disabilities, recovered partly, were given new duties and earned promotion."

I do not think we should do anything that would penalize any soldier or officer. The next question deals with the question of a soldier who might be injured by some responsible company or corporation, and probably I could best illustrate it by the question of a member of the veterans' guard in Toronto who was recently killed in an accident where a policeman knocked him down with a motorcycle. Under your present ruling—that is with the insurance principle not being in effect—there is no pension for this man. If the insurance principle is adopted he will be pensioned. Then the question would come up whether the man would accept settlement from the corporation in case they were at fault or whether he would accept pension from the government. We feel that a soldier requires legal advice in these cases and that the commission should give this service. The responsibility for taking action should not be placed on the man because in many cases he does not appreciate the seriousness of the thing and probably the same thing would go for his dependents, but there should be dual responsibility between the claimant and the commission.

By Mr. Mutch:

Q. Are you referring to the time in which a claim can be made? There is a time limit or length of time in which a man can make a claim?—A. You are referring to a civil claim

Q. Yes. It only protects him for a limited time, and if he does not have the money he may not be able to proceed. Is it your suggestion that the department should have a responsibility to see that his claim is contested?—A. Absolutely. If a man says he will accept pension in case of disability or if his dependents would accept pension in case of death the government then would have the option of taking action against the corporation or firm to recover a certain amount of money which would come back to the federal treasury.

By Mr. Reid:

Q. You do not know in that regard if some suspicion might arise if counsel were provided by the government and he was called upon to give the applicant the advice as to which attitude he should take—pension or the other? Do you not think that counsel might be biased, or would the suspicion not arise that counsel might be biased in favour of the government against the compensation board—might that suspicion arise? I am speaking of governmental counsel.—A. It occasionally happens that in general practice when these compensation board cases arise that the only advice probably the man has is either the family physician, or if he wants to he can go and interview a lawyer privately.

Mr. CRUICKSHANK: Is not that covered in the Workmen's Compensation Act?

Hon. Mr. MACKENZIE: This section has been redrafted and will be dealt with later on.

By Mr. Green:

Q. Were you satisfied with the section as it stood before—as it stood before the government had to take action?—A. I think so.

Q. As the Act stood before the onus was on the government. This new section switches it to the man.—A. I think that section 18 is safer.

Q. The old 18—A. The old 18. It is safer, and that is the way it applies to the Workmen's Compensation Act.

By Mr. Macdonald:

Q. There has to be a change in the phraseology. The section as drafted now is not legal. You cannot assign a claim for damages.—A. I cannot speak about the legal phraseology. I am trying to get the principle of the thing. I think it is better that the onus is not placed on the man.

By Mr. Green:

Q. The unfortunate part of the new section is that it changes the whole basis and puts the onus on the man.—A. Yes. As I see it there are a lot of people who always try to advise an injured person what to do and tell him that he will get thousands of dollars out of this, and when the thing is ended he is very much worse off as a rule than he otherwise would have been. I think he should be protected.

General McDONALD: You still think he should have the right of action?

Mr. GREEN: I do not think you should dump it on the man as you do in section 18.

Hon. Mr. MACKENZIE: This has been redrafted and will be considered by the committee later on. I think you will be satisfied with the redraft.

Mr. GREEN: You would not want to read that redraft now?

Hon. Mr. MACKENZIE: If you choose, yes. General McDonald will you read it?

GENERAL McDONALD: I will first read the letter addressed to me dated May 8 from the Deputy Minister of Justice.

> Referring to your letter dated April 3, I return herewith a new draft of the above mentioned section. I have endeavoured, in redrafting this section, to meet the objections raised by the committee.
>
> With reference to the objections to including any provision with regard to workmen's compensation, I would point out that unless some such provision is contained in the Act there will be an inevitable conflict between section 18 in whatever form it is inserted and legislation providing for workmen's compensation.

And now follows the draft:—

> 18. (1) Where a death or disability for which pension is payable is caused under circumstances creating a legal liability upon some person to pay damages therefor, if any amount is recovered and collected in respect of such liability by or on behalf of the person to or on behalf of whom such pension may be paid, the commission, for the purpose of determining the amount of pension to be awarded shall take into consideration any amount so recovered and collected in the manner hereinafter set out.
>
> (2) In any such case the commission may require such person or anyone acting on his behalf as a condition to the payment of any pension, to take all or any steps which it deems necessary to enforce such liability and for such purpose may agree to indemnify such person or anyone acting on his behalf from all or any costs incurred in connection therewith.

Mr. GREEN: In other words, the man still has to take the onus of suing but the government will indemnify.

Mr. TURGEON: The government will advise under that; the commission really takes the responsibility.

Mr. QUELCH: Does the word "may" in that case mean the same as "shall"?

Hon. Mr. MACKENZIE: Yes.

Mr. TURGEON: The government takes the responsibility for advising the man.

GENERAL MCDONALD: I think it has been pointed out by the committee and on the advice of the department that the state cannot sue for damages to the other person.

Mr. GREEN: They could sue on a judgment.

GENERAL MCDONALD: And the initiative must be taken by the injured person named—the defendant.

Mr. MACDONALD: You cannot assign a claim for tort; it is not assignable.

GENERAL MCDONALD: Section 18A. (Reads).

> 18A. Where a disability or death for which pension is payable is caused under circumstances by reason of which compensation is payable in respect of such disability or death under any provincial Workmen's Compensation Act or legislation of a similar nature either in the place of, or as additional to, or apart altogether from any amount which is recovered or collected in respect thereof under the last preceding section, if any compensation is awarded to or on behalf of any person to or on behalf of whom such pension may be paid, the commission, for the purpose of determining the amount of pension to be awarded shall take into consideration any compensation so awarded in the manner hereinafter set out.
>
> 18B. (1) Where any amount so recovered and collected or the capitalized value of any compensation so awarded, or both, is greater than the capitalized value of the pension which might otherwise have been payable under this Act, no pension shall be paid.
>
> (2) Where any amount so recovered and collected or the capitalized value of any compensation so awarded, or both, is less than the capitalized value of the pension which might otherwise have been awarded under the provisions of this Act, a pension in an amount which, if capitalized, equals the difference between such amount or the capitalized value of such compensation, or both, and the capitalized value of the pension which might otherwise have been payable under this Act, may be paid.
>
> (3) If any amount so recovered and collected, or any part thereof, is paid to His Majesty, a pension which, if capitalized, equals the amount so paid but is not in any event greater than the total pension which, apart from this section, would be payable under this Act, may be paid.

Hon. Mr. MACKENZIE: We can study it.

Mr. GREEN: We have to go into that carefully later on.

The CHAIRMAN: Proceed, doctor.

The WITNESS: We strongly protest the time limits suggested concerning date of birth of soldiers' children, and request that these dates be deleted.

Our country has, I believe, in previous years, assisted immigration from European countries, because increase in population was considered advisable. Some of those, to-day, are lodged in internment camps.

The proposed legislation would tend to restrict population—population of a sort that this country should desire, viz., the offspring of soldiers—the defenders of the empire, and the only stabilizing influence we possess. Instead of trying to curb soldiers' families, we should be suggesting that soldiers be bonused to raise larger families.

Section 14: Again we protest the use of the date, May 21, 1940, and request its deletion.

Page 6 deals with tuberculosis. We X-ray the recruit and have a report from an expert as to whether or whether or not he has tuberculosis.

It was rightly decided to X-ray the chest of every recruit. In the case of an insurance examination if there was a suspicion a person would be deferred for six months or a year; in the army one would presume he would be rejected, but if he were accepted I think we should say he has not tuberculosis. And then if he develops tuberculosis subsequently I think the country is responsible. If so, I would not be in favour of this three months clause without exceptions. However, if in certain cases it could be shown that a healthy substitute person was X-rayed, or that influence was used to secure the enlistment of a soldier who was a former t.b. case, I would be satisfied with that provision.

I am including the allowances here for officers of various ranks, and I would like to ask the question: is it the desire of the Department of Pensions and National Health to keep total disability cases in hospital?

Section 15, Page 10. Extra Allowance for Total Disability Cases.

Sub. Lieut. (Naval) Lieut. (Militia) Flying Officer (Air)	Amount in discretion of Commission $250.00 Minimum to $750.00 Maximum per annum.
Commander and Captain (Naval) (under 3 yrs. seniority) Lieut. Colonel (Militia) Wing Commander (Air)	Addition to Pension not to exceed $90.00 per annum.
Lieut. Commander (Naval) Major (Militia) Squadron Leader (Air)	Addition to Pension not to exceed $390.00 per annum.
Lieut. (Naval) Capt. (Militia) Flight Lieut. (Air)	Addition to Pension not to exceed $650.00 per annum.

Mr. MUTCH: Is there any implied recommendation? You asked the question: Is it the desire of the department to do such and such; would you recommend that they should? There is not much point in asking that question otherwise.

The WITNESS: I would like it for my own information. This is the only place where I have a chance to get it. Some question might be brought up in the committee.

By Mr. Mutch:

Q. It might be well to know if you think that is an advisable policy or not?—A. I would be inclined to think, but I might be wrong, that they could be kept in hospital cheaper than outside.

Q. That is probably true, but would it be better for them?—A. Except from the point of view of a temporary holiday or something, I do not know.

The Canadian Corps Association is of opinion, that at no time should a date limit for marriages have been placed in the Pension Act. We believe it must be accepted that the majority of those who served with the C.E.F. were comparatively young single men. Many of them, for various reasons—economic, educational, support of widowed mother, etc., did not find it possible to marry for some years after January 1, 1930. We feel it is unjust to penalize any

ex-soldier because he was not married prior to a given date, thus barring his dependents from obtaining pension.

(16-(b))—In this proposed amendment dealing with the widow of a soldier of the present war, depriving her of a pension if she was not married to her late husband before he was granted a pension, our answer is an emphatic "no."

We are not unmindful of the possibility of death-bed marriages, but we believe these will be few, or can be avoided by a special amendment to the Act.

By Mr. Tucker:

Q. You say it could be provided for by an amendment; do you have any suggestions?—A. Just that you would not recognize such a thing.

Q. How would you define that?—A. Where it was obvious that within a short period of time, and that period of time, that time limit might have to be decided by a committee. For instance, a case of cancer where it was obvious that the person would die certainly within a year. I would say that that would be a case.

By Mr. Turgeon:

Q. What do you think of the New Zealand condition in that regard—A. The exact time limit I do not know.

Q. I think it is one year.—A. I was thinking of cancer, and I mentioned the period of a year.

The CHAIRMAN: Proceed, please.

The WITNESS: Section 20: This section does not go far enough. We feel that it should be enlarged to include those Canadians, who, of their own volition, left Canada without expense to the land of their birth or adoption, and joined the Imperial forces (naval, military or air) before the outbreak of war with the German Reich. And furthermore, in case of death, we would urge that the widow and dependents receive the full benefit of the provisions of this Act.

I would like now to speak of appeal boards of the commission. One paragraph is somewhat personal and I am going to pass on.

Invariably, over the years, I have availed myself of the Soldiers Aid Commission, claims department, and latterly of the veterans' bureau, Christie street hospital. I must pay credit to the staff of these departments for the interest they show and for the cooperation they give in promoting the claims of the ex-soldiers.

I must say, however, that one often meets ex-soldiers and their dependents, who are skeptical of the staff of the veterans bureaus, and openly state that they doubt if much interest is taken in their cases, because it is only a government department. I certainly do not subscribe to that.

It is apparent to me that the work of the pension commission has greatly increased, but it is due for a much greater increase shortly. What is being done to meet this difficulty?

I can foresee that many more commissioners will have to be appointed, and also that the staff of the veterans bureaus will be increased. The number of pension and appeal cases, which now are counted in hundreds, will soon be counted in thousands.

Our whole procedure in discharge of a soldier and assessment of pension is much too slow and should be markedly speeded up. How can it be done?

It is shameful that discharged soldiers with disabilities have to wait two or three months for pension commission decision, and when their one month's rehabilitation money has been expended, seek assistance at a relief office. Treatment such as this breeds discontent, lowers morale of the ex-soldier and is a hindrance to recruiting.

I think the pension commission, commissioners and staff, instead of working from 9 a.m. to 5 p.m. daily, should be working in two shifts from 8 a.m. to 4 p.m. and 4. p.m. to 12 midnight. This means increase in personnel.

If a discharged soldier secures employment where war supplies are being made, he cannot afford time nor money to appear during working hours and I feel that medical examinations, appeal board sittings, etc., will have to be arranged in evenings as well as during the day. The country cannot afford to lose his war production time.

Why not have pension medical examiner present when the army medical board is sitting on the discharge of a soldier? Surely time and effort would be saved in this way. If cooperation is lacking between the two departments, bring in some independent body to suggest procedure. The Canadian medical advisory committee might function in such cases.

Mr. GREEN: Might I ask General McDonald why that suggestion should not be adopted? Are there any reasons why?

General MCDONALD: It might be helpful. I do not see where it would be necessary, Mr. Green.

Mr. GREEN: To save time.

General MCDONALD: In what way would it save time?

Mr. GREEN: It would save time in considering pension applications.

Mr. CRUICKSHANK: How do they know a man is going to apply for a pension?

General MCDONALD: The decision has to be given on the written report of the medical examiner at the time of discharge, and the medical examination is conducted by three presumably competent doctors. It is a matter of determination of the man's condition, a record of medical facts.

Mr. GREEN: They are suggesting here that you should have a pension medical examiner present when the army doctors are examining a man prior to his discharge.

General MCDONALD: I do not know that that is necessary unless it is an admission that the medical military doctors are incompetent to make the examination.

Mr. MUTCH: It would be one more doctor that the poor applicant would have to convince.

By Mr. Macdonald:

Q. I think it might weaken the pensioner's claim.—A. Gentlemen, I might speak of that. In the brief I submitted to the Canadian Medical Association some time ago I pointed out that the same thing would happen in this war as happened in the last war. A lot of doctors are being taken on as I was taken on in the last war without any experience and without anybody to tell them anything, and certain things that might be very important to a person in the pension department might not mean very much to a person who is writing his board for discharge. Having seen lots of these boards and having written them I think there is much to be desired in the forms. I have not seen a form recently, but I doubt if there is any record on it that specifically asks for blood pressure, and there is a lot of other such information that should be on that file.

By Mr. Cruickshank:

Q. Was it not generally recognized in the last war that in 99 cases out of 100 it was our own fault; that we rushed about and wanted to get out of the army and did not care about the examination? How could forty doctors overcome that?—A. They could take your blood pressure and put it down anyway, they could take a sample of urine and examine it.

By Mr. Macdonald:

Q. Is that asked for on the form?—A. Specifically, I do not believe it is.

Q. Could not the form be amended to have that asked for?—A. Yes. I think that would be advisable.

By Mr. Green:

Q. Does your record from the Department of National Defence with regard to a man who has been discharged contain a notation as to his blood pressure?

General McDONALD: It contains the complete record of the medical examination. It is a matter of competence on the part of doctors who put down the actual facts—what they find.

Mr. CRUICKSHANK: What good would it be on the form if it was not compulsory? It would not matter what was on the form. In my old battalion a man did not care what was on the form so long as he got out of the army.

General McDONALD: Yes. We have tried to obviate that. On the representation of the commission the Department of National Defence have done away with 129, the short form, and the examinations are now recorded on what is described as form 227, which is a very complete questionnaire.

Mr. GREEN: Does that include these questions?

General McDONALD: I think so.

Mr. GREEN: It includes both?

General McDONALD: I will give you the form.

The CHAIRMAN: Doctor, will you go on with the question of appeal boards.

The WITNESS: We are not satisfied with the present so-called appeal boards. These appeal boards as suggested in bill 17 are not such as the ordinary Canadian citizen, much less the Canadian soldier considers fair.

Under present procedure, the pension commission having given two unfavourable decisions concerning a discharged soldier, he has the right to appeal. But how is the appeal board formed? From the pension commission who rejected his claim, three other commissioners are selected, who reconsider his case—and this is what is called an appeal board.

We are suggesting that an appeal board should be formed like a conciliation board in a labour dispute, viz.: employer and employee, each select a representative and the two representatives select a third.

In the case of a soldier's appeal board, the pension commission would nominate a commissioner who had not previously passed judgment on the case (or he might sit, provided the applicant's consent thereto had first been obtained). The applicant would choose his representative, and the third member would be chosen by the other two.

It is suggested that former members of C.E.F. and Canadian active army who saw service in an actual theatre of war, would be eligible to sit on such appeal boards. A roster of names of excellent, well-educated citizens (all ex-soldiers) could be formed, units having the right to submit names. An applicant would not have the right to nominate one of his own unit on the appeal board—so the independent status of the board would be assured.

Such persons nominated would be "ad hoc" commissioners for the particular case and would be paid a per diem rate. No travelling allowances would be allowed.

From the soldier's standpoint, he would feel that the hearing was in fact an appeal, and not merely, as at present, a reconsideration by the Canadian Pension Commission, who had twice previously rejected his claim.

Section 61-A—Decision of Appeal Board as to interpretation, to be final.

We do not agree that pension commission should have such powers. They are an administrative body appointed by parliament.

We would suggest that any appeal board that is permitted to make a final decision on interpretation of this Act, should not be an appeal board of the commission, but an independent appeal board. Such appeal board might be formed within your parliamentary committee.

By Mr. Green:

Q. Do you mean by that that there should be an appeal board over and above the board you suggest—something set up like a conciliation board?—A. It could be either one, if you wanted to make it like that, but I was thinking simply of soldiers' cases. This would be on interpretation.

Mr. MACDONALD: At the present time, Mr. Chairman, does a member of the commission which originally heard the case sit on the appeal board?

General MCDONALD: No.

Mr. MACDONALD: Are the appeal boards formed of different commissioners?

General MCDONALD: The same commissioner cannot sit unless with the man's consent.

Mr. BLANCHETTE: How many members are included on that appeal board?

General MCDONALD: Three members.

Mr. MACDONALD: Under the new Act; is that right?

General MCDONALD: That is the suggestion.

Mr. GREEN: The suggestion now is that even the present boards could be cut from three to two.

The WITNESS: True, but in the case of the ordinary man who is attempting to justify a claim, he feels that when he has to appeal before commissioners of the department when the department has already passed on his claim, that this so-called appeal board is not an appeal board, that it is just a reconsideration by the pension commission which has already rejected that man.

Mr. MACDONALD: Quite a few cases have been reversed by the appeal board.

The WITNESS: True, but probably not as many as would have been reversed had they had the independent board I am suggesting.

Mr. MACDONALD: Of course we do not know as to that.

The WITNESS: It seems to me that the soldier has as much right to an independent appeal board as you would have in a labour dispute, and I do not think he is getting it under the present Act.

By Mr. Mutch:

Q. There is no suggestion on your part that there should be anything in the nature of a permanent appeal board and that there should be a separate ad hoc board for every individual case?—A. Yes.

By Mr. Macdonald:

Q. The present commissioners would then be unnecessary.—A. No, they would not; as a matter of fact I think you are going to require a great many more commissioners.

Q. As far as appeal cases are concerned they would be unnecessary?—A. Oh, no, the pension commission would still nominate one of their commissioners to sit on this appeal, if possible, one who had never sat on that matter before; but the number of commissioners now is very small—probably the minister will tell you the number—and it must be very difficult now to get persons to sit on

those cases who have not had something to do with them before, and with the small number of cases now it is taking months and months. I would not be surprised if the time even extends over a year before some of these appeal boards can be heard.

Mr. MUTCH: Might I ask General McDonald how far behind the appeal board is at the present time with appeals?

General MCDONALD: What do you mean by: How far behind?

Mr. MUTCH: How many are waiting for decision?

General MCDONALD: We have a list of cases ready for hearing of slightly over 450. These are scattered all over the country. The delay is not a matter of the availability of the commissioners, the delay is in securing sufficient accumulation of cases in one place to warrant sending three commissioners, a court reporter, and a veteran's advocate to sit there. It runs to considerably over $100 a day in actual out-of-pocket expenses.

Mr. MUTCH: My reason for asking was that I was under the impression that this work was handled with a reasonable degree of expedition.

The WITNESS: Might I ask if that number that General McDonald spoke about is the number of appeals from soldiers of the last war?

General MCDONALD: Both wars.

The CHAIRMAN: Do I understand, doctor, that your protest is against the delay rather than against the decision of the board?

The WITNESS: It is both.

By Mr. McLean:

Q. What is the basis for the implication in the submission that a more just and proper decision could be given by an appeal board consisting of men appointed other than the men that hear those cases now? What is the basis for that implication that you could get a more just decision from somebody else than those who sit on the appeal now?—A. It is the principle of the thing.

Q. That is too vague.—A. Well, suppose you had a case in court in which a decision had been given against you by a certain department and you appealed it, would you like that case to be re-tried by the same people who tried you before?

Q. That is not done in this case.—A. It is tried by the same department, and the feeling prevails among the returned soldiers that once they have done this there is very little chance of getting that decision rescinded.

Q. In the case of a court of law if a matter is appealed it is appealed to the men in the same department, in the judiciary—they are not the same judges but they are all in the same department?—A. Yes, but they do not live together and they do not work together; they are certainly more independent.

Q. I am asking—the question I asked was what is the basis for your implication?—A. The basis is this, that the returned soldier who is putting up his claim feels that that is not a fair appeal board.

By Mr. Green:

Q. Would you really suggest that an arbitration procedure be substituted for the present procedure?—A. Yes. I want it to be completely independent so there can be no quibbling.

Mr. MACDONALD: There would be no continuity in judgment; one board would give a judgment in one case and you would get a different board and get an entirely different opinion under the system you propose.

Mr. MUTCH: Is it not a fact that if the system suggested by the doctor were adopted we might as well begin by accepting the fact that a man gets more satisfaction out of trying two or three times, that that is the only decision which

would ever mean anything to him because everyone would obviously go to that end. I am thinking of the experience we have had with 400 cases and we would have something like 1,200 men. There would be a possibility of having 1,200 men engaged in adjudicating these cases on an entirely different basis.

The CHAIRMAN: Doctor, does that conclude your statement?

The WITNESS: No, I would like to speak a little bit more. There are going to be hundreds of cases up for appeal, and you must have more pension commissioners and more advocates. My idea is that in the larger centres at least you will have a commissioner sitting there all the time or you are going to be much behind at times. There was a time several years ago where the appeal boards were so far behind that they had to sit for over two or three years in one city to catch up. Is not that a fact?

General MCDONALD: Oh, yes, various alterations in the legislation made large accumulations of cases. At one time appeal boards were far behind.

By Mr. Macdonald:

Q. Your suggestion is to prevent that happening in the future?—A. Yes. With the 20,000 odd soldiers who have been discharged from this army you are going to find a tremendous number of appeals.

Mr. REID: To me the advocacy of that would have one weakness and that is that in the changing personnel of your appeal courts each time you would have men who would not be trained in the reading of precis and evidence, because as most members of this committee who have had anything to do with pension cases know it takes a little time to read correctly the precis and evidence, and we would lack the experienced men.

The WITNESS: My idea is not to select inexperienced men but to select men who are well educated and well qualified to follow the arguments.

Mr. TUCKER: I agree with your suggestion to a considerable extent, but is this not the set-up: a soldier comes up, there is a lawyer there representing him and the lawyer representing the government, there are people coming up from Ottawa who are consulting together all the time with the people giving the decision in these cases and, of course, if the man's application is refused he says that he never expected anything different, that they are all working together. There is no doubt that is the feeling that does prevail.

The WITNESS: Surely.

Mr. TUCKER: As a matter of fact, there is a great deal in what you say. It used to be in the western provinces that we had judges sitting on the supreme court and the mode of appeal was from one judge to this court, and it was found that they did not give satisfaction because, of course, there was a tendency for the judges sitting in banc to sustain the decision of the judges sitting alone; so the province set up a separate court of appeal, and I think that has happened in all the provinces. It is suggested that the number of commissioners be cut down to two. If the soldier were able to nominate or name some person in whom he had confidence, a soldier who served in an actual theatre of war, in the district in which he lived, who could sit with these commissioners and hear the appeal the appellant would know that he had one friend in court. Personally, I think it would be a good idea.

The WITNESS: It is like a fellow who comes up before a court martial, he is entitled to a soldier's friend, and I think that when he comes before these appeal boards he is entitled to a soldier's friend.

Mr. MCLEAN: He is not entitled to a friend on the court; a man up before court martial is only entitled to a friend to plead his case, but not to sit on the court.

Mr. MUTCH: It is a very unfortunate comparison because nobody ever heard of anybody being acquitted by court martial.

Mr. CRUICKSHANK: Oh, yes.

Mr. MUTCH: Very few. The presumption of the average court is that you would not be there if you were not guilty.

Mr. CRUICKSHANK: I have sat on some of them.

Mr. MCCUAIG: Before Dr. Gibbons leaves, I would like him so say a word with reference to the insurance question. Is he of the opinion that a man in a clerical position who leaves that clerical position and goes down to the Jackson building where he receives more pay than he received before and there contracts goitre or cancer or some other similar disease should receive a pension?

The WITNESS: One can easily see that a person who, so to speak, has a cushy job may get a better deal out of this thing than the man who is in the most dangerous position in the army, but the percentage of those people is, I think, small, and I think it would simplify matters to accept the insurance principle.

Mr. MCCUAIG: They are much larger in this war than in the last war.

Mr. MUTCH: What would you say to the suggestion that there are upwards of 35,000 such people employed right here in Canada, allegedly on active service?

The WITNESS: Yes, I know there are a lot.

Mr. MUTCH: Probably 40,000.

The WITNESS: I know there are a lot.

Mr. TUCKER: Your feeling would be to preserve the highest possible consideration for the man who does risk his life by going into an actual theatre of war, but you have to keep in mind, if you try to extend too many benefits in the way of pensions and so on, to people who do not serve in an actual theatre of war, that you tend to diminish what you are able to do for those who do so serve. That is one thing we have to bear in mind.

The WITNESS: There would be all kinds of conditions arise. You might have a man who in 1939 and 1940 served in an actual theatre of war and might be brought back here and put into a cushy job for the rest of the war. We will have that question coming up. We have to decide whether or not in 1939 there was an actual theatre of war in Canada or whether in 1940. You are going to have so many things to decide and you are going to be in an awful muddle.

Mr. REID: Has the man who has seen actual service not been taken care of in the past even though he may come back to this country to do service? I think he has.

The WITNESS: Yes, because the insurance principle was in vogue.

Mr. GREEN: While there are quite a few serving in Canada who have never been outside of Canada, there are many more, for example men of the 3rd and 4th division who are only waiting for a chance to get out of Canada, and I do not think they should lose their right.

The WITNESS: They would be penalized.

Mr. MCCUAIG: I feel we should not allow the pendulum to swing too far, because if pensions are given to undeserving people there is danger of public opinion reacting against people who should have consideration.

The WITNESS: We will accept that, but your soldier is serving for $1.30 a day. He cannot come and say, "Here, gentlemen, I want the cost of living bonus put up, and if you do not do it for me I am going on strike."

Mr. MCCUAIG: I am not referring to the $1.30 a day man.

The WITNESS: The $1.30 a day men are the men who constitute at least 90 per cent of the cases I am talking about.

By Mr. Green:

Q. They are the ones you mean?—A. The men above that do not matter, and they do not matter much so far as the country is concerned. In the matter of pensions it is the 90 per cent of cases that I am thinking about.

Mr. McCuaig: I personally very often run across people who tell me they are much better off now than they were before.

The Witness: Sure.

Mr. McCuaig: They are in positions right here in Canada doing almost exactly the same type of work they were doing before, and they are now wearing uniform. Why should they get additional consideration?

Mr. Green: We do not want to help them.

The Witness: The number of persons you were citing will not constitute more than one or two per cent of the men who go into the ranks. I am speaking of the 90 odd per cent of the men who are doing a lot worse than they were doing before they went into the ranks. If they were out of the army to-day they would be able to earn considerably more money than they are earning now. If you do not improve the conditions for them it is going to restrict your enlistment possibilities.

Mr. McCuaig: We are arguing from different points of view. You are arguing from the end of the men working for $1.30 a day; I am arguing from the point of view of those who have cushy jobs here in Canada doing exactly the same type of work they were doing before.

The Chairman: Your answer, as I understand it, is this: you do believe the insurance principle should apply to every person in uniform who incurred a disability no matter where and irrespective of the amount of pay and allowances that man receives.

The Witness: Yes.

By Mr. Tucker:

Q. What would you say to the suggestion which was made by some members of the committee that a man in a job like that is well able to pay for health insurance out of the pay he is getting, because he is in the same condition as a man in civil life; whereas the man who is getting $1.30 a day certainly cannot pay for the insurance? What would you think of the suggestion that the insurance principle should apply to those who saw service in a theatre of actual war and should apply to everyone below the rank of shall we say sergeant, and let the others who after all perhaps are as well off as they ever were, if they want insurance against a breakdown in health or something like that to pay for it the same as any other civilian must do? What would you think of a suggestion like that? Would that not meet the objection which you make and also the objection that some of the members of the committee make?

Mr. Macdonald: He may be a sergeant to-day and a private to-morrow.

Mr. Mutch: I do not know the figure of the number of men who will not get outside of this country, but there are a great many. I would think the number is anywhere from 75 per cent to 90 per cent, and these men are well below the rank that was mentioned. Take the case of the people here in the Jackson building. They are working as clerks and commissioned in the set-up of the army. A large number of these men will never get out of this country. They enlisted as category men to do jobs in this country, and many of them are below the rank of corporal.

The Chairman: This discussion will have to be considered in camera later.

[Dr. W. C. Givens.]

Mr. GREEN: May I ask the doctor one more question?

The CHAIRMAN: Yes.

By Mr. Green:

Q. Do you not find that in the majority of these cases that are hard cases are cases of where the men have had sickness rather than injuries? I think it is almost impossible for a man who has had meningitis or pneumonia in the army to get a pension under the present law if he served only in Canada. Don't you find most of your trouble comes from sickness rather than accident cases?—A. Under the insurance principle or under this scheme?

Q. I mean that the hardships in the large majority of cases arise where there has been illness.

Mr. MACDONALD: Mr. Green means the claims pending are for sickness rather than for injury.

General MCDONALD: Practically all.

The WITNESS: I think that would be the experience in civil life. There is more sickness than accidents in civil life, and I am sure the same thing would pertain in the service.

By Mr. Green:

Q. I think it is almost impossible to get a pension for a man who has been serving only in Canada and has taken ill. There is far less chance in that case than in the case of an accident. It is hard enough to get a pension where it is an accident case.—A. Well, if the insurance restriction is repealed, as I believe it is unanimous among veterans' organizations that it should be repealed, then the persons who do have a disability as a result of sickness and accidents will be automatically taken care of.

The CHAIRMAN: Are there any other questions?

The WITNESS: I should like to bring up this case which is rather exceptional, but it has occurred. That is the case where a man's file may be lost in a department. I can cite you here the case of a soldier who was discharged in the early part of 1919. He tried to get insurance and was refused. In November of 1919 he reported to the D.S.C.R. and was examined. The heart specialist found he had a disability and recommended that he have treatment. In some way that file got put away and the man, who was not a lead swinger—he was a good service man—said, "Well, I am not entitled to it," and he did not report again. In the interval he has had illness and has been treated by persons. He came in to see me twenty years after, 1939, and I found he had disability which tied in with the description of his disability in 1919. I got in touch with the Veterans' Bureau and asked them to draw this person's file, and here is this report on file. The case then is referred for a decision as to whether or not the individual should have got a pension.

Now, that was an error in the local office. It is an unfortunate thing, we must admit, in any business. That is my point. I am not criticizing, but the soldier was penalized. That is, he lost twenty years' pension.

I am taking a little crack at the local office, because I think when this was drawn to their attention they should have said: "We missed this one, and I think we had better see that this fellow is looked after." It was referred to headquarters here and had what was called the "first hearing." I think, gentlemen, those words should be "first ruling." There is no hearing at all, it is a ruling. I think the minister might agree with me on that. It was turned down and on the second ruling it was turned down, and on this occasion the advocate requested that the heart specialist of the department who examined him in 1939 be asked to express an opinion as to whether or not the condition in 1919 and 1939 was the same condition. Well, it was not acted on and the case then went

to the appeal board. Keep those dates in mind, November, 1919, he was examined and in November, 1939, he was re-examined in the department and an appeal was taken that he should have a pension. Due to those rulings it was thrown out and then in 1941 it was ruled that he was eligible for pension with twelve months retroactive. That brought him back to February, 1940. But that man's case was the same in 1939 as it was in 1941, so that in addition to the loss of twenty years' pension he lost an additional fourteen months. I think there should be some way in which a person like that should get some extra consideration. This fellow has now got it and he thinks he has got a square deal. I did not say to him that I think he has got a rotten deal; he has not got what is coming to him. This chap was a good soldier. He has one boy now wearing wings. I am not saying this as a criticism of the department. It was an error on the part of some person. Let us put it that way. But the soldier is paying the price for it.

In conclusion I think I should like to put this in. I made a recommendation to the Canadian Medical Advisory Committee that medical officers be required to keep a record of all illnesses for which a soldier may report on duty. There was no such book in the last war. There was then what is called the "morning sick report." Yesterday I received a letter from Dr. Routley, general secretary of the Canadian Medical Association, which reads as follows:—

> You will recall writing me some time ago about medical records of soldiers. Our Canadian Medical Advisory Committee thought this would be of interest to Brigadier R. M. Gorssline, Director General of Medical Services, so we sent a copy of your letter on to him. May I quote the following from his reply:—
>
> > Each medical officer attached to an infantry battalion or similar unit, is provided with a book as suggested by Dr. Givens. This book is known as A.B. 39, and is intended for just such purposes as making entries regarding soldiers receiving treatment other than in hospital. Thanks for your continued interest in our medical problems.

I think as a result of that there will be fewer cases present themselves who have said, well, I reported sick at such a place at such and such a time in France. The R.M.O.—but he is dead now, and I cannot get any certificate from him—knew about it. If that book is kept, and it should be kept, those records will be available in the case of illness occurring to man in his lines and that he was treated while in his lines.

By Mr. Isnor:

Q. When did you make this recommendation?—A. Well, I would think it was in 1939. I have not got the exact date.

Q. I think that book, Mr. Chairman, has been in force since the outbreak of this war in the units I have had contact with because I had occasion to inquire in regard to one man's case, a case which I quite recently again placed before General McDonald, and I remember consulting the M.O. and looking up this particular man's case. His case was shown there in the black book, and if I recall it correctly it was the very number that you quoted.—A. This is the first communication I have had of it. We feel it would be wise if your parliamentary committee were a standing committee so that the various vetern organizations might have a definite place to forward suggestions from time to time.

The CHAIRMAN: Are there any further questions?

General MCDONALD: I think Mr. Isnor is right. Such a record should be preserved and should form a sort of war bureau, so to speak. As a matter of fact that book is now being kept and was initiated on the suggestion of the Canadian Medical Association.

[Dr. W. C. Givens.]

By Mr. Blanchette:

Q. Because of the experience which Dr. Givens has had can he give us any idea of the general impression amongst ex-soldiers with regard to the cases that were brought before the appeal board? Once the appeals were heard what was the general impression of these men as to the treatment they got? How did they feel about the decisions that were rendered?—A. You mean the appeal board as now constituted?

Q. Yes. A soldier presents his case and there is an appeal on it. Once a decision is rendered what is the general feeling amongst these men with regard to the treatment they get from the appeal board?—A. I suppose some of them will be satisfied and some dissatisfied.

Q. You are speaking now from your experience and contact with them?—A. I have fellows often coming to me about these things. I go into their cases, examine them, form my own impression of what is wrong with them, and then ask them for their documents or ask that their documents be obtained, and if I cannot see any connection between them I sometimes say, "I do not think you are likely to get anywhere but you can appeal if you wish." I think if a person has an idea ahead of time that his case is not as good as lots of others, he is more or less prepared for his rejection.

The CHAIRMAN: Thank you, Dr. Givens. We are very grateful to you for your presentation.

Hon. Mr. BRUCE: Mr. Chairman, I would move that the payment of travelling expenses of Colonel Reynolds and Dr. Givens, who appeared as witnesses before this committee, be authorized.

Mr. McCUAIG: I second it.

Motion agreed to.

The witness retired.

Mr. J. R. Bowler, recalled:

The CHAIRMAN: You have a supplementary statement to make?

The WITNESS: Yes. Mr. Chairman, following the presentation to the committee made by Mr. Walker, the dominion president, the other day, certain questions were asked by members of the committee concerning the disability preference under the Civil Service Act, and it was suggested that we should enlarge upon our presentation. We accordingly prepared a further memorandum and we distributed that, sir, at the last sitting of the committee and I understand that it has gone into the record. It is for the committee to decide whether they would like us to go through that memorandum again and be questioned on it or whether they would deal with it from the record as it now stands.

The CHAIRMAN: Will the committee place it on the record or do you wish to have it read?

Mr. McCUAIG: Place it on the record.

The WITNESS: We have a statement, sir, that we should like to present on the question of medical treatment. I should like to call Mr. Hale who appeared before the committee before, to appear before the committee now to deal with that.

The CHAIRMAN: I think we should have that read.

The WITNESS: I have copies here for distribution.

Mr. RICHARD HALE, recalled.

The CHAIRMAN: This statement is brief and I think perhaps because of its importance we should have it read.

The WITNESS: Mr. Chairman and gentlemen, before I proceed I should like to make a brief statement so that there will be no misunderstanding as to my position in this matter. I speak here as the chief pension officer of the Canadian Legion and also as the chief pension officer of the tuberculosis section of the Legion. It is rather important to mention the latter, because in order to save duplication of effort we more or less pooled our representations. There is a little book here which the veterans' section put out called "Keeping Faith." It is put out by the tuberculosis veterans' section, and consists of a complete description of the Canadian Pension Act and all other legislation that is beneficial to veterans and their dependants. It is published twice a year with the idea of being informative and helpful to those who are seeking assistance both as regards this war and the last war.

The tuberculosis veterans' section has a branch—at least one if not more—in each province except Prince Edward Island. There are over 12,000 pensioners for respiratory diseases as a result of the last war. Therefore it represents a very considerable body of disabled men. I shall give a copy of this book to the Chairman for his information and later on we would be very pleased to supply it to the members of the committee for their information.

There have been suggestions, gentlemen, that a handbook of some type be distributed to the new soldiers on discharge, and with that idea we are in accord. It was felt that a great many difficulties that have arisen out of the last war would be avoided in this one, if the difficulties that arose at the time of the men's discharge in the last war were overcome. That is to say, lack of information in the hands of the discharged men.

Now, this statement deals first of all with medical treatment and hospitalization.

The Canadian Legion feel that the whole field of medical treatment and hospitalization of ex-service men should be carefully reviewed. It may be stated that, following the last great war, the government provided free medical treatment generally for all discharged service men for one year after discharge. In the case of pensioners requiring hospitalization for their accepted war disabilities, certain pay and allowances were authorized to take the place of lost wages, and also to avoid increasing their pensions to 100 per cent during temporary total incapacity. This enabled those pensioners with dependents to maintain their homes, while receiving medical treatment in hospital. Up to March 1, 1936, this procedure was well understood by all pensioners; and there is no doubt that it did much to restore the usefulness of many thousands of disabled men. Order in council P.C. 1842 was a broad and human document administered in a generous manner to the general satisfaction of all concerned.

On March 1, 1936, a new order in council P.C. 91 became effective superseding P.C. 1842. It introduced some new restrictions or what might be interpreted as such. The Canadian Legion registered definite objections to this change and were assured by the then Hon. Minister of Pensions and National Health directly and in the House of Commons that no rights were being taken away. However, the main objection of the Legion that the term "active remedial treatment", as applied to pensioners requiring hospitalization would result in dissatisfaction, has been amply borne out during the five years this new procedure has been in effect. That it has resulted in great restriction in the granting of hospitalization to pensioners for war disabilities, with the payment of hospital allowances, is clear from the following figures.

By Mr. Macdonald:

Q. What is the difference in the two orders in council? Will you explain that to the committee?—A. Well, the main difference is that in P.C. 1842 the

definition is simply "treatment." That was qualified in P.C. 91 by adding the words "active remedial," which being interpreted along certain lines you will readily see is capable of a lot of conjecture and speculation as to whether or not the amount of remedy could be obtained and so forth.

	Total amount hospital allowances paid	Total No. hospital admissions	Total class one
P.C. 1842—1935-36	$1,315,347 09	12,678	7,562
P.C. 91 —1936-37	1,083,919 42	11,527	5,990
P.C. 91 —1937-38	943,430 68	11,031	4,571
P.C. 91 —1938-39	862,152 81	10,107	4,642
P.C. 91 —1939-40	713,251 53	9,993	3,487

I may say that in respect of those 9,993 that includes those who were admitted as class 18 cases when the new order in council was passed providing free treatment for those who had meritorious service in a theatre of actual war totalling 3,000.

These figures are approximately correct and in accordance with information published in the Annual Reports of the Department of Pensions and National Health.

It will be noted, therefore, that, as compared to the fiscal year of 1935-36 when P.C. 1842 was in effect, in the year 1939-40, the Department have actually reduced the payment of Hospital Allowances by over 40%. This has undoubtedly been done at the expense of the pensioners and their families; and represents a very great change in policy. Pensioners growing older, and their earning capacity diminished, find this situation very difficult.

It is not the intention of The Legion to enter into a controversial discussion of the term "Active Remedial Treatment", because it is capable of being interpreted in many different ways. We do say that there is considerable dissatisfaction amongst the pensioners of the last Great War; and this will undoubtedly manifest itself amongst those pensioned for disability during the present War if, while totally incapacitated from their pensionable conditions, their families are not provided for. The Canadian Legion objects very definitely to a procedure whereby a man pensioned for war disability, and totally incapacitated, is denied Hospital Allowances when requiring hospitalization. If he is in this category, then we insist he should receive 100 per cent pension, or Hospital Allowances in lieu thereof.

By Mr. Green:

Q. Mr. Hale, take the case of the class of men who are getting class 1 treatment. They get just as much as they got before, do they not?—A. Just as much in a way.

Q. For allowances?—A. Yes; the only changes that were made with regard to the amount of the allowances referred to those above the rank of colonel, I believe, captain.

Q. Is your complaint that a sufficient proportion of the men are not getting class 1 treatment?—A. That is the main basis of the complaint.

Q. Others are getting some other class of treatment which does not carry the same allowances?—A. Yes, that is the basis of the claim. Under the old order in council the department used to examine the man and if the doctor decided that he required to be placed in the hospital there was not too much quibbling as to whether they could cure him or whether they could give him some benefit or generally improve his condition. They put him in the hospital and endeavoured to restore him as soon as possible to a condition where he could resume his occupation. Under the interpretation of this active remedial treatment that difficulty appears to have arisen. Our medical friends will understand, I am quite sure, that you may have a man who has possibly three different

diseases. One of them may be pensionable. It is a very difficult matter to decide whether the pensionable disease is what is actually making the man acutely ill or if it might be one of the other two. Of course, under this order in council the department are compelled to say that he requires active remedial treatments for pensionable condition. I have always felt that it places a very undue handicap on the doctors. It is extremely hard to fairly and honestly decide such a question, but the figures I have quoted certainly prove that there is a larger disparity in the number of men who have been able to qualify for class 1 treatment since this new order in council was enacted, and I would like to emphasize, gentlemen, that the new soldier particularly is going to feel very badly if he finds himself incapacitated and not in accordance with this order in council requiring active remedial treatment. He might still be required to remain at rest in a hospital under medical supervision. There are all kinds of qualifications one can imagine, and we are anxious that there should be a return to a more generous and equitable way in dealing with sick men who are suffering from war disabilities and who are accepted as such.

By Mr. Macdonald:

Q. Do I assume that when P.C. 1842 was in effect that a pensioner who needed treatment for any cause whatsoever was put in class 1?—A. Oh, no, but the general application of the word "treatment" was more broad and generous. He may have other things that the doctor thought were attributing, but in the main he had to have some type of return or recurrence of his war disability. That was the main basis for giving the man treatment.

Q. Does not that still prevail under the present order in council?—A. It does provided the doctors are of opinion that the remedial treatment is required.

By Mr. Green:

Q. Give us a specific instance of that—of a disease?—A. For instance, just recently there is a case of a man in St. Anne's hospital. He is pensioned for a heart disability and he has a skin disease which is also very bad. Now, in the man's mind, while he recognizes he has both these conditions, his heart is bothering him and it will always bother him because it is a defect and a disease for which he is pensioned. He is placed in a hospital, but the department, after due reference to the facts in that case, have said that it is only because of the skin disease that he requires to be placed in the hospital. Therefore his family do not receive any hospital allowance.

Q. Is there any relationship between the heart condition and the skin condition?—A. No.

Mr. TUCKER: Under order in council 1842 would he have got it?

The WITNESS: He may have because of the more generous attitude; they would say that this man has a heart condition and that it is certainly causing him some trouble; ordinarily, perhaps, he would not be strictly considered a hospital case, but because he has this skin disease they would say in their desire to restore him that they would put him in for treatment of his heart condition because it would do him good to confine him to bed and would improve his heart condition and perhaps reduce his symptoms, while at the same time they could treat his skin disease.

By Mr. McLean:

Q. In this particular case, why is he sent to the hospital; is it because he requires hospital treatment for the skin disease?—A. Well, it was for the skin disease.

Q. Did he request that he be sent to hospital?—A. Oh, yes.

Q. It originated with him?—A. The man himself, of course, considers that his heart is the main trouble.

By Mr. Macdonald:

Q. What do you suggest this committee can do? By changing the order in council to what it was before apparently would not help much?—A. If you eliminated the qualifying words "active remedial" you will pretty well restore the basis to what it was before the order in council was passed—just those two words.

Mr. TUCKER: I am not clear at all as to the distinction that has been introduced by the change. In the cases mentioned you admit they were ready to take the attitude they do now that he would not be any better off under the old order in council than to-day. As Mr. Green suggests, I would like a case that is ruled out of getting consideration now which you can say would not have been ruled out under the old order in council.

Mr. MUTCH: Perhaps I can interject a case—

Mr. GILLIS: There is one specific angle of this question that I will seek to make clear as I understand it, one that I think raises the greatest amount of controversy as far as the soldier is concerned. Under P.C. 1842 the departmental officials had a greater amount of latitude than under 91, and where one drastic change has been made in 91 is in this case: under the old order in council, if a man was called in or sent in by his local representative to a departmental hospital and he was kept in there ten days or fifteen days, by virtue of the fact that he was sent in or called in for examination for his pensionable disability he was paid for the time he spent in hospital during that examination. Under 91 that has been changed. A man is not called in any more for pension examination. In addition to that, if he applies he must prove after staying in hospital for ten days probationary period or examination period—if at the end of ten days the medical authorities find that his disability has not increased then he is not paid any pay or allowances for the ten days he spent in hospital undergoing an examination. There is a change there, and there has been a lot of friction so far as pensioners are concerned on that matter. Take the case of a man who is suffering from asthma or rheumatism or neuritis and he has a seizure and while in that condition he is examined and the examiner states he is in need of hospital treatment for his asthma condition or his rheumatism—an aggravation of it brought on by the seizure—

Mr. MACDONALD: What is the pension for?

Mr. GILLIS: Either for the asthma or the rheumatism. He is in need of hospital treatment. He is examined by the medical doctor and he travels two or three days on a train and he goes into hospital and spends ten days in hospital and if this condition can clear up to a large extent in ten days when he is re-examined the people in the local hospital can state that he is not in need of hospital treatment, that his disability has not increased and that they do not think that he can be cured by keeping him there, and the amount of time he spent in going to the hospital and in being examined there is not paid for, whereas under the old order in council it was. If he had been working when he was taken into hospital he missed perhaps two or three weeks of work when his family are depending on his wages and there is no compensation for him while he has been in the hospital or on the road. There is a definite change there which is causing a great amount of friction as far as the regulations are concerned.

Mr. MUTCH: Take the case of a man who is suffering from heart trouble, for instance, and who feels that he requires hospitalization, or his family feel that he does, he reports to one of our military hospitals and the doctor in the treatment branch has to certify, as I understand it, that in his opinion a stay in the hospital will actually remedy or improve the man's condition before he can get treatment.

The WITNESS: That is correct.

Mr. MUTCH: I have in mind the specific case of a man who was bedridden and maintained by the department in a nursing home. The situation in that nursing home was anything but ideal although the treatment was generous, and I made every effort to get that man into the Deer Lodge hospital in Winnipeg for a period of time for observation and treatment. I endeavoured to do it and I still am, but the trouble is that there is not any responsible doctor who will say, in the treatment branch or anywhere else, that a stay in the hospital will benefit that man's condition.

The WITNESS: Under the previous order in council that man was admitted. In this particular case he was admitted under 1842 but he may not be admitted under 91.

The CHAIRMAN: Dr. Ross Miller of the department will be called before the committee and will be able to throw some light on these questions.

By Mr. Macdonald:

Q. Is there any reason why a pensioner with a heart disability who suffers from a skin disease should get more consideration than a non-pensioner who has got some skin disease?—A. Of course, first of all, the heart condition of itself would require hospitalization. Under this other order in council 1842 I have referred to the department in such a case would ordinarily say, and the doctors would generally say, "We can improve this man's general state of health including his heart condition by putting him to bed for say thirty days, and while we have him in bed we will treat his skin disease"; and there was a generous view taken of it, and there was more satisfaction because we did not have to run into that kind of odd cases where we would have men with more than one condition. There is a case here that might illustrate the point better. Here is the case of a man in Australia who has caused us a lot of trouble. This man enlisted in September, 1914, and served in France and was discharged as medically unfit January, 1918. He was pensioned for hallux valgus, with callosities, at 20 per cent, and he required treatment.

This is the situation that obtained: first of all he was admitted for treatment as a class 1 case and later he was changed to what is called a class 5, because in the opinion of the department active remedial treatment was not indicated for those pensionable conditions. Later the man secured private medical care and he had to have considerable surgery done.

By Mr. Bruce:

Q. Would you explain to the committee what you mean by hallux valgus; if not I will tell them?—A. I think the explanation would come much better from you.

Mr. BRUCE: It is what is commonly known as a bunion and the callosities mean a bony formation.

The WITNESS: The position of the department is quite clear. They say that in their opinion active remedial treatment was not indicated, but so far as the man is concerned he is receiving considerable treatment privately from Dr. E. B. Wance, surgeon, whose report shows the extent of the treatment required. Perhaps I had better read this report for the benefit of Dr. Bruce particularly because he can explain it:—

> This man is an in-patient, at Royal Prince Alfred hospital, Sydney, N.S.W., suffering from bilateral claw feet in an advanced stage. He has been under treatment by me here as an in-patient and out-patient for over six months.
>
> I found him suffering from intractable painful callouses under the 1st and 5th metatarsal heads of the right side; and on both sides from excessive clawing toes and from shortness of tendo achilles... Multiple tenotomies and chronic thickened bursae removed from under the callouses.

One of these (the 5th) broke down and he had to get about in plaster of paris fixation for a long time. It eventually healed but with a painful scar.

On 6/7/36 I excised the painful scar and found new tissue by plastic operation to cover the space. On the left foot partial amputation of the terminal phalanx and the 2nd toe was performed.

Now, that man ordinarily under the old order in council would probably have received treatment as a class 1 case.

The CHAIRMAN: May we proceed with P.C. 91?

The WITNESS: Yes. The next item is with regard to class 18, medical treatment and hospitalization provided under 91.

The Canadian Legion were extremely gratified when, after many years of representations to the government and committees of the House of Commons, hospitalization and medical treatment were authorized under order in council P.C. 3275, on January 4, 1939, for those who had meritorious service in a theatre of actual war in the last great war when they were financially unable to pay for same. We feel that this experiment has proven to be a great success and place on record our appreciation.

The chief benefit has naturally been felt by those residing in close proximity to hospitals, under the control of the Department of Pensions and National Health, or those with which the Department of Pensions and National Health had a contract. It has been difficult and usually impossible for those ex-service men, otherwise qualified to receive this benefit, who reside in the northern districts of the various provinces, because the cost of transportation, which they are required to pay, is prohibitive. The last dominion convention of the Legion made the following recommendations:—

1. That a more liberal application be given the regulations governing class 18 treatment, particularly with a view to establishing more contract hospitals, and arranging that the services of district medical officers of the Department of Pensions and National Health be made more easily accessible to ex-service men in outlying districts.

2. That in the instance of an ex-service man needing urgent treatment or hospitalization, and being certified as such, transportation be provided to and from the point of hospitalization, if he is unable so to provide.

3. That the classification "meritorious service" include forestry, labour units, and medical units who served in a theatre of actual war.

4. That consideration be given regarding the inclusion of those who serve in a theatre of actual war in the present war.

By Mr. Macdonald:

Q. At the present time does a man serving in a forestry or labour unit or a medical unit in France not get the benefit of P.C. 91?—A. Not this class 18 treatment unless he served in an ambulance unit in a forward field or if he had actual service in what is regarded as front line territory.

By Mr. Cruickshank:

Q. Are the Legion satisfied when they were financially unable to pay for the same?—A. We think the department have been very generous regarding that point. The means test they apply is ordinarily what the amount of hospital allowance would be in a similar case; if he has an income less than that amount they give him the treatment.

Q. It is not clear to me if he is financially unable to pay for the same how any working man in the past ten years has been able to pay for hospitalization. That is beyond me. I remember a prominent official of the Department of Pensions and National Health advocating general hospitalization of every returned man—the present minister—and I am fully in agreement with that. —A. There is not much of a problem there; the department has been generous.

Q. I do not think they are generous enough. Can you tell me how a farmer is going to save enough money to pay for hospitalization—I am not talking about lawyers—I am talking about farmers. I think that hospitalization should be provided for any returned soldier providing he has something that has been aggravated through the war. I am not speaking about something that has no connection with the war.—A. This applies to all conditions regardless of the war.

Q. It also says "financially unable to pay." It is forcing a man to put himself more or less on charity in order to get what is his right, free treatment. —A. I think in fairness to the department that I should say that when a man and his wife are considered on the hospital allowance basis they receive $86 a month and if the income is less than that the man gets the treatments, which is generous. The basis upon which they decide whether he is financially able to pay or not is gauged by what the amount of hospital allowance would be in a similar case, a man and wife and one child, $95 per month.

Q. Do they get that whether he is a pensioner or not?—A. They take his total income wherever he may be receiving it—that is his total income at the time he applies—if it is less than that amount he gets the treatment.

By Mr. Green:

Q. Is not this class 18 treatment restricted also to cases where there is active remedial treatment?—A. Oh, yes, the acid test is required in so far as he has to be certified to require active remedial treatment.

Q. If he has some disease which cannot be cured he is not eligible for the treatment?—A. The chronic disease cases are the cases that do not qualify.

By Mr. Mutch:

Q. In some cases the doctor will state that some alleviation can be accomplished even though the disease cannot be cured?—A. That is the question; palliative and ameliorative treatment are not necessarily active remedial.

By Mr. Tucker:

Q. What does the term "contract hospitals" cover? Take for example in the province of Saskatchewan where there are hospitals scattered throughout the province who look after the veteran farmer perhaps without getting anything for it and then the time comes when they could get treatment under this clause and that veteran is taken away to some city hospital where the government pays for his treatment. I wonder if there should be this discrimination. Why should not the small hospital in the country district where the veteran has lived perhaps since he has come back from overseas and which has treated him and his wife and family when they could not get any help from the government—why should not that hospital be paid when it becomes a matter of treating him and the government is going to pay?

Mr. MACDONALD: What is a contract hospital?

The WITNESS: I think the minister can tell you that.

Hon. Mr. MACKENZIE: They are hospitals outside of departmental hospitals at which we pay varying rates of $3 a day and so forth.

Mr. GREEN: Has there been an increase in the number of contract hospitals?

Hon. Mr. MACKENZIE: There is quite a large number.

Mr. GREEN: Has there been any substantial increase in the number the last year or two?

Hon. Mr. MACKENZIE: Yes.

Mr. TUCKER: What is the policy in that regard? Do you restrict it to certain city hospitals or would you stop a hospital fully qualified which gets a provincial grant from getting the contract?

Hon. Mr. MACKENZIE: I do not think so, if there was sufficient justification for having a contract in that particular area.

Mr. MACDONALD: If I remember well, someone made representations in this committee that all treatments should be given in military hospitals.

The WITNESS: It was not the Canadian Legion, because we believe that the department, having medical representatives in most of the fair-sized towns—we believe that those men should be utilized to give treatments where required; and if it is necessary to admit a man to the hospital we believe he should be admitted to the nearest hospital, and that it should be possible to enter into a contract with that hospital and thus provide the treatment in that way and save considerable expense to the man as well as to the department; because if he has to go to a large centre there is all the expenses that he has to contract and then there is the possibility of a long stay in the departmental hospital and all that goes with that.

Mr. QUELCH: I wonder if the Legion has investigated cases of certain farmers who have been turned down on the ground that they had threshed two or three thousand bushels of wheat. Apparently no cognizance is taken of the fact that although they had threshed this wheat their expenses were considerably more than the return they received for their wheat. If this man had filed an income tax return it would show that he did not have any income and yet he was turned down on the ground that he had threshed 2,000 bushels of wheat.

Hon. Mr. MACKENZIE: Was he turned down for treatment?

Mr. QUELCH: For hospital treatment. I know the name of one of these men and I made personal representation to the doctor at a hospital, and finally they allowed the man to go in. I do not feel that it should be necessary for me to make an application on behalf of a soldier. The mere fact that a man has threshed 2,000 or 3,000 bushels of wheat does not show that he has an income. They jump at conclusions.

Hon. Mr. MACKENZIE: Could you give us the name and details of that case?

Mr. QUELCH: The man was finally allowed in, but I do not want the man in charge of the hospital to be criticized, because he did finally allow that man in.

Mr. TUCKER: Look at the credit you got getting him in.

The WITNESS: This has to do with medical treatment and hospitalization of Canadian ex-service men resident in the United States.

At the present time, the Department of Pensions and National Health have authority to provide medical treatment and hospitalization for Canadian pensioners resident in the United States, but only in respect of their pensionable disabilities. This is done through the very excellent United States Veterans' Administration, who maintain splendidly equipped hospitals in the great majority of the states and in most of the principal cities. The Department of Pensions and National Health have no power to provide medical treatment or hospitalization for any disability, which is not accepted as one of a pensionable character.

It will be realized that many citizens of the United States, who rendered valuable service in the Canadian forces in the last great war, naturally returned to their homes and had they served in the forces of the United States, they would be entitled to receive free medical treatment and hospitalization under the laws of the United States. Then there are those Canadians who, finding it impossible to secure employment in Canada, proceeded to the United States and have established homes therein.

It is felt by the Canadian Legion that in these days, when the goodwill and support of the United States is most desirable, it is detrimental to good relations when such ex-service men unable to provide necessary medical treatment or hospitalization cannot receive same under the same conditions, as if they were residents of Canada, from the Department of Pensions and National Health. The Dominion convention of the Canadian Legion made the following recommendation:—

> That the regulations governing class 2 and class 18 medical treatment be so amended as to provide for such treatment being provided for Canadian ex-service men resident in the United States.

By Mr. Green:

Q. What was the reason given by the department for not providing such treatment?—A. Well, the reasons I have heard are chiefly concerned with the matter of difficulties of administration, but I do think, gentlemen, that this is a very important question, and it is one that is causing a great deal of trouble for us. You have the men who served in the United States forces and the men next door who served in the Canadian forces, one gets free treatment by his own government and the other cannot get it because in most cases he came to Canada at his own expense and joined our forces and then returned to his home after the war was over; and there is quite a large population of Canadians who are in the same position. We feel that the United States Veterans' Hospitals and their administration is so excellent that there would be no difficulty whatever, and we really feel that it would be a step in the right direction when we are seeking so much in these days in the United States, if our government would extend this benefit.

By Mr. Green:

Q. Are there more difficulties in connection with administering class 2 and class 18 than there would be in administering the class of treatment the veterans in each case can receive?—A. We do not see any difficulty at all, Mr. Green.

By Mr. Cruickshank:

Q. Have we any reciprocal arrangement for American soldiers residing in Canada where we act on behalf of the American government?—A. No, there is none.

By Mr. Isnor:

Q. Do the American soldiers in Canada enjoy the privilege that you advocate for the Canadian soldiers in the United States?—A. Only in so far as pensionable conditions are concerned.

Q. Do they enjoy any similar arrangement?—A. No.

Q. You advocate something for our soldiers living in the United States that the United States government does not provide for the American soldiers living in Canada?—A. Well, of course, the number of Americans living in Canada is very small.

Q. That does not matter. I am speaking of the principle.—A. It may be they have not sufficient numbers. We have a tremendously large number of soldiers in the United States. Thirty-five thousand men enlisted in the United States in Canadian forces, and since the war a very large number of Canadians have gone over there to live.

The CHAIRMAN: We are not discussing what the American government does in the United States, but what the Canadian government should do, in your opinion.

Mr. TUCKER: I do not think the American government ever permitted Canadians to enlist in their armed forces, whereas we welcome them in our army. Is not that true? We did that in the last war and did it in this war.

The WITNESS: I would not be prepared to say they did or did not. I know a lot of British born men served in the American forces.

Mr. TUCKER: They were then American citizens.

The WITNESS: They might be.

By Mr. Green:

Q. The Imperials cannot get class 18 treatment?—A. No. May I now continue with my brief. Veterans' care which is known as class 4. It is recommended—that was the recommendation of the last dominion convention of the Canadian Legion. It was recommended:—

> That Class 4—Veterans' care be made available to veterans of the North West Rebellion.

Under Order in Council P.C. 91, veterans' care is provided for former members of the forces, who are permanently and totally disabled or temporarily totally disabled, when they are unable to provide suitable domiciliary care at their own expense. The term "former member of the forces" is defined very definitely and includes the following classes:—

1. Those who served in the Canadian forces during the last great war.

2. Those who were resident or domiciled in Canada on August 4th, 1914, who served in His Mapesty's forces or with the forces of any of the British dominions, also those who served with any of His Majesty's allied or associated powers, in the last great war.

3. In order to qualify, the applicant must be in receipt of a disability pension in respect to the last great war, or, if not, had been awarded a pension for a disability related to service in a theatre of actual war.

As there are very few surviving veterans of the North West Rebellion, the Legion requests they be given the benefit of veterans' care, should they require same.

Q. You are not representing that or urging that for the veterans of the South African war?—A. I think the Legion has further representations to make later with regard to the soldiers' homes and so forth. That really is a very excellent provision, veterans' care. At the present time it is provided in departmental hospitals. The few North West Rebellion veterans we feel should be given shelter and care if it is required. That is the main purpose of our request.

The CHAIRMAN: If there are no more further questions to be put to Mr. Hale I shall call on Mr. Bowler.

Mr. BOWLER: Mr. Chairman, the question of the status of ex-Imperials now resident in Canada in relation to Canadian pensions and other legislation has been discussed quite frequently during these proceedings and I undertook a few days ago to put in a presentation on behalf of the Imperial division of the Canadian Legion. I now have that, sir, and Captain Kermack, who is the Imperial representative of the Legion, is here and is at your service in the matter of presenting it.

The CHAIRMAN: Do you prefer to have this placed on the record?

Mr. GREEN: No; I think we should have it read.

The CHAIRMAN: Now?

Mr. GREEN: Yes.

The CHAIRMAN: Before that brief is presented may I say the minister has submitted to the committee a number of reports, orders in council, etc., deaing with the activities of the interdepartmental committee established for the purpose of considering existing regulations covering burial arrangements of deceased members of the armed forces. These documents are both very useful and informative.

Hon. Mr. MACKENZIE: It deals with the question raised by Mr. Quelch the other day.

The CHAIRMAN: The minister suggests that this be published as an appendix to the report, and I shall order it to be printed as Appendix A. The second question I should like to touch on is the time of our next meeting. I think we should have another meeting to-day, either this afternoon or to-night.

After some discussion the committee adjourned at 1 o'clock to meet to-night at 8 p.m.

EVENING SESSION

The committee resumed at 8 o'clock p.m.

The CHAIRMAN: Gentlemen, Mr. Bowler has a supplementary statement to submit to the committee. Is it the wish of the committee to have this placed on the record or read, and then to call back Mr. Bowler and Captain Kermack for questioning?

Mr. ISNOR: Is that the twenty page brief?

The CHAIRMAN: Yes.

Mr. GREEN: I should like to have it read, Mr. Chairman; we never have time to read these things when they are put on the record.

The CHAIRMAN: The only problem, Mr. Green, is this: we would like to get on with certain sections of the bill tonight. But if it is the wish of the committee to have it read—

Mr. GREEN: We could ask questions while it is being read.

The CHAIRMAN: Then perhaps you can read it rapidly, Mr. Kermack.

Mr. BOWLER: Mr. Chairman, Captain George Kermack, who will read this brief, is the Imperials' Representative at the Dominion headquarters of the Canadian Legion.

The CHAIRMAN: Thank you, Mr. Bowler.

CAPTAIN GEORGE KERMACK, Representative of the Imperial Division, Canadian Legion of the British Empire Service League, called.

The WITNESS: Mr. Chairman, Mr. Minister and Gentlemen,—We have to express our sincere thanks for the opportunity of making this Submission to you in the interests of Canadian Citizens (Men and Women) with Imperial Service, past and present.

My appearance here is subject to a qualification similar to that mentioned by Mr. Bowler in his introductory remarks to the Committee, namely, that I have authority to represent only those Imperials, who are a substantial body in the membership of The Canadian Legion, and who form the Imperial Division of The Canadian Legion. At the same time, it is felt necessary to speak on

behalf of Canadians who are now members of the Imperial Forces, as they are not at present in a position to do so for themselves, and also on behalf of other Imperials not otherwise represented.

Our submissions are intended to promote and support the fair and reasonable interests of Canadian Citizens (Men and Women) with Imperial Service in their proper relationship to the interests of the Nation and Empire.

We would like it to be understood that what we have to say is supplementary to what has already been submitted to the Committee by Mr. Bowler and Mr. Hale and that we shall confine ourselves, as far as possible, to such matters as particularly affect Imperials who served in the last War and Canadians who have served or are serving in the Imperial Forces in the present War. We must ask your indulgence, if this presentation should in any degree overlap the submissions already made. Our concern is for the inclusion of those having Imperial Service within the Canadian Pension and other Soldier provisions, rather than with the provisions themselves, which have been dealt with by Mr. Bowler and Mr. Hale.

Organization of Imperial Ex-service men in Canada

A brief summary of our Organization of Imperials in Canada may be useful.

In 1919 an association of Imperials was formed at Winnipeg under the name "Imperial Veterans in Canada." This Association operated for a time under a Provincial Charter issued in Manitoba, but in January, 1923, Dominion Letters Patent were issued. Since then the Association has continued as an active organization; they had and have their Dominion officers and Dominion Executive Committee with complete autonomy and their Branches are also autonomous.

In 1925, the late Earl Haig took an active and leading interest in the movement for the unity of the Ex-service men of the Empire in one body known as the British Empire Service League. "Imperial Veterans in Canada" were sympathetic to the proposal. They entered into a preliminary agreement for the purpose with the "Canadian Legion" in 1927, and in 1929 complete agreement was effected.

Under the agreement, "Imperial Veterans in Canada" became the "Imperial Division of the Canadian Legion" but they retain their identity and charter.

It is part of the arrangement between the two Associations that members of an Imperial Veterans' Branch become automatically members of "The Canadian Legion," and Imperial Veterans who are members of any Branch of "The Canadian Legion" become automatically members of the "Imperial Division."

In their work on behalf of Veterans, "The Canadian Legion" and the "Imperial Division" work hand-in-hand; they hold their Conventions at the same time and place and form a united front on behalf of the Veterans, Imperial and Canadian, of the Dominion. They maintain friendly relations with the different Government Departments with which they are in contact.

There is a considerable number of Imperials within "The Canadian Legion" and the "Imperial Division." Many Executive officers of Legion Branches throughout the Dominion are Imperials: This is a distinct source of strength to the "Legion" as a whole as well as to Imperials in Canada.

Number of Imperial Veterans in Canada

No definite figures are available at the moment but inquiry has been made at the Department of National War Services and we are informed by the Department that some data taken from the records of the National Registration of 1940 will be supplied.

Since this was written, Mr. Chairman and gentlemen, we have had a note from the department stating that 86,470 persons were registered as having served in the Imperial forces of the Empire outside of Canada.

By Mr. Green:

Q. 86,000?—A. 86,470. But these figures have not yet been broken down.

War Veterans' Allowance

When the War Veterans Allowance Act was passed in 1930, the country was going through a period of acute financial depression and this legislation was not only a notable step forward for the care of veteran soldiers, but also emphasized the necessity for a measure of the kind and the desire of the Canadian people to deal with that necessity.

The Act deals with those who served in the South African War or the Great War. It is non-contributory.

The application of the Act to those who served in the Imperial Forces in the Great War is covered by Section 2 (j) (ii) and (iv) as contained in the original Act and still unaltered. All applicants have to satisfy the Board as to age or unemployability.

The further conditions for Ex-Imperials are,—

(1) domicile in Canada at the time the veteran joined His Majesty's forces for the purpose of the War, and

(2) (*a*) service in a theatre of actual war, or
(*b*) receipt of pension for an injury or disease incurred or aggravated during such service or receipt of a final payment (similar or analogous to the final payment authorized by the Canadian Pension Act) made in respect of a disability rated at more then 5 per cent of total disability pursuant to the laws affecting the members of the forces with which he served.

While War Service is a condition for the grant of War Veterans' Allowance, no length of such service, no meritorious service or special gallantry in the great war or any combination of these distinctions would qualify a veteran. The veteran must satisfy either one or other of the following conditions:—

(*a*) that he has attained the age of sixty years, or

(*b*) if he has not attained the age of sixty, that he is, in the opinion of the Board, permanently unemployable because of physical or mental disability, or

(*c*) if he does not qualify by age or disability under the two preceding paragraphs, but having served in a theatre of actual war, that he is, in the opinion of the Board, incapable and unlikely to become capable of maintaining himself because of economic handicaps combined with physical or mental disability or insufficiency.

In other words the Act provided for the necessary maintenance of men who had given war service and who were not in a position to maintain themselves on account of age or disability or economic handicaps or a combination of any of these.

The measure may, therefore, be fairly looked upon as social legislation especially directed to the assistance of ex-service men who had undergone the stress and strain of service in a theatre of actual war or are in receipt of a war disability pension and who have become incapable of self support.

It may, we think, be reasonably assumed, therefore, that from the beginning of this legislation there has been recognized the principle that for the purposes of War Veterans Allowance those who served in the Imperial and Allied Forces should receive the same consideration as their Canadian comrades subject to possession of Canadian domicile. It was, however, a new departure in social

legislation, and for that reason and the existence of a world financial crisis it is quite understandable that the application of the Act should have been restricted by imposing a condition of domicile.

The following statement was made recently by the British Legion in a presentation to the British Government:—

> The Legion has pressed and will continue to press for rates equal to those of 1919, for no war pension system can be justified which results in men who are living side by side and suffering the same degree of disablement, receiving different compensation.

It is now over twenty-two years since the last shot was fired in the great war and the Imperial Division of the Legion respectfully submits that the requirements of the Act should be so altered as to include Imperial Veterans who would qualify for an allowance under the Act in all respects except domicile before enlistment, subject to a reasonable period of residence. They ask that eligibility be granted to Imperial Veterans who were resident in Canada on 1st September, 1930, and are now domiciled in Canada. The 1st September, 1930, was the date on which the War Veterans' Allowance Act came into force and by making that date the dead-line for residence qualification there are the following results:—

1. Any Imperial Veteran who came to reside in Canada prior to 1st September, 1930, either did so before the acute depression was felt or in the course of that depression. None of them could have had any conception in advance that such a measure as the War Veterans' Allowance Act would be passed or that any benefit was likely to accrue to them of the nature of War Veterans' Allowance.

2. If an Imperial Veteran has continued to reside in Canada since 1st September, 1930, and during the severe conditions of the depression or at least during a part of that period, he has shown his full intention of staying with Canada, of making his permanent home in Canada.

3. Those Imperial Veterans whose circumstances would qualify them for War Veterans' Allowance but for the requirement of pre-war domicile deserve favourable consideration in their present distress. They are only a small percentage of a larger body of Imperial Veterans who are loyal citizens of Canada and contribute their efforts in taxation and otherwise to the maintenance of government activities, including War Veterans' Allowances.

In support of this contention it may be useful to refer to a number of features which have a bearing on the question.

During recent years English-speaking nations have shown increasing interest in social schemes for the advancement and protection of their citizens. Some have advanced more quickly than others on account of varying conditions which are understandable but there is a persisting tendency within the British Commonwealth of Nations to provide schemes of Unemployment Insurance, National Health Insurance and Old Age Pensions and for interchange of the rights granted under such schemes on the migration of citizens from one Dominion to another.

Thus the United Kingdom has had and still has in operation the following schemes:—

(1) Unemployment Insurance (Contributory)

(2) National Health Insurance (Contributory) which covers—
   (*a*) Sickness Benefit
   (*b*) Disablement Benefit
   (*c*) Maternity Benefit

(*d*) Medical Benefit

(*e*) Additional Benefits, Dental, etc.

(3) Old Age Pension—

(*a*) Contributory

I should say that includes widows and orphans. Continuing:—

(*b*) Non-Contributory

(4) Prince of Wales Fund—This fund came into operation early in 1932 to provide pensions of 10s. a week to necessitous ex-service men and women of the great war who are permanently resident in the British Isles, subject to the following conditions:—

Q. Is that a government fund?—A. No. It is sponsored by the British Legion and it is a voluntary fund, set up from moneys collected after the war. It is not a state fund. Continuing:—

(1) that they are 50 years of age or over

(2) that they served overseas in the great war

(3) that their health has been permanently impaired to such an extent as seriously to interfere with their earning capacity

(4) that their means are such as to warrant an award of pension

(5) that they are of good character and worthy to receive a pension from the fund.

Pensions in issue numbered 2,135 at the end of 1940.

(5) Hospital Savings Voluntary Schemes to cover hospitalization for all health disabilities (other than pensionable disabilities).

(6) It is understood that the United Kingdom is prepared to enter into agreements for reciprocity in all or any of the first three schemes with any of the Dominions. For example:—

> There is reciprocity in National Health Insurance between the United Kingdom and Northern Ireland and between the United Kingdom and the Isle of Man.
>
> The Commonwealth of Australia has passed legislation for the National Health and Pensions Insurance Scheme and has taken power to enter into reciprocity agreements with any other part of the Empire.

An agreement is in existence between New Zealand and the Commonwealth of Australia providing for reciprocity regarding Old Age Pensions, so that the aggregate period of residence in both countries combined will qualify persons for such pension, the liability for each country being based on the proportionate populations of the two dominions.

In the Dominion of New Zealand, the period of residence for superannuation and old age benefits has been reduced from 20 to 10 years continuous residence in the case of those pensioners who were resident in New Zealand on 15th March, 1938. In all cases there must have been continuous residence in the Dominion for 12 months before admission of the claim to pension. The reduction from 20 to 10 years does not apply to those who settle in the dominions after 15th March, 1938.

It was estimated that between 3,700 and 4,000 persons would be benefitted by this reduction in period of residence.

Canada led the way in War Veterans' Allowance, and New Zealand has given a lead in reducing the period of residence as a qualification for benefits under their Social Security Act, 1938.

[Captain George Kermack.]

Canada has taken the first step towards reciprocity with the other Dominions by the Government obtaining power from Parliament under the Unemployment Insurance Act, of which Section 99 is as follows:—

> The Governor in Council may, notwithstanding anything herein contained, enter into agreements with the Government of another country to establish reciprocal arrangements on questions relating to unemployment insurance.

It will be appreciated that when an imperial veteran emigrated from the United Kingdom to Canada he necessarily and voluntarily left behind him all the foundations of social security which had been built up in his native country on the basis of a long period of experience and with the advantages of a comparatively closely settled community.

Many of these Imperials, probably the great majority of them, have during their residence in the United Kingdom contributed to the schemes of social insurance in operation there. Normally no state extends social provisions to persons resident out of its territory, and that is the case with regard to the state social schemes in the United Kingdom, except as to war disability pensions which are payable anywhere and Contributory Old Age pensions which are payable to pensioners while resident within the Empire and also excepting payments under any reciprocal arrangement between the United Kingdom and the other Dominions. With the exceptions mentioned, Imperial veterans from the United Kingdom resident in Canada do not benefit from their past contributions to these schemes.

Employment Preferences:

There is a series of employment preferences in Great Britain for ex-service men of the great war. I have no certain information that these advantages are all open to ex-service men of the Empire who take up residence in the United Kingdom but according to reliable informants it is their belief that no distinction is made between places of origin of ex-service men of the Empire in adminstering these preferences.

These preferences are—

(1) *For Ex-Service Men generally*

(a) Since 1919 Government Employment Exchanges throughout the country have had to give preference to its men who rendered service with the Forces.

(b) Preference is afforded for all temporary clerical vacancies in Government Departments, which leads in many cases to permanent employment.

(c) Preference is also afforded under Government assisted Schemes for Relief of unemployment supported by Government Grants for approved public works. These works have been gradually completed and the scheme has greatly lessened as a means of Employment.

By Mr. Reid:

Q. Might I interrupt to ask if in Great Britain they make any difference or distinction between those who served in England and those who went overseas to France in regard to preference for employment?—A. I do not think so. Continuing:

(2) *For War Disabled Men*

(a) *King's Roll*—Commenced in 1919 and confined to employment of men of the Great War only.

(b) Special Register at Government Employment Exchanges where men are classified by categories according to capacity for work.

(c) Preferential terms in the State Insurances—

1. Since 1921, special relaxations in Unemployment Insurance.

2. Under employment assistance the disability pensioner is protected as to the first 20s. of his pension in connection with the "Means Test".

3. Under the Health Insurance Scheme, there is free medical benefit for all complaints though he may have failed, through unemployment, to keep up his insurance contributions.

4. In the Voluntary Contributions Act of 1937, in the assessment of the admissable maximum income of war disabled men on entry into the Scheme no part of his disability pension is included.

(3) *For Severely Disabled Men*

Ordinarily applies only to men with 50% or over but men with a lesser disablement may be admitted.

The provision of suitable employment for these men is a matter of special concern to the King's Roll National Council and is carried out by undertakings and schemes providing employment for men who cannot expect employment under normal industrial or commercial conditions. Some undertakings are supported by Government grants and others are self-supporting.

In the United Kingdom a wonderful system of public hospitals and institutions, old established, endowed by generations of charitable donors and assisted by public subscriptions, has grown up in the course of time so that, apart from the rights of treatment under the National Health Insurance Scheme it is not difficult for persons of small or moderate means to obtain all necessary hospital treatment without cost to themselves. It is open to any patient so treated to give a donation to the funds of the Hospital which has sheltered him but this is usually a voluntary matter. The voluntary Hospital Savings Associations are a cheap and valuable security for hospitalization without cost to the individual contributor requiring such treatment outside of their contributions.

Of course, it is not suggested that in coming to Canada any thought of the loss of social security even occurred to Imperial Veterans who are now citizens of Canada. No more did it occur to them that in 1929 there would befall a depression of unusual magnitude, and they were only some of a very large number of men, many of them well versed in trade, commerce or finance, who received the shock without warning.

Under the present terms of the War Veterans' Allowance Act a number of Imperials who are with reference to age, unemployability or disability, well qualified for the allowance are debarred solely because they were not domiciled in Canada at the time of enlistment for the Great War. These men are exactly in the same position as Canadian Veterans so far as they are incapable of maintaining themselves and there is no prospect of their economic position improving. The necessity for the benefits of this legislation applies equally to these Imperials and where they were resident in Canada on 1st September, 1930 and are now domiciled in Canada, it is submitted that these qualifications should be regarded as adequate in place of the requirement of domicile now in the Act. They have the war service, they are in distress, they are citizens of Canada and they require our attention and care.

These men are natural born citizens of the United Kingdom and of the Empire, they are a part of the Empire and their forebears have all contributed to the building up of the Empire, including Canada; they came to settle in

Canada hopefully and permanently and they form but a small percentage of the large body of Imperial Veterans who have successfully established themselves in Canada and who have become for Canada a source of strength in war and of responsible citizenship in peace.

It is believed that a large number of Imperial veterans resident in Canada have since the outbreak of the present war enlisted in the Canadian Forces including the Veterans Guard of Canada or taken up some other form of war employment. Reference is made to the Report to this Committee by Mr. Walter S. Woods as chairman of the War Veterans' Allowance Board and his statement that out of those who were in receipt of the Allowance over 1,200 veterans have entered the services or engaged in other employment associated with the present War. It is reasonable to assume that for the period of the present war the number of those Imperial Veterans who might qualify for War Veterans' Allowance by enlargement of the present qualifications for eligibility will be substantially reduced through the opportunities of some kind of war employment and the desire of the men to be self-supporting.

If unable to work and in need, we respectfully ask that they be admitted to the benefits of the War Veterans' Allowance Act on the lines we have suggested. It is a definite problem requiring solution and it is submitted that this problem should be dealt with adequately before we are further engaged in the problems of the present war.

TREATMENT

The question of treatment for non-pensionable disabilities is one of importance to veterans in Canada who served in the Imperial Forces in the Great War and it has received consideration by the Legion from time to time.

At the Dominion Convention of the Legion held in Montreal in May, 1940, the following resolution on the subject was passed:—

> Classes 2 and 18 Treatment for Imperials—Resolved THAT the Dominion Command be instructed to make representations to the Department of Pensions and National Health for the inclusion of Imperials, domiciled in Canada, among those entitled to the benefits of Class 2 and Class 18 treatment on the same conditions as for Canadian Veterans.

CLASS 2 TREATMENT

Imperials are made eligible for this class of treatment by P.C. 91 as amended, provided they satisfy the conditions required in respect of Canadian veterans and also certain further conditions.

These further conditions are:—

(1) THAT the applicant had pre-war residence or domicile in Canada and

(2) THAT he is in receipt of payment of pension for a disability related to service during the Great War, and

(3) THAT in respect of said service related disability entitlement to treatment is conceded by the British Ministry of Pensions.

That is to say there are three conditions precedent before an application by an Imperial Ex-Service man can be granted and the second and third of these conditions are not imposed in the case of a former member of the Canadian Forces.

The absence of any one of these requirements may bar an Imperial ex-serviceman from treatment. He may have pre-war domicile and be in receipt of payment of pension but he may not now have entitlement to treatment by

the British Ministry of Pensions, in respect of the service related disability where the medical officers of the British Ministry are not satisfied that the need for treatment is due to the persisting effects of Great War service.

Under Imperial Regulations pension is not payable for assessments below 20%, such cases being paid gratuities according to special specified brackets, whereas similar cases down to 5% under Canadian Regulations would be in receipt of pension. In such Imperial cases, the veterans, therefore, cannot qualify by reason of the fact that they are not in receipt of pension.

The British Ministry requirements for the grant of treatment is that the worsening of the condition requiring treatment must be due to the persisting effects of war conditions.

It is submitted that Imperial ex-service men otherwise qualified for Class 2 treatment should be admitted to Class 2 treatment on the same terms as apply to those who served in the Canadian Forces, subject to a residence qualification.

It is further submitted that the condition as to residence or domicile under P.C. 91 should be satisfied if Imperial ex-service men were resident in Canada on 1st September, 1930 and are now domiciled in Canada.

Class 18 Treatment

This class of treatment is covered by the conditions imposed by P.C. 3275.

Under these conditions, those who served in the Imperial Forces during the great war are not eligible whether or not they were pre-war residents of Canada, and it is respectfully submitted that consideration be given to inclusion of these Imperial ex-service men who satisfy the other conditions for this class of treatment, provided that they were resident in Canada on 1st September, 1930 and are now domiciled in Canada.

On the present conditions applicable to Class 18, the question may arise whether meritorious service could be considered in the case of a Canadian who had transferred to the Imperial Forces in the Great War either on request or on his own application and did not have any service in a theatre of actual war until after transfer to the Imperial Forces. This is a matter which seems to deserve attention during the consideration of the present Bill.

CANADIAN PENSION ACT

Perhaps I should emphasize again that I am not dealing with the merits of the provision, but merely with the application of the Act to those who have served or are now serving in the Imperial Forces.

Bill 17 (Pension Act Amendment)

Section 20 of the bill provides for a new section—46-A—which bears to include certain Canadians serving in the Imperial forces in the present war. It is the only provision for bringing Canadians who have served or are serving in the Imperial forces during the present war within the scope of the Canadian pension scheme.

It is submitted that the proposed section 46A as framed is subject to the following objections:—

1. It would limit the benefits of the Canadian Pension Act to those:—
   (*a*) Who were not only *domiciled* but also *resident* in Canada at the commencement of the present war, that is 1st September, 1939; and
   (*b*) Who have become members of the naval, military or air force of the United Kingdom, subsequent to 1st September, 1939; and
   (*c*) Who have suffered disablement or death in respect of which gratuity or pension has been awarded by the British Ministry of Pensions; and
   (*d*) Who are residents of Canada and continue to reside therein. That is to say, payments will only be made during residence in Canada.

2. It would exclude from the benefits of the Canadian Pension Act the following Canadians having service or now serving in the Imperial forces:—

(*a*) Canadians domiciled in Canada who were not resident in Canada on 1st September, 1939, whether they joined the Imperial forces before or after 1st September, 1939.

(*b*) Canadians domiciled in Canada who joined the Imperial forces before 1st September, 1939, even though they were resident in Canada on 1st September, 1939.

(*c*) Canadians who were not actually resident in Canada on 1st September, 1939, but who took the earliest or only opportunity of active service in the present war by joining the Imperial forces.

(*d*) Young Canadians who, with a temporarily unfavourable labour market, went overseas prior to the outbreak of the present war and joined the Imperial forces either before or after the outbreak of the present war.

(*e*) Canadians who failed to secure entitlement under the British ministry regulations but who would come within the insurance principle of the Canadian Pension Act.

(*f*) Wives and children of those Canadians in the Imperial service who are excluded as before described, whether such wives and children were or were not born in Canada or were or were not domiciled or resident in Canada at the outbreak of the present war.

It should be kept in view:—

(*g*) That before the present war there was no sufficient opportunity for young Canadians to join the R.C.A.F. or other branches of the Canadian forces. It may be recalled that in 1938 there was an authorized recruiting campaign in Canada for the Royal Air Force. It is believed that prior to that date young Canadians entered the Imperial forces.

(*h*) That following the outbreak of the present war there was no invitation or opportunity for Canadians overseas to join the Canadian forces.

(*i*) That those Canadians who joined the Imperial forces prior to the 1st September, 1939, and fought gallantly at Dunkirk and throughout the early stages of the battle of Britain would be excluded.

In general, the terms of Bill 17 exclude Canadians who took the earliest opportunity of military service as it was becoming apparent that the dictators in Europe were about to spring their attack upon the democracies, and it cares for those who have entered or enter military service, whether for home or overseas service at any time after the outbreak of the present war.

3. It is emphasized that the exclusion resulting from the terms of Bill 17 also extends to the dependents of the Canadians so excluded, even though the dependents were born in Canada, have their domicile in Canada, reside in Canada and have perhaps never been outside of Canada, even on a short visit.

4. The grant of the benefits of the Act is subject to entitlement to gratuity or pension in respect of disability or death having been conceded under the British ministry regulation.

The disadvantages of such a provision have already been referred to in the submissions made on behalf of the Canadian Legion but perhaps we may be allowed to restate briefly the principal disadvantages, other than pecuniary. These are:—

(*a*) Non-access to British Ministry of Pensions pension files.

(*b*) Seven years' time limit for an application for disability pension.

(*c*) For a widow's claim the death must have taken place within seven years, but this proviso is not to apply to any claim which fulfils the requirements of any regulations which may be made by the minister.

(*d*) No right of appeal at present.

Note:—It should be pointed out that the British ministry have undertaken to make provision for "over seven year" claims under regulations not less favourable than the procedure adopted by the ministry in connection with claims to pension over the seven years' time limit under the royal warrants covering pensions for the great war.

Awards of disability pension in respect of late claims arising from great war service are made under what is called the dispensing warrant of 1884 and such awards have certain disadvantages as compared with awards within the seven years' period, that is under the royal warrants for the great war.

5. Pensions are not awarded under the British ministry regulations for any assessment less than 20 per cent so that in cases under that assessment according to the British regulations there will be no pension to supplement, as seems to be contemplated by the terms of the proposed section 46A.

It should be mentioned that the British Ministry of Pensions and the Canadian Pension Commission have different bases of assessment, so that it is quite possible that the same disablement might be assessed at a higher rate by the British Ministry of Pensions than by the Canadian Pension Commission or vice versa.

6. Under the British regulations for the present war there is no right of appeal whatever against the ministry's decisions either on entitlement or assessment.

7. The British ministry regulations exclude benefits to:—

(A) *Wives* whose marriage to the soldier took place after—

(*a*) the end of the war, or

(*b*) the termination of service of the soldier, or

(*c*) the *receipt* of the wound or injury which caused his death.

Or the first removal from duty during the war on account of the disease which caused his death, whichever be the earlier date; except in the case of a material aggravation of his disability during service, subsequent to the marriage.

(B) *Children* who were not born before or within the nine months of one or other of the following dates depending upon the status of the child:—

(i) the end of the war, or if earlier, the date of termination of service of the soldier;

(ii) the date of receipt of the wound or injury or of first removal of the soldier from duty on account of the disease upon which the claim in respect of death or disablement is based; provided that if during subsequent war service the soldier suffered material aggravation of his disability the date shall be that of the later removal (if any) on account of the disability.

8. The disadvantages mentioned may also apply to treatment, so that failing entitlement to treatment under British regulations, a Canadian in the Imperial forces may not qualify for treatment benefits of the Canadian Pension Act, except in so far as he may satisfy any conditions made applicable to treatment for non-pensionable disabilities under the Canadian regulations.

As these regulations now exist he would not qualify.

[Captain George Kermack.]

9. The proposed section is also restrictive in requiring that Canadians with Imperial service shall be entitled to the benefits only as residents of Canada and during the continuance of their residence therein, although these conditions are not applicable to Canadians or others in the Canadian forces.

10. It is provided that election between Canadian and British rates must be made within six months of resumption of residence in Canada, although no award may yet have been made;

We submit that it is fair and just to remove these restrictions—

(1) By deleting the requirement as to residence in Canada at the *commencement* of the war with the German Reich.

(2) By deleting the requirement that those covered by the section shall have become members of the Imperial forces *subsequent* to 1st September, 1939.

(3) By providing that the full benefits of the Canadian Pension Act and all other provisions accrue to the Canadians employed during the present war in the Imperial forces and their dependents in the same way and to the same effect as if they had given their military service in the Canadian forces.

(4) By removing the restriction of payment during residence in Canada.

(5) By deleting or enlarging the six months time limit for election.

This restriction of time for election will exclude a soldier whose entitlement to pension is not conceded until a later date and to avoid this, if a limit of time is to be imposed, it is suggested that the limitation should be within a certain fixed time after the current award of disability pension or after the soldier's return to Canada, whichever be the later date.

It is further suggested that each pensioner entitled to this election should be notified of his right to elect with information as to what is implied by the election and be given a definite time after receipt by him of the notification within which to make his election. This course has been followed in similar circumstances arising out of great war pension awards.

Domicile

On this question it is necessary to have in view certain provisions of the Canadian Immigration Act, C. 93 of the Revised Statutes of Canada, 1927, as amended.

Section 2 (e) of the Act defines " domicile " as follows:—

> Domicile means the place in which a person has his home, or in which he resides, or to which he returns as his place of permanent abode and does not mean the place where he resides for a mere special or temporary purpose.

That paragraph also contains other provisions to the following effect:—

(1) Canadian domicile can only be acquired under the Act by at least five years' domicile in Canada after lawful admission into Canada in accordance with the provisions of the Act.

(2) Canadian domicile is lost, for the purposes of the Act, by voluntarily residing out of Canada not for a mere special or temporary purpose, but with the present intention of making a permanent home out of Canada.

(3) Notwithstanding the preceding paragraph (2), when any Canadian citizen by naturalization, or any British subject not born in Canada but having Canadian domicile, has resided for one year outside of

Canada he shall be presumed to have lost Canadian domicile and shall cease to be a Canadian citizen for the purpose of the Act and his usual place of residence shall be deemed to be his place of domicile during said year.

Provided that this presumption may be rebutted by production of the certificate of any British Diplomatic or Consular Officer that such person appeared before him before the expiration of said period of one year and satisfied said Officer of his reasonable intention to retain his Canadian domicile; the effect of such certificate shall be to extend said period for a further term of one year.

The period may be further extended from year to year, provided that the total period for which extension may be granted shall not exceed five years.

C. 34, 1937 Statutes of Canada made the following addition at the end of said Section 2 (e):—

Provided further that any person while absent from Canada as a representative or employee of a firm, business, company or organization, religious or otherwise, established in Canada and any person while absent from Canada in the service of His Majesty's Government in Canada, shall not by such absence be held to have lost Canadian domicile.

In the case of a British born subject who acquired a Canadian domicile by residence prior to the present War or anyone who acquired a Canadian domicile by residence and naturalization prior to the present war, it is respectfully submitted that for the purposes of the Canadian Pension Act and other provisions and of the War Veterans' Allowance Act, the requirement as to domicile should be satisfied by the ordinary law of domicile and that the provisions of the Immigration Act presuming the loss of Canadian domicile should not apply in any case where there has been service in a theatre of actual war.

GENERAL

The submissions now made are in line with resolutions passed by the Dominion Convention of the Canadian Legion and with the review of the situation by the Dominion Executive Council of the Canadian Legion in January, 1941.

The CHAIRMAN: Are there any questions?

By Mr. Reid:

Q. Captain Kermack, have you any information as to the exact number of Imperials resident in Canada who come under the various resolutions put forward?—A. I was hoping that we might have broken down figures from the Department of War Services or perhaps that it would be possible for the committee to get them, but if you care to see a speculative article on it these are particulars from an estimate which appeared in the Legionnaire of December, 1938. I can produce copies to the committee. It shows you how this estimate was made up and gives a speculative idea, to a certain extent, because, of course, they had to proceed upon uncertainties.

Q. There is another question I desire to ask. Are there any other Imperial organizations in Canada besides this organization which I note is attached to the Canadian Legion?—A. I am doubtful at the present moment. There was one but I have not heard of it for some time. They got a dominion charter about a year or eighteen months or two years ago, but I have not heard of it operating since.

By Hon. Mr. Mackenzie:

Q. Are you familiar with the recommendations which were made to the committee of 1936?—A. I was not here in 1936.

Q. Are you familiar with the presentation made on behalf of the Imperial veterans at that time?—A. No.

Q. My recollection is that except a reference to section 20 all of these other representations were made in full to the committee of 1936?—A. I was not aware of that sir.

Mr. GREEN: I do not think the war veterans' allowance was referred to.

Hon. Mr. MACKENZIE: I think so.

By Mr. Sanderson:

Q. The number of Imperial veterans in Canada is stated as 86,470; is that correct?—A. That is the number we have got.

Q. Could you tell the committee how many of those 86,470 are drawing pensions?—A. I am sorry, but the figures are not broken down yet. We have just the total. But in December, 1938, the number of the Imperial veterans in Canada—that is drawing 20 per cent or over—20 per cent being the lowest Imperial pension—was 4,700.

By Mr. Reid:

Q. Has the British Ministry in Ottawa got a copy of the file of every man?—A. Only those who are paid in Canada or who have been paid in Canada. The file is sent out as soon as they are notified that an Imperial has come to Canada so that his case can be dealt with here and the pension paid here or treatment given, or whatever may be necessary in connection with the case.

By Mr. Green:

Q. That figure of 86,470 would include Canadians who served in the British forces?—A. I do not think so. We have not been told what it includes, but I expect it includes every one now in Canada who was in the Imperial service.

Q. It does not get you very far in deciding how many Imperials there are?—A. Not until it is broken down.

By Mr. Isnor:

Q. There is no way of checking the number from your membership, is there?—A. No, it would not be a complete check in any case because every veteran does not join an association.

Q. At page 15 of your brief, section (*d*), what period of years would you mean that to cover?—A. Well, of course, that is a question of how much leeway you give—when they started going over—I think they started going over probably not earlier than the beginning of 1937.

Q. Would you say from 1937 to 1939 in that case?—A. Yes.

Q. That is what I wanted to know.

Hon. Mr. MACKENZIE: There were some who went over to the flying corps in 1936 and some earlier than that. Most of them began to go in 1936.

By Mr. Reid:

Q. On page 17, after 5, you said, "It should be mentioned that the British Ministry of Pensions and the Canadian Pension Commission have different bases of assessment, so that it is quite possible that the same disablement might be assessed at a higher rate by the British Ministry of Pensions than by the Canadian Pension Commission"; do you know whether that is an actual fact? Are their pensions in Britain higher than those in Canada?—A. I was astounded

in one case, it was the case of an officer. He applied for the Canadian rates and the application was made through our office to the Canadian department, and we found that the assessment by the Canadian Pension Commission would have been less than he was getting.

Hon. Mr. MACKENZIE: That is true only in the case of some officers.

The WITNESS: I know I was astonished at that case.

Mr. REID: I asked for the information because this is the first time I have heard it.

General MCDONALD: There are a few cases where the British assessment is higher than the Canadian assessment.

The CHAIRMAN: Are there any other questions?

Thank you Captain Kermack.

Now, with the consent of the committee we shall proceed to discussing the bill in camera.

The committee adjourned to the call of the chair.

APPENDIX "A"

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

May 13, 1941.

THE CHAIRMAN,
Special Committee on the Pensions Act
and the War Veterans' Allowance Act,
Ottawa, Ontario.

DEAR SIR,—I beg to submit for the information of the committee the following reports, Orders in Council, etc., dealing with the activities of an Inter-departmental Committee established for the purpose of considering matters in connection with funeral arrangements for deceased members and ex-members of the forces:—

(1) Report dated October 9, 1940, addressed to the Minister of Pensions and National Health by the Chairman of the Committee.
(2) P.C. 64/7609 dated December 24, 1940.
(3) Extract from Canadian Army Routine Orders, January 8, 1941, containing the regulations established by P.C. 64/7609 above.
(4) Report dated February 11, 1941, addressed to the Minister of Pensions and National Health by the Chairman of the Committee.
(5) P.C. 1217 dated February 17, 1941.
(6) Instruction issued to All Commands and Units by the Chief of the Air Staff, dated April 21, 1941.
(7) Instructions issued to the District Administrators of the Department of Pensions and National Health, dated April 25, 1941.

I should like to suggest that these form an appendix to the reports on the Proceedings of the Special Committee.

Yours very truly,

IAN MACKENZIE.

OTTAWA, October 9, 1940.

To The Hon. IAN MACKENZIE, K.C., P.C., M.P.,
Minister of Pensions and National Health.

The Special Committee, consisting of the following representatives of the Department of Pensions and National Health, the Department of National Defence, the Imperial War Graves Commission, the Last Post Fund and the Department of Finance, formed to consider the existing regulations covering the burial of deceased members of the armed forces, was convened under the chairmanship of the undersigned this date:—

Paymaster-Captain J. O. Cossette, Department of National Defence (Naval Services)
Lt.-Col. A. P. Sprange, Department of National Defence (Army Service)
Group Captain P. V. Heakes, Department of National Defence (Air Service)
Major H. Sloman, Department of Finance

Mr. G. F. Toone, Canadian Pension Commission
Mr. H. A. Bridges, Department of Pensions and National Health, representative on Dominion Council of Last Post Fund
Mr. A. J. Dixon, Secretary, Department of Pensions and National Health
Mr. A. H. D. Hair, Secretary-Treasurer, Last Post Fund
Mr. A. L. Watson, Assistant Secretary-General, Imperial War Graves Commission.

It was apparent from the early discussion that there was a most pressing need for a decision in connection with the amount of money that should be set aside for the actual funeral expenses of such deceased members. In view of this situation the Committee, after due consideration, have come to the conclusion that the regulations of the Department of Pensions and National Health at present in force with respect to this subject seem most appropriate, and therefore wish to submit an interim report containing the following recommendations:—

1. That in cases where a member of the Naval, Army or Air Services dies, the Department of National Defence may arrange with a funeral director for his funeral and burial; provided that in cases where the burial takes place in a cemetery at or contiguous to the place at which death occurred, an expenditure not in excess of $75.00 may be authorized for the services stated hereunder:—

(i) Casket, to be cloth covered, silk-lined, and to have engraved plate and six handles, or casket to be of surface oak, to have engraved plate and six handles, also crucifix, if required.
(ii) Shipping or outside case to be furnished.
(iii) The body to be embalmed for burial.
(iv) Shroud or other clothing to be furnished, when necessary.
(v) Hearse to be furnished. (A deduction of $5 from the amount allowed for services rendered shall be made in cases where the Department supplies a gun carriage or other vehicle when used instead of a hearse.)
(vi) Mourners' carriage (one or two) to be furnished, if necessary.
(vii) Use of chapel or funeral parlour.
(viii) Charges for local removal of body to be paid by funeral director.
(ix) Funeral to be supervised by funeral director or a responsible employee.

2. That if the burial takes place in a cemetery at a distance from the place at which death occurred and is not conducted by the funeral director who prepared the body and furnished the casket, an expenditure not in excess of $25 may be paid to the funeral director who furnishes the necessary services at the place of burial.

3. That if the funeral and burial are arranged by a person entitled to the custody of the body the department, on the presentation of certified account from the undertaker covering the services in question, may pay an amount not exceeding that which would have been authorized had the department made the arrangements.

4. That with respect to the cemetery arrangements, burials should wherever possible be made in existing plots or cemeteries, preferably those owned or controlled by the government, or in those the owner of which permits the erection of the approved upright type of headstone. Where such plots or cemeteries do not exist, permanent single graves may be purchased at the rates prevailing in the particular cemetery. The cost of opening and closing the grave, where necessary, may also be paid at the prevailing rates.

The above recommendations conform largely with the regulations at present existing for burials of ex-members of the forces under the Department of Pensions and National Health. However, having in mind the possibility of fatal accidents occurring which might involve disfiguration of the body, cases arising of burials at points where the services of a chaplain would not be available, and also cases arising involving transportation of the body, the committee have come to the conclusion that the following additional recommendations should be submitted.

5. That in the event of special preparation of the body being required owing to a communicable disease, drowning or accidental death, an additional amount not exceeding $15 may, on the authority of the Commanding Officer, be paid to the funeral director who prepares the body for burial.

6. That when the services of a chaplain are not available, an amount not exceeding $15 may be paid in respect of the expenses of the officiating clergyman for his attendance.

7. That when in accordance with a request received from the next of kin, the remains have to be transported to some other locality in Canada for interment, the actual transportation charges shall be paid by the department to the point of interment. If it is necessary that the remains be accompanied, transportation may be supplied to and from destination and travelling allowances may be paid in accordance with the appropriate regulations. Transportation of a body to a point of interment outside of Canada, together with payment of costs incidental thereto, may only be authorized upon approval of the minister of the service concerned.

8. That in view of the fact that the allowance for burials under existing army and air services regulations has been found to be totally inadequate, the committee is of opinion that these recommendations, on implementation, insofar as the army and air services are concerned, be made effective retroactively to the 26th day of August, 1939, the date on which the militia or any part thereof might be placed on active service in accordance with provisions of Order in Council P.C. 2396 bearing even date.

Respectfully submitted,

J. W. McKEE,
Chairman.

COPY

P.C. 64/7609

Certified to be a true copy of a Minute of a Meeting of the Treasury Board, approved by His Excellency the Governor General in Council, on the 24th December, 1940.

NATIONAL DEFENCE

The Board recommend that the attached Draft Orders amending Financial Regulations and Instructions for the Canadian Active Service Force (Canada) and Pay and Allowance Regulations for the Permanent and Non-Permanent Active Militia, 1937, be authorized effective 1st October, 1940.

The Board further recommend that, notwithstanding the effective date of the Order, the Minister of National Defence be granted authority to adjust claims in respect of burials of members of the Canadian Army which have occurred previous to 1st October, 1940, in accordance with the terms of the said Order, each case to be considered on its merits.

(Sgd.) A. D. P. HEENEY,
Clerk of the Privy Council.

The Honourable
the Minister of National Defence.

EXTRACT FROM CANADIAN ARMY ROUTINE ORDERS

JANUARY 8, 1941

865—FINANCIAL REGULATIONS AND INSTRUCTIONS FOR THE CANADIAN ACTIVE SERVICE FORCE (CANADA)—AMENDMENTS (No. 38)

The provisions of General Order No. 1 of 1941 are published hereunder for information pending distribution of loose leaf amendments.

Financial Regulations and Instructions for the Canadian Active Service Force (Canada) are amended as under:—

Article 220 is cancelled and the following substituted therefor:—

220. (1) A sum not exceeding $75 may be paid by the Department to a Funeral director to cover the undermentioned funeral services of any officer or soldier, provided that burial takes place in a cemetery at or contiguous to the place at which death occurred:—

(*a*) Casket, to be cloth covered, silk lined, and to have engraved name plate and six handles; or, casket to be of surface oak, to have engraved name plate and six handles; also crucifix if required.

(*b*) Shipping or outside case to be furnished.

(*c*) Body to be embalmed for burial.

(*d*) Shroud or other clothing to be furnished when necessary.

(*e*) Hearse to be furnished. (A deduction of $5 from the amount allowed for services rendered shall be made in cases where the Department supplies a gun carriage or other vehicle when used instead of a hearse.)

(*f*) Mourners' carriage to be furnished (two) when necessary.

(*g*) Use of chapel or funeral parlour.

(*h*) Charges for local removal of body to be paid by the Funeral Director.

(*i*) Funeral to be supervised by Funeral Director or a responsible employee.

(2) In addition to the burial expenses proper, as provided for above, if burial takes place in a cemetery at a distance from the place at which death occurred, and is not conducted by the Funeral Director who prepared the body and furnished the casket, an expenditure not in excess of $25 may be paid to the Funeral Director who furnishes the necessary services at the place of burial.

(3) If the funeral and burial are arranged by a person entitled to the custody of the body, the Department, on the presentation of certified accounts from the Undertaker covering the expenses in question, may pay an amount not exceeding that which would have been authorized had the Department made the arrangements.

(4) With respect to the cemetery arrangements, burials should, wherever possible, be made in existing plots or cemeteries, preferably those owned or controlled by the Government, or in those the owner of which permits the erection of the approved upright type of headstone. Where this is not possible, permanent single graves may be purchased at the rates prevailing in the particular cemetery.

(5) The cost of opening and closing the grave, where necessary, may be paid at the prevailing rates.

(6) In the event of special preparation of the body being required owing to communicable disease, drowning or accidental death, an additional amount not exceeding $15 may, on the authority of the Commanding Officer, be paid to the Funeral Director who prepares the body for burial.

(7) When the services of a chaplain are not available, an amount not exceeding $15 may be paid in respect of the expenses of the officiating clergyman for his attendance.

(8) When, in accordance with a request received from the next of kin, the remains have to be transported to some other locality in Canada for interment, the actual transportation charges shall be paid by the Department to the point of interment. If it is necessary that the remains be accompanied by military personnel, transportation may be supplied to and from destination and travelling allowances may be paid in accordance with the appropriate regulations. Transportation of a body to a point of interment outside of Canada together with payment of costs incidental thereto, may only be authorized upon approval of the Minister.

(9) Funeral expenses will not be paid for any officer or soldier who dies while on leave of absence without pay, unless there are special circumstances in connection with the case, and which may then be authorized at the discretion of the Minister.

(10) If the relatives desire to make more elaborate arrangements than provided above, they must bear the additional cost.

OTTAWA, February 11, 1941.

To the Honourable IAN MACKENZIE, K.C., P.C., M.P.,
Minister of Pensions and National Health.

Re: *Funeral Arrangements for Members and Ex-Members of the Forces*

As a result of an exchange of letters between yourself and the Minister of National Defence, the Honourable J. L. Ralston, (see exhibits "A" and "B" attached), an Inter-Departmental Committee, consisting of a representative from the three National Defence services, the Imperial War Graves Commission, the Last Post Fund, the Canadian Pension Commission, and the Department of Pensions and National Health, with the undersigned acting as chairman, was set up to consider the various phases in connection with funeral arrangements for deceased members and ex-members of the forces.

Two Committee meetings were held on October 8 and 9, 1940, as a result of which my interim report covering burial allowances, (see exhibit 'C" attached), was submitted to you under date of October 9. The recommendation contained therein was approved, with minor changes, by Order in Council P.C. 64/7609 dated December 24th 1940, (see exhibit "D" attached), and by this action the regulations of the three armed services were so amended that generally their regulations are now uniform with those of this Department.

On October 10 a third meeting considered the following points:—

(1) Uniformity of funeral arrangements.
(2) Uniformity of headstones.
(3) Cemeteries (*a*) Purchase of plots by one authority, (*b*) Existing plots.

(1) The Committee agreed that a pamphlet for the use of the three National Defence services, similar to the one in use by this Department (see exhibit "E" attached), should be utilized as it would serve as a guide in securing uniformity in the services to be provided by funeral directors. This pamphlet is now in the course of preparation.

(2) It is reported that insofar as deaths during the present war are concerned, every member of the forces who dies during such service is entitled to have a headstone placed upon his grave by the Imperial War Graves Commission. This action is made possible through the extension of previous authority granted to the Imperial War Graves Commission to include those members serving in the present war. These headstones are uniform in design and will differ only in respect of the particular service to which the deceased members of the forces belonged, that is, the headstone for the Navy will bear the anchor at the top, that for the Army will bear the maple leaf, and that for the Air Force will bear the Air Force bodge.

(3) Final decisions on this subject were considered at a fourth meeting held on January 16, 1941, the intervening period being utilized to obtain as much data as possible covering existing soldiers' plots either owned by the Government, set aside by Municipalities exclusively for the burial of soldiers and ex-soldiers, or plots owned or under the control of various organizations connected with soldiers' affairs.

As a result of the information obtained the following resolution was unanimously adopted by the Committee:—

Be it resolved:—

(1) That existing plots, whether Government owned or otherwise, be continued to be utilized as heretofore.

(2) That future acquirements of burial accommodation as and when required be vested in the Department of Pensions and National Health acting in conjunction with an advisory Committee consisting of a representative of each of the Naval, Army, and Air Force Services, together with a representative of the Imperial War Graves Commission.

(3) That any property or properties in future acquired for burial purposes shall be purchased by and vested in the Department of Pensions and National Health.

In explanation of part (1) of the resolution, I wish to advise the Government owns plots of various sizes in Halifax, N.S., Quebec, P.Q., St. Johns, P.Q., Montreal, P.Q., Ottawa, Ont., Cataraqui, Ont., Barrie, Ont., London, Ont., Guelph, Ont., Winnipeg, Man., and Esquimalt, B.C. Some of these plots are under the jurisdiction of this Department, whilst others are under the control of the Department of National Defence. As the available space in the latter plots was not considered in excess of the possible requirements for serving members of the forces, it was considered advisable not to disturb the present control. In a large number of places space has been provided for soldiers' plots in municipally controlled or privately owned cemeteries. In some cases there is no charge for the grave, but in others the charge is paid as each individual burial is made. This arrangement is effective in such large centres as Toronto, Ont., Winnipeg, Man., Regina, Sask., Calgary, Alta., Edmonton, Alta., and Vancouver, B.C.

In connection with parts (2) and (3) of the resolution, may I explain it may not be possible to arrange for the extension of the present plots or to arrange for the purchases of graves as required, in which case it will be necessary to pur-

chase plots outright. As authority for such expenditure is already granted to this Department in Order in Council P.C. 91, Clause 12 (2), and as we will require this space for burials of ex-members of the forces after the war, it was agreed such purchases should be made by, and control vested in the Department of Pensions and National Health.

In conjunction with the above resolution it was pointed out the services of a Permanent Secretary would be desirable to take care of all future arrangements regarding the present available accommodation, any future purchases of plots, and generally to act as liaison officer between members of the Advisory Committee as recommended in paragraph (2) of the resolution. The appointee to such a position would necessarily have to familiarize himself with all phases of this work and be able to make definite recommendations to the Advisory Committee. I wish to point out the available accommodation at several points requires immediate attention and the acquisition of a new plot in Ottawa is of the utmost urgency. It would therefore appear desirable to have an early decision on this recommendation.

The question of establishing National or Government Cemeteries at various central points throughout Canada received considerable thought. A memorandum in this regard, prepared by Mr. A. H. D. Hair of the Last Post Fund, is attached hereto, (see exhibit "F"). It was felt, however, that as this was a matter involving a question of Government policy and a large initial expenditure of money, such a recommendation would not meet with the favourable consideration of the Government at the present time.

Respectfully submitted,

(Sgd.) J. M. McKEE,
Assistant Deputy Minister.

P.C. 1217

CERTIFIED to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 17th February, 1941.

The Committee of the Privy Council have had before them a report, dated 14th February, 1941, from the Minister of Pensions and National Health stating that, at the request of the Minister of National Defence, and Inter-Departmental Committee under the Chairmanship of the Assistant Deputy Minister of Pensions and National Health, and composed of representatives from each of the Naval, Army and Air Force Services of the Department of National Defence, the Imperial War Graves Commission, the Last Post Fund, the Canadian Pension Commission and the Department of Pensions and National Health, was convened to consider fully arrangements for the funerals of deceased members and former members of the Forces;

That the said Inter-Departmental Committee held four meetings;

That the Inter-Departmental Committee made a recommendation with respect to the amount to be paid by the Department of National Defence to cover the cost of funerals, which recommendation was approved by Order in Council of the 24th December, 1940 (P.C. 64/7609);

That the Inter-Departmental Committee having had regard to the provisions of Order in Council of the 16th January, 1936 (P.C. 91), as amended, being the enabling authority of the Department to acquire burial accommodation, adopted and has reported the following resolution:—

(1) That existing plots, whether Government owned or otherwise, be continued to be utilized as heretofore;

(2) That future acquirements of burial accommodation, as and when required, be vested in the Department of Pensions and National Health acting in conjunction with an advisory Committee consisting of a representative of each of the Naval, Army and Air Force Services, together with a representative of the Imperial War Graves Commission;

(3) That any property or properties in future acquired for burial purposes shall be purchased by and vested in the Department of Pensions and National Health.

That the Inter-Departmental Committee further recommended the appointment of a permanent officer to be designated Director of Military Cemeteries, whose duties will include the following:—

(*a*) To administer burial accommodation presently available.
(*b*) To conduct negotiations for purchase of burial plots.
(*c*) To act as liaison officer between members of the Advisory Committee and the Department of Pensions and National Health and other Departments and Public Authorities.
(*d*) To act as Secretary of the Advisory Committee;

That, by Order in Council of the 29th March, 1930 (P.C. 685), the control of certain cemetery plots was transferred from the Department of National Defence to the Department of Pensions and National Health on condition that provision be made for the burial of deceased members of the Permanent Force in these plots and also in any plots situated in similar cemeteries later acquired by the Department of Pensions and National Health; and that by reason of the present war the Department is of the opinion that the same provision should be made for the burial of other members of the Forces who die while serving; and

That the Inter-Departmental Committee has reported that the adequacy of burial accommodation at several points throughout the Dominion requires immediate attention and that the acquisition of new plots in Ottawa is of the utmost urgency.

The Committee, therefore, on the recommendation of the Minister of Pensions and National Health, advise,—

(1) That an Advisory Committee to assist the Department of Pensions and National Health in the acquirement and administration of burial accommodation and in the arrangements for funerals generally, to be composed of a representative of each of the Naval, Army and Air Force Services of the Department of National Defence, and of the Imperial War Graves Commission, be constituted under the Chairmanship of an officer of the Department of Pensions and National Health;

(2) That there be appointed an officer of the Department of Pensions and National Health to be known as the Director of Military Cemeteries whose duties shall include the following:—

(*a*) To administer burial accommodation presently available.
(*b*) To conduct negotiations for purchase of burial plots.
(*c*) To act as liaison officer between members of the Advisory Committee and the Department of Pensions and National Health and other Departments and Public Authorities.
(*d*) To act as Secretary of the Advisory Committee.

(3) That cemetery plots were required in Canada for the burial of members or former members of the Forces shall be purchased and be under the control of

the Department of Pensions and National Health; provided that accommodation so acquired or previously purchased shall be available for the burial of members of the Forces who die while serving, on active service or otherwise, and for whose burial the Department of National Defence is responsible;

(4) That all expenditures made under this Order shall be paid out of moneys alloted to the Department of Pensions and National Health from funds provided under the War Appropriations Act.

A. D. P. HEENEY,
Clerk of the Privy Council.

The Honourable
the Minister of Pensions and National Health

H.Q. 866-1-137 (DAP)
Ottawa, Ontario,
21st April, 1941.

To All Commands and Units

Burials of Deceased Personnel

1. Heretofore, it has been the policy to provide for burial grounds, graves, or cemeteries for deceased personnel of the armed forces under arrangements made locally with headquarters authority. Within the last few years, some burial plots have been handed over to the Department of Pensions and National Health because that department required more accommodation for burials than those within the permanent force, due to the large number of ex-soldiers who were dying while on D.P. & N.H. treatment strength.

2. Shortly after the outbreak of the present war, a temporary committee was assembled in Ottawa, representing the D.P. & N.H., the navy, army and air force, with a view to co-ordinating the arrangements for the burial of all serving personnel, and ex-members of the forces. The first outcome of the activities of this committee was the adjustment of the allowance for funerals as recently provided.

3. A permanent committee has now been formed in accordance with P.C. 1217, dated February 17, 1941, a copy of which is attached. In view of the above arrangement, any negotiations necessary for the purchase of burial plots in the future, or the administration of such property, will be placed under the jurisdiction of the permanent committee, above mentioned.

4. Any action which has been originated with local cemetery authorities with a view of obtaining quotations in connection with anticipated requirements, etc., will be immediately discontinued. In any such cases, where correspondence, etc., has been commenced, it is requested that full details of same be immediately transmitted to the representative of the district administrator, D.P. & N.H., who is shown on the attached list "B", who is conversant with the local situation as regards burial accommodation, undertakers, etc. The representative of the district administrator, D.P. & N.H., will then follow up any such questions with the secretary of the permanent advisory committee appointed under paragraph 3 above.

5. These local representatives of the Department of Pensions and National Health will gladly co-operate with you in arranging burial accommodation, and will also advise you relative to undertakers who have given satisfactory services to that department in the past. In order to make this arrangement as helpful

as possible, there will be no objection to commanding officers communicating direct with the representatives of the district administrator, D.P. & N.H., as it is realized in many cases there is necessity for urgency in funeral arrangements, etc.

6. Notwithstanding the above provision for local co-operation with and through the representative of the district administrator, D.P. & N. H., any matters of policy regarding funeral arrangements will be referred to A.F.H.Q. as heretofore. Such matters of policy will then be taken up by the air force representative at headquarters direct with the permanent committee.

7. The above instructions do not in any way interrupt the arrangements for funerals, accounts, etc., which are provided for under article 220, F.R. & I., as recently amended by A.F.G.O. No. 2, 1941. Where it is necessary to purchase a single grave under paragraph 4 (F.R. & I., 220), this may be arranged locally as heretofore, but the representative of the district administrator, D.P. & N.H., may in many cases also be able to offer advice and assistance in this regard.

8. Upon receipt of these instructions, it is requested that air officers commanding arrange for a consultation with the representative of the district administrator, D.P. & N.H., who will have received advice on the matter from his head office.

C. EWART, G/capt.,
for (H. Edwards)
Air Commodore,
for Chief of the Air Staff.

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

INTER-DEPARTMENT CORRESPONDENCE

To District Administrators. OTTAWA, April 25, 1941.

Subject—Burial of Members of the Forces by the Department of National Defence.

C.L. No. 2780.

On February 18, 1941, all District Administrators were advised that, as a result of several meetings of a Special Inter-Departmental Committee, an Order in Council had been passed authorizing changes in the allowance payable by the Department of National Defence (Navy, Army, and Air Force Services) for the burial of a member of the Forces. The amendment in so far as it concerns the Army was promulgated in Canadian Army routine order 865 of January 8, 1941, a copy of which is enclosed. It will be noted that the amended regulations are in many respects similar to those of the Department applying to former members of the Forces whose deaths occur while receiving authorized treatment.

On February 17, 1941 Order in Council P.C. 1217 was passed, authorizing the formation of a Permanent Advisory Committee to be responsible for the administration of burial accommodation presently available, and to conduct negotiations leading to the purchase of burial plots if required. Since the procedure is entirely different to the previous arrangement, it was considered essential that all Military Commands and Units should be so informed. There is attached a copy of a circular letter forwarded by the Chief of the Air Staff to Air Commands. Similar instructions are being forwarded by the Navy and Army Services to the respective Commanding Officers.

A copy of P.C. 1217 is also attached, together with a list of D.P. & N.H. officials to whom, by arrangement inquiries will be referred by National Defence Officers. You should make yourself fully conversant with it since District Office officials of this Department are expected to cooperate with representatives of the Department of National Defence to the fullest extent by assisting them when requested in arranging burial accommodation and by giving information concerning undertakers who have given satisfactory service to this Department. The actual burial arrangement will be carried out by the Department of National Defence as in the past, and your assistance in most cases will be limited to information and advice prior to burial.

Attention is directed particularly to paragraph 4 of the attached circular letter. If any correspondence is passed to you, covering anticipated requirements, you are instructed to forward it to Head Office immediately, with your observations, for the consideration of the Permanent Committee. In addition, you are requested to report fully on any meetings and conversations concerning such matters.

In paragraph 8 of the attached letter it will be noted that Commanding Officers have been instructed to arrange for a consultation with District Officials of this Department, at which time full information regarding available burial accommodation should be made known to all concerned.

This office prepared a list of soldiers' plots and undertakers in each district from information forwarded by the District Offices last year, six copies of which are being forwarded to each District and Sub-District Office under separate cover.

It will be noted that in *"A," "C," and "F" Districts* there are Government-owned plots under the control of this Department. Whilst space therein is to be made available for the burial of *members* of the Forces when required by the Department of National Defence it should be made known to all concerned that the cemetery officials will open graves or permit burial in such plots *only* on instructions received from the Department of Pensions and National Health and that it is therefore necessary that application for burial therein be made to the latter Department sufficiently in advance of the time set for the funeral to enable the cemetery officials to prepare for the burial.

A. J. DIXON,
Secretary.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 17

THURSDAY, MAY 15, 1941
FRIDAY, MAY 16, 1941
TUESDAY, MAY 20, 1941

WITNESS

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

THURSDAY, May 15, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 10 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Bruce, Cruickshank, Emmerson, Gillis, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McLean (*Simcoe East*), Mutch, Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Turgeon, Winkler, White, Wright—22.

In attendance: Brig.-General H. F. McDonald, Chairman, Canadian Pension Commission, and Mr. H. A. Bridges, Departmental Solicitor, Department of Pensions and National Health.

The Committee (*in camera*) resumed consideration of Bill 17, an Act to amend the Pensions Act.

Mr. Macdonald (*Brantford*), reported for the subcommittee on civilians injured as a result of war, particularly regarding auxiliary services.

Mr. Reid reported for the subcommittee dealing with Canadian seamen on ships of foreign registry.

The Committee adjourned at 1 o'clock p.m., to meet again on Friday, May 16, at 10 o'clock a.m.

FRIDAY, May 16, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met (*in camera*) this day at 10.00 o'clock, a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Black (*Yukon*) Bruce, Cruickshank, Emmerson, Eudes, Gillis, Green, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McLean (*Simcoe East*), Mutch, Quelch, Reid, Ross (*Middlesex East*), Ross (*Souris*), Sanderson, Tucker, Turgeon, Winkler.—21.

The Committee continued consideration of Bill 17, an Act to amend the Pension Act.

Section 5, subsection 2, stand.

Section 5, subsection 3, stand.

Section 13, stand.

Section 16, stand.

Section 17, stand.

Section 26, stand.

27116—1½

Mr. McLean, Chairman of the subcommittee appointed to deal with neurological cases reported in favour of deleting the last five words in Section 5, subsection 1 (*c*) of the Bill. The subcommittee's recommendation was approved and this subsection was further amended by adding the words "or was recorded on medical examination prior to enlistment."

The Committee adjourned at 12.45 p.m. to meet again on Tuesday, May 20, at 10.00 o'clock a.m.

TUESDAY, May 20, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 10.00 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Bruce, Cleaver, Cruickshank, Emmerson, Eudes, Gillis, Gray, Green, Isnor, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McLean (*Simcoe East*), Quelch, Reid, Ross (*Souris*), Sanderson, Tucker, Turgeon, Winkler, Wright.—24.

In attendance: Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission and Mr. H. A. Bridges, Departmental Solicitor, Department of Pensions and National Health.

Mr. Reid, Chairman of the subcommittee appointed to consider the question of Canadian seamen serving on ships not under Canadian registry, reported to the Committee.

Mr. McLean, Chairman of the subcommittee appointed to deal with neurological cases made his report to the Committee.

Mr. Macdonald (*Brantford*), Chairman of the subcommittee appointed to deal with compensation for injuries to civilians caused by war, reported to the Committee.

Mr. W. S. Woods, Associate Deputy Minister of Pensions and National Health, was called, examined and retired.

The Committee went into *camera* and resumed consideration of Bill 17, an Act to amend the Pension Act.

Section 5, subsection 2 was adopted as amended.

Section 5, subsection 3 was added and adopted.

Section 16, subsection 2 was adopted as amended.

The Committee resolved that the status of the Canadian Pension Commission which existed prior to 1936 be restored.

The Committee ordered that the Bill as amended be reprinted.

The Committee adjourned at 1.10 o'clock p.m. to meet again at the call of the Chair.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 497,

May 20, 1941.

The Special Committee on Pensions met this day at 10 o'clock, a.m. The Chairman, Hon. Cyrus Macmillan presided.

The CHAIRMAN: Order, please. We will go into camera at 11 o'clock to discuss the bill; meanwhile, I should like Mr. Reid to place on the record the report of his subcommittee.

Mr. REID: This is a report of the subcommittee on seamen and sailors:—

The Subcommittee appointed to consider the question of Canadian seamen and sailors, who in the course of their duties might be either killed or disabled by enemy action during the war with the German Reich met and considered this matter and beg leave to report:—

First:—The Government by Order in Council P.C. 3358, November 10, 1939, deemed it advisable to make provision for the payment of compensation of such masters and mates of the crews of ships of Canadian registry of licence and such Canadian salt water fishermen, who as a result of enemy action or counter action taken against the same suffer the loss of personal effects on board their respective vessels.

Second:—The Government by Order in Council P.C. 3359 dated November 10, 1939, also deemed it advisable to pass regulations making provisions for pensions in respect of all persons, who while serving upon any ship of Canadian registry or licence, and of all Canadian salt water fishermen while serving upon any ship engaged in the Canadian salt water fishing industry during the war with the German Reich, who suffer disability or death as a result of enemy action or of counter action taken against the same.

Your Committee appreciate the action taken by the Government to bring within the provisions of the Pension Act the various classes mentioned and for compensation for the loss of personal effects of sailors, seamen and fishermen.

It was suggested, however, that the matter of Canadians serving on ships other than Canadian registry operating from Canadian ports during the War with the German Reich be also given consideration.

(Signed) T. REID,
Chairman.

And I would ask, Mr. Chairman, that the Orders in Council with the schedules be placed in the record for the information of members.

P.C. 3358

PRIVY COUNCIL

CANADA

AT THE GOVERNMENT HOUSE AT OTTAWA

FRIDAY, the 10th day of November, 1939.

PRESENT:

HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL

WHEREAS the Minister of Transport, with the concurrence of the Minister of Fisheries, reports that by reason of the present war it is expedient in the public interest to make provision for the payment of compensation of such masters and members of the crews of ships of Canadian registry or licence, and such Canadian salt-water fishermen who, as a result of enemy action or counter-action taken against the same, suffer the loss of their personal effects on board their respective vessels;

NOW, THEREFORE, His Excellency the Governor General in Council, on the recommendation of the Minister of Transport, with the concurrence of the Minister of Fisheries and under and by virtue of the War Measures Act (Chapter 206, R.S.C. 1927) is pleased to make the following Regulations and they are hereby made and established accordingly.

REGULATIONS

TITLE

1. These Regulations may be cited as the Compensation to Seamen (War Damage to Effects) Regulations, 1939, and shall be deemed to have come into operation upon the 3rd day of September, 1939.

INTERPRETATION

2. In these Regulations, unless the context otherwise requires,—

(*a*) "Canadian salt-water fishermen" means persons of Canadian nationality employed upon a fishing vessel or boat engaged in the fishing industry of Canada in tidal waters.

(*b*) "the appropriate Department" means—

(i) in respect of Canadian salt-water fishermen, the Department of Fisheries;

(ii) in respect of all other persons to whom these Regulations apply, the Department of Transport.

(*c*) "war damage" means loss (including destruction) and damage caused by, or in repelling, enemy action, or by measures taken to avoid the consequences of damage caused by or in repelling enemy action.

The Honourable
The Minister of Transport

3. These Regulations shall apply to the following classes of persons who have sustained war damage to their personal effects on board their respective vessels:—

(*a*) The master or member of the crew of a ship of Canadian registry or licence.

(*b*) Members of the Pilotage Service, that is to say, a pilot or apprentice pilot, or the master or member of the crew of a pilot boat.
(*c*) The master or a member of the crew of a lightship, a lighthouse tender or a lightship tender.
(*d*) Canadian salt-water fishermen.

4. Any person to whom these Regulations apply may make to the appropriate Department a claim for compensation in respect of war damage to his personal effects and the appropriate Department may, subject to the provisions of these Regulations, pay to that person in respect of such claim an amount not exceeding the maximum amount payable to a person of his rank or rating at the time when the war damage occurred in accordance with the Schedule appended hereunder.

Personnel of Ships of Canadian Registry or Licence
and
Canadian Salt-Water Fishermen

Schedule of Compensation for Loss of Personal Effects through War Perils at Sea

(1) *Ships of Canadian Registry or Licence*

Rank or Rating	Maximum amount of compensation payable for loss of personal effects. * Foreign Trade	* Home Trade Passenger	* All other Trades
(i) Master	$500	$350	$200
(ii) Certificated Officers, Surgeons, Pursers.	300	210	125
(iii) Uncertificated Officers, Chief Stewards in charge of Departments, Wireless Operators and Apprentices	250	175	100
(iv) Ratings in Victualling Department above rank of Waiter or Bedroom Steward	150	105	75
(v) Victualling Department Waiter or Bedroom Steward and similar pay ratings	50	50	50
(vi) Ratings in Victualling Department of lower pay than Bedroom Steward	40	40	40
(vii) Carpenters and Joiners (Effects $50. Tools $100 maximum)	150	150	150
(viii) Boatswain, Donkeyman, Quartermaster and other similar ratings	50	50	50
(ix) Seamen, Greasers, Firemen, Trimmers and other similar ratings, excluding Class (x)	40	40	40
(x) Oriental ratings not domiciled in Canada within meaning of the Immigration Act	20	20	20
(xi) Licensed Pilots and Licensed Apprentice Pilots	50	50	50

* The provisions of the Canada Shipping Act, 1934, and Regulations made thereunder will determine the class of vessel, the nature of the trade in which the vessel is engaged and the status of the members of the crew. Masters, officers and ratings of Canadian Government Steamships, other than pilot boats and lightships, will come under "All other Trades."

(2) *Fishing Boats and Sailing Vessels*

(*a*) Fishing Boats and Vessels of 60 registered tons and over and Foreign-going Sailing Vessels.

(i) Master	$200
(ii) Mate or Engineer	100
(iii) All other members of Crew	40

(*b*) All other Fishing Boats and Home Trade, Inland and Minor Waters Sailing Vessels.

(i) Master	$125
(ii) All other members of Crew	40

(3) *Pilot Boats and Lightships*

(i) Master	$125
(ii) All other members of Crew	40

5. Any claim made under clause numbered 4 of these Regulations shall be made in the manner and upon the form approved by the appropriate Department as applicable to such claim.

6. Unless the appropriate Department otherwise directs no compensation shall be payable under these Regulations in respect of any claim which has not been made within one year of the relative war damage having been incurred.

7. No person shall be precluded from receiving compensation under these Regulations by reason only of the fact that at the time of making a claim for such compensation he has ceased to be a person to whom the Regulations apply.

His Excellency in Council is hereby further pleased to order that payments falling due under the above-mentioned Regulations shall be made out of the War Appropriation, the amount of such payments to be recouped from funds accruing to the Custodian of Enemy Property as and when available.

(Sgd.) H. W. LOTHROP,
Assistant Clerk of the Privy Council.

P.C.3359

AT THE GOVERNMENT HOUSE AT OTTAWA

FRIDAY, the 10th day of November, 1939.

PRESENT:

His EXCELLENCY,
The GOVERNOR GENERAL IN COUNCIL.

WHEREAS the Minister of Pensions and National Health, with the concurrence of the Minister of Fisheries and the Minister of Transport, reports:

That by reason of the present war with the German Reich it is expedient and in the public interest to provide for the payment of pensions to such persons employed in ships of Canadian registry or licence and such Canadian salt-water fishermen as, in the pursuit of their callings, suffer disability or death as a result of enemy warlike action or counter-action taken against the same; and

That there is no provision in the Pension Act for the payment of pensions to the said persons or fishermen as such;

NOW, THEREFORE, His Excellency the Governor General in Council, on the recommendation of the Minister of Pensions and National Health, with the concurrence aforesaid and under and by virtue of the War Measures Act

(Chapter 206, R.S.C. 1927) is pleased, notwithstanding anything to the contrary contained in the Pension Act or in any other Act or Regulation, to make the following Regulations and they are hereby made and established accordingly:—

REGULATIONS

1. In these regulations, unless the context otherwise requires,—

(*a*) "war with the German Reich" means the war into which Canada entered on the 10th day of September, 1939;

(*b*) "ship" includes every description of vessel used in navigation not propelled by oars;

(*c*) "ship in foreign trade" means a ship employed on foreign voyages within the meaning of the Canada Shipping Act, 1934;

(*d*) "ship in home trade" means a ship engaged in home trade voyages within the meaning of the Canada Shipping Act, 1934;

(*e*) "ship trading in inland or minor waters" means a ship employed on an inland voyage or a minor waters voyage within the meaning of the Canada Shipping Act, 1934;

(*f*) "Canadian salt-water fishermen" means a person of Canadian nationality employed upon a fishing vessel or boat engaged in the fishing industry of Canada in tidal waters.

The Honourable
The Minister of Pensions and National Health.

2. Subject to the provisions of these regulations pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the Pension Act for members of the Naval Forces of Canada to or in respect of all persons who, while serving upon any ship of Canadian registry or licence, and of all Canadian salt-water fishermen who, while serving upon any ship engaged in the Canadian salt-water fishing industry, during the war with the German Reich suffer disability or death as a result of enemy warlike action or of counter-action taken against the same.

3. The rate of pension payable to or in respect of a person or fisherman in the regulation next preceding mentioned shall be the rate set forth in Schedule A or B as the case may be of the Pension Act applicable to the rank or rating of the Naval Forces of Canada set opposite the rank or qualification of such person or fisherman in the following table:—

(1) Pensions for Personnel of Ships of Canadian Registry or Licence

Rank	Scale of Pension
(a) *Ship in Foreign Trade**	
(i) Master	Commander
(ii) Chief Officer	Lieutenant Commander
(iii) Chief Engineer	Commander
(iv) Second Engineer	Lieutenant Commander
(v) Other Navigating and Engineer Officers, Purser, Surgeon, Chief Steward	Lieutenant
(vi) All other officers	Sub-Lieutenant
(b) *Ship in Home Trade**	
(i) Master	Lieutenant
(ii) All other officers	Sub-Lieutenant

* The provisions of the Canada Shipping Act, 1934, and Regulations made thereunder, will determine the class of vessel, the nature of the trade in which the vessel is engaged and the status of the members of the crew.

Rank	Scale of Pension
(c) *Ship in Inland and Minor Waters Trade**	
(i) Master	Lieutenant
(ii) All other officers	Sub-Lieutenant
(d) *All trades*	
(i) All other members of the crew (except Orientals not domiciled in Canada within the meaning of the Immigration Act)	Able Seaman
(ii) Orientals not domiciled in Canada within the meaning of the Immigration Act	A proportion of pension applicable to an able seaman as judged adequate by the Canadian Pension Commission.
(e) *Pilots*	
(i) Licensed Pilots	Lieutenant
(ii) Licensed Apprentice Pilots	Sub-Lieutenant

(2) Pensions for Canadian Salt-Water Fishermen

(a) Master of fishing boats of 60 registered tons or over	Lieutenant
(b) Master of other fishing boats	Sub-Lieutenant
(c) Other members of the crew	Able Seaman

4. No pension shall be payable under these regulations to or in respect of any dependent other than the wife, widow or orphan children of the person on account of whose disability or death pension is claimed.

5. No pension shall be payable under these regulations unless application is made therefor within one year after the occurrence of the death or incurrence of the injury resulting in disability on account of which pension is claimed.

6. All claims for pension under these regulations shall be dealt with and adjudicated upon by the Canadian Pension Commission in like manner and to all intents and purposes as though such claims were claims under the Pension Act and the person or fisherman by or in respect of whom application for pension is made were, at the time the injury resulting in his disability or death was sustained, a member of the Forces as defined by such Act and all provisions of the Pension Act which are not inconsistent with these regulations shall apply to every such claim.

His Excellency in Council is hereby further pleased to order that payments falling due under the above regulations shall be made out of the war appropriation, the amount of such payments to be recouped from funds accruing to the custodian of enemy property as and when available.

(Sgd.) H. W. LOTHROP,
Assistant Clerk of the Privy Council.

Mr. Isnor: The report of Mr. Reid's subcommittee having been presented I presume it is open for discussion. I understood at our second last meeting that the question of making appropriate provision to include cost would also be embodied in the report.

The Chairman: Yes, I understand it is in the order in council.

Mr. Reid: I am sorry, Mr. Chairman, I intended to mention that; Mr. Isnor did bring up before the subcommittee the question of pilots. I notice on looking through this material that pilots have already been taken care of in the orders in council, but I had intended to mention that in the report.

Mr. GREEN: Might I ask Mr. Reid if the recommendation of the subcommittee is that the provisions of these orders in council be extended to cover Canadians regardless of whether they are serving in Canadian ships or otherwise?

Mr. REID: That is the recommendation, Mr. Green.

The CHAIRMAN: I would ask Mr. McLean to present the report of his subcommittee so it may appear in our records.

Hon. Mr. MACKENZIE: Yes, I think we should do that, so that it will be on the record for the purposes of future reference. Mr. Young, have you got the report that Mr. McLean made to the subcommittee the other day? It was made in camera. We want it now for the official record.

The CHAIRMAN: Mr. McLean, this is your report, will you please place it on the record for us?

Mr. MCLEAN:

OTTAWA, ONTARIO,
May 16, 1941.

Hon. CYRUS MACMILLAN,
Chairman,
Special Committee on the Pension Act,
Ottawa, Ontario.

SIR:—The Subcommittee on Neurological cases beg to report as follows:—

We recommend that the last 5 words of Sub-Section b, Section 11, of the Pension Act, be deleted.

It is believed that applicants for pensions have an exaggerated idea of the adverse effect of this clause on their claim for entitlement. From our investigations it is clear that it is not an important factor in granting entitlement and, therefore, your Subcommittee feels it would be better to have it deleted.

GEO. A. McLEAN.

Mr. GREEN: That means that the words, "was a congenital defect" are to be struck out of the Act. They were somewhat contentious for many years in the Pension Act and that is quite a departure. Does that satisfy General McDonald?

General MCDONALD: Quite, sir; it is a very unimportant clause but it raised a great deal more discussion than it warranted.

The CHAIRMAN: The record reads: The section as amended was carried and approved.

We will now hear from Mr. Walter Woods.

WALTER S. WOODS, Associate Deputy Minister, Department of Pensions and National Health, called.

The WITNESS: Mr. Chairman, I have a brief statement on the Dominion Welfare Division:—

Reference has been made by the Honourable the Minister, both in the House and before this Committee, to the establishment within the Department of Pensions and National Health, of a Welfare Division and also to the appointment of myself as an Associate Deputy Minister. So that the facilities now at work in the interests of men who are being, and who will be discharged from the Forces engaged in the present conflict, are clearly understood, perhaps I should briefly mention the set-up—if only to refresh your memories.

1. A Committee of the Cabinet under the Chairmanship of the Honourable Ian Mackenzie was set up a year ago to deal with the question of Demobilization and Rehabilitation.

2. This Cabinet Committee in turn appointed a General Advisory Committee on Demobilization and Rehabilitation. This General Advisory Committee comprises the Deputy Ministers of the Departments concerned, such as Pensions, Labour, Civil Service, Public Works, etc.

3. This General Advisory Committee has broken up the problem of Demobilization and Rehabilitation into its varying phases such as Demobilization, Post-Discharge Pay, Employment, Continuance of Interrupted Education, Land Settlement, Vocational Training, etc., etc. and each phase is receiving the attention of a subcommittee. On these subcommittees are serving men who are experts in the particular question that is being examined and who are brought to Ottawa to attend meetings, without remuneration, other than actual out-of-pocket expenses.

The procedure is that these subcommittees after studying the subject assigned to them, and reaching a conclusion, recommend a certain course of action to the General Advisory Committee which in turn, after consideration, pass the matter along to the Cabinet Committee, and if the Cabinet Committee concurs, then the recommendation is translated into effect by the administrative machinery of the Department concerned. To promulgate the recommendation, an Order in Council may be required, or new legislation.

4. Now then we come to the actual administrative changes.

The benefits of the Pension Act were made available to the boys of the new war by Order in Council, and a Bill is now receiving the attention of the Parliamentary Committee putting this in statutory form.

Certain Orders in Council have been passed for the benefit of men already discharged, such as

(*a*) After discharged from the army, while in hospital, provision is made to continue pay and allowances to the veteran until pension adjudication has taken place.

(*b*) Another Order in Council provides one month's rehabilitation grant to men who have been in the Service more than six months.

(*c*) Consideration is at the present time being given to the matter of treatment for those requiring it, after discharge, for a period of 12 months.

(*d*) Provision has also been made by Order in Council for a new Welfare Division within the Department.

The functions of this division and its representatives are broadly three: they were first of all developed through the medium of businessmen's committees throughout the dominion as a preference for returned soldier labour. They will not function as placement officers. The placement of individuals is a function of the dominion government employment offices. Their first function is to develop a preference for ex-service men similar to that being extended by the dominion government in its war contracts, the civil service and so forth.

By Mr. Green:

Q. Is there a preference in the civil service yet?—A. Yes.

Q. I mean, for men in the new forces?—A. No, that is still under consideration.

The second function of the welfare officer is to extend advisory vocational guidance and counsel to the individual soldier and to advise him in whatever facilities there may exist in the way of legislation to meet his particular problem.

And the third and last function of the welfare officer—he will be stationed, incidentally, in the dominion government employment offices—his third and last function will be to see that such preferences as may be extended by the

dominion government, by the provincial government or by employers of labour, are observed. In other words, he will watch the interest of the returned soldier body in the dominion government employment offices. An examination has already been held for these welfare officers and the one in Montreal has already been appointed and is functioning. It is expected that the Civil Service Commission will name the rest of the appointees during the coming week.

This Welfare Division will be under my direction as Associate Deputy Minister, and the functions are those outlined by the Minister in his address to Parliament on December 6 last. The duties of this division and its representatives will be as follows:—

(*a*) To interview, advise and assist former members of the forces;
(*b*) To become conversant with all regulations relating to pensions, allowances, medical treatment, employment, training, social welfare and other policies that may be of assistance to the ex-service men;
(*c*) To make a study of all occupational opportunities in the areas at which subdivisions are established;
(*d*) To encourage employers to re-employ discharged men who were formerly in their service;
(*e*) To endeavour to secure preference for ex-service men in employment by industry generally;
(*f*) To keep in constant touch with the employment service of Canada, with regard to available employment;
(*g*) To obtain information from the Department of National Defence with respect to members of the forces arriving in the several areas for discharge, to arrange for notification to be sent to their families and to encourage volunteer local committees to welcome them;
(*h*) To maintain contact with veterans' organization, with a view to fostering interest in the rehabilitation of former members of the forces, and to keep in touch with all other agencies likely to be of assistance;
(*i*) To develop favourable public opinion regarding the re-establishment of former members of the forces;
(*j*) To report to Ottawa on the activities and requirements in each district, and upon the results of the various types of re-establishment activity.

The welfare division is not an employment service. It does not contemplate finding individual jobs. It is not a relief agency. It has no funds for relieving distress. But I have mentioned the other functions and services that this welfare division will render. That concludes the statement on the welfare division.

The CHAIRMAN: Are there any questions?

By Mr. Isnor:

Q. Yes. Mr. Chairman, I doubt very much if the welfare bureau activities are as broad and extensive as those of the veterans' assistance committees which are functioning in the various districts. If I am correct in that assumption I would like to have Mr. Woods state how and why he thinks the welfare set-up is broader?—A. It is the broader set-up in this way, that the veterans' assistance committees have been functioning as placement offices with varying degrees of success. There has been some overlapping with the employment services. The development of a preference through the medium of businessmen's organizations will, we think, achieve, or be capable of, greater results than could be accomplished by a single man functioning as a placement officer. Already the businessmen's committee that was set up in Toronto has placed over 500 men in employment from the new year. During the same time the veterans' assistance offices, seven of which have been functioning, have not accomplished anything like those results.

By Mr. Green:

Q. They were dealing with the men in the old war?—A. Dealing with both.

Q. Do you find more difficulty in placing men of the current war?—A. The two have been functioning together, both these businessmen's committees such as in Toronto and the veterans' assistance officers.

Q. What is the difference between the committee set up under the Veterans' Assistance Act and these narrow committees which are now functioning? Both of them are made up of businessmen; at least, they were in Vancouver?—A. Yes. They, of course, vary throughout the dominion. I think, perhaps, the principal difference is that these committees will comprise generally most capable business executives whereas the committees set up under the Veterans' Assistance Act were not comprised solely of business executives.

Q. There has been a placement officer in the employment offices for many years, has there not, whose job is to deal with returned men?—A. There has been a handicap officer in certain of the employment offices, but not all of them.

Q. His function was to help the returned men get placed?—A. Particularly the handicapped returned men. He has been concentrating on handicapped cases.

Q. Now you are going to have a man in the new dominion employment offices?—A. Yes.

Q. There will be one man in each office?—A. Yes, one man in each office.

Q. So that it is very much like the set-up you had before, is it not?—A. The technique is somewhat different, but there are points of similarity, certainly, in so far as both the welfare officer and the veterans' assistance man will rely on the influence of business men, to a great extent.

By Mr. Tucker:

Q. How many will be in the service throughout Canada?—A. It is contemplated appointing 14 at present, and to extend the service as it is warranted.

By Mr. Green:

Q. You said something about their job not being individual?—A. Not to act as an individual placement officer in selecting a man for the individual job.

Q. Who does that?—A. The dominion government employment office.

By Mr. Isnor:

Q. Am I to understand that at present the dominion government employment service continues?—A. There are new offices being opened up throughout the dominion under the Unemployment Insurance Act.

Q. That means abolishing the dominion government service?—A. The provincial service. To a large extent it will eliminate the provincial employment service.

Q. In reply to Mr. Green's question you said that that service would still continue to look after the employment of men, as I understood your answer?—A. The dominion government employment service; yes, it will be their function—the new employment service that they are now establishing. It will be their function to look after individual placements. It is not proposed to build up two sets of records; for example, two sets of card indexes. There will be a card on every man that is looking for employment in the dominion government employment office. But the placement officers of the dominion government employment service will do the actual placement of the individual.

By Mr. Green:

Q. Will there be a record on the card if the man has service?—A. Yes, definitely.

Q. I suppose your officer in the employment office will keep track of the different service men whose names are listed?—A. Very much so. They will be there for that purpose.

Q. Then he has to get the advice of this committee of business men?—A. Yes; not only the advice, but he has to present to the committee of business men periodically at their meetings a statement showing the situation as to unemployment among ex-service men. He will say, "There are 450 in Montreal unemployed to-day", for example, "as compared with 500 two weeks ago and they fall into the following vocational groups"—so many chauffeurs, so many bricklayers, carpenters and so forth. He will then be presenting something to his committee of business men, something tangible on which they can go to work. If he is able to develop a demand for the services of these men, their order will be put into the dominion government employment office stating that they prefer ex-service men.

By Mr. Reid:

Q. What is being done regarding the training of men who are being let out of the army at the moment?—A. You mean men who served in Canada only and who are not pensionable—who have no pension?

Q. Yes.—A. That is one of the matters that is receiving consideration of one of the subcommittees I spoke about.

By Mr. Green:

Q. But is anything being done about it?—A. Progress is certainly being made.

Q. Are any men receiving training?—A. No men are receiving—not under any soldier scheme of training; but under the War Emergency Training Program, under the direction of the Department of Labour, this program provides for the training of 100,000 men for war industries, and returned soldiers or discharged men are given the preference under that.

Q. How many men are being trained? How many men of the old war or this war are being trained under that scheme now?—A. I could get those figures for you. I will do so. If my memory serves me aright, there are over 1,000 ex-service men at present being trained.

By Mr. Cruickshank:

Q. That is of the last war and this war?—A. Yes, both.

Q. There are 20,000 discharged out of this war?—A. Yes.

Q. And only 1,000 out of both wars are being trained?—A. Of course, it must be remembered that a great percentage of the boys have been absorbed into industry owing to the demand.

Q. You are speaking of the east, not of the west?—A. I am speaking of both.

Q. Not of British Columbia?—A. In British Columbia, it is true there is less industrial development resulting from the war out there than there is anywhere else in Canada.

By Mr. Tucker:

Q. Surely you cannot mean that? Saskatchewan has got the worst deal of any.—A. I spoke about the War Emergency Training Program absorbing those boys who had been discharged; and in Saskatchewan over 50 per cent of the men who are being trained are ex-service men.

Q. Training is going on there, but as far as being absorbed into industry is concerned, you said that British Columbia was worse off than any other part of Canada.—A. I am sorry if I said that.

Mr. CRUICKSHANK: I said that.

Mr. Ross (*Souris*): I think it applies to the whole area west of the Great Lakes. I suppose the percentage of discharge would be equally as great, while there is not any industry to take care of those people west of the Great Lakes.

The WITNESS: In that event they are given transportation to travel to where there is.

Mr. CRUICKSHANK: I would like that repeated. That is directly opposite to my understanding.

The WITNESS: They are given transportation if there is a demand for their services.

By Mr. Cruickshank:

Q. "If"?—A. Yes.

Q. The east takes good care they do not need their services?—A. There were men leaving Alberta for Hamilton, Ontario, when I was out there a few weeks ago.

Q. Is that definite, so that I can tell my constituents that? I have letters with regard to the matter. Can I tell them that they can get transportation back?—A. I suggest you get a statement on the subject from Mr. Thompson, who is director of this training in the Department of Labour.

Q. Is he here?—A. Yes.

Q. Mr. Who?—A. Mr. Thompson.

Hon. Mr. MACKENZIE: We intend to call him, I believe.

By Mr. Isnor:

Q. Before leaving the organization set-up of the welfare commission, I want to say that I feel that we should have a placement officer working directly under that department. I think there was overlapping, particularly since September, 1939, in respect to the work being carried on by the veterans' assistance committees of various sections of Canada and the Dominion Employment Bureau. I feel if the outline as given to us is continued we will have the same unsatisfactory state, namely that the average man will go to one office endeavouring to seek information in respect to the various projects under way, with the thought of securing or procuring employment, and then have to go to the second. There will be two sets of records, which will cause confusion and not give the returned man the information he desires. I have been closely associated with the veterans' assistance committee in Halifax and they have done exceptionally good work, and they are composed not alone of business men but of all classes.—A. Yes.

Q. But there has been a certain conflict of authority; and it is because of that situation that I feel that consideration should be given to the employment of a placement officer within and under the jurisdiction of this welfare commission.—A. Well, Mr. Chairman, the new arrangement that is proposed of stationing a welfare officer in the dominion government employment office is supposed to eliminate entirely any duplication. At the present time in Halifax there are two offices engaged in placing men—two in any event. One is the provincial government employment office.

Q. Jointly controlled by the dominion?—A. Right; the dominion have a share in the control. And the other is the veterans' assistance committee office. The veterans' assistance committee office maintain card system records of every returned soldier who registers, and those boys are also told to register at the employment office. The veterans' assistance office is going to be closed. The welfare officer is going to be stationed in the dominion government employment office. There will be no duplication whatever of records, nor will there be duplication of effort, in so far that the welfare officer will endeavour, through his office and the business men who assist him, to develop a preference for service men, which will flow into the employment office; and the welfare officer will be there to see that preference is observed when the actual placement is done. But he will not keep cards of all these soldier registrants himself; that will be part of the general registration of unemployed labour, and I do not see where there will be any duplication about it.

By Mr. Green:

Q. You said a few minutes ago that this man who was placed in the employment office would not be working on placement work?—A. He would not make individual placements.

Q. Why should he not be in charge of the individual placement of the veterans?—A. The Department of Labour felt that it would be a duplication, and Mr. Isnor has just referred to the necessity of avoiding any duplication. The Department of Labour will open a chain of employment offices throughout the dominion as a dominion government service purely. They felt that to establish separate records for ex-service men in the first place would be unnecessary and in the second place it would not be in the interest of the service man himself; because if you had in one sub-office, shall we say in one little private office, in the large employment office one small office where the records of ex-service men solely are kept I am wondering if they would get the opportunity that flows into the employment office, if they would get the preference that is intended if they segregated and isolated them away from the cards of all the rest of the men who were registered there.

Q. Take the case of handicap veterans who have been receiving special attention in these provincial employment offices for many years. How are those cases to be handled? Are they to go in with the general run of the mine cases?—A. That is one exception that the Department of Labour have agreed with us that we can do specific placement work with. I cited as an illustration the case of a specially disabled man who perhaps has one leg that may be partially paralysed. It is manifestly impossible to place him in the open labour market; he cannot compete there. If our welfare office through its contact with business men in describing cases of that kind succeeds in getting some business man to say, "I can find room for him in my warehouse," the Department of Labour agrees with us on special positions that we create, that our welfare office creates for men specially disabled, that we should have the right to name the man for the job and in effect make the individual placement.

Q. Then, the situation is the Department of Labour have said to you, "Here, we will not have you in our office placing individual returned men; they have got to take their chance with everybody else registered here. Your welfare officer can advise these returned men that they can try to get business men to ask for ex-service men, but that is as far as he can go." Is that the position?—A. I am not prepared to say they have dictated the terms in that manner or to that extent; but we agreed with them that it might be successfully developed, that is the welfare service, in the manner that is suggested without our man doing the actual individual placement.

By the Chairman:

Q. A co-operative effort?—A. A co-operative effort. It might cause friction; certainly it would give rise to some difficult situations.

By Mr. Green:

Q. I cannot understand why your representative who is going to be the welfare man and a highly qualified man does not have the power to place individual cases. It seems to me it cuts down his effectiveness by about half if he cannot take individual cases which will probably need special treatment.—A. I am of the opinion that he will be the type of man who will be capable of co-ordinating his efforts with the superintendent of the employment office. A good many of these superintendents will be ex-service men and the man with tact and diplomacy I am sure will have no difficulty in working that out.

By Mr. Cruickshank:

Q. Won't they all be ex-service men?—A. The advertisement for employment officers, as I recall it, provides that preference; but I do not think it specifically requires that a man must be an ex-service man to get a job in the employment office. These welfare officers certainly will be.

Q. They will all be returned men?—A. Oh, certainly.

By Mr. Wright:

Q. Did I understand you to say that there were only fourteen employment offices in the dominion?—A. No, fourteen of these welfare officers to begin with.

Q. One in each employment office?—A. In each large centre. There will be a great many more employment offices than that.

Q. That is what I thought there would be.—A. In each large centre.

By Mr. Isnor:

Q. Before we leave this I am going to stress, for the benefit of Mr. Woods, the hope that this newly created welfare commission, or whatever the proper name is, will have a returned man at the head. I want to stress the desirability of having a returned man who is familiar with the problems affecting the returned men particularly along the Atlantic coast. I say that because of the large amount of work which was handled by Col. L. H. Mackenzie, the secretary of the Veterans' Assistance Committee, at Halifax. He had a file of over 3,000 names of returned ex-service men, and during the period since that committee was organized it placed 3,600 and some odd men in positions, 414 permanent, 2,294 in semi-permanent positions, 642 casual, and 122 training. There are something like 40 calls a day or 40 interviews taken care of by just a secretary and a stenographer. I feel if you had a set-up such as that within the welfare office you would eliminate a lot of work and you would give a lot of work to that particular person who is familiar with the needs of the returned men and they would receive better attention than if just left to someone else to put them all under the one heading or in one card index. For that reason I am bringing it to the attention of Mr. Woods in the hope that it will receive attention.—A. Colonel Mackenzie is an applicant for the position of welfare officer in Halifax. He is a man for whom I have a great deal of admiration. He has done a lot of splendid work, so that it is not beyond the bounds of possibility that he may be the welfare officer.

By Mr. Green:

Q. If an employer sends in for five men under the new plan that request will go to the general employment officers?—A. Yes.

Q. And there will be no preference for the ex-service man; he just takes his chance with everybody else who is registered there?—A. Unless the employer registers a preference.

Q. In most cases probably the employer will not. In other words, you are trying to put the onus on the employer to ask for the soldier. Suppose he does not. Then the returned man will just be treated as another individual, and your welfare officer sitting in that same office will not have the power to go out and seek jobs for the returned men.—A. No, not under the new set-up of the dominion employment service.

Q. All he has the power to do is to ask the employer to ask for a returned soldier when he wants help?—A. Quite frankly I believe that the employment service, or the officers of the employment service will extend preference to ex-service men, men who have served the state.

Q. I think you are taking a lot of chance when you accept the terms of the Department of Labour which says that your welfare officer cannot go out and find jobs.

Mr. McLEAN: Surely the officers of the unemployment insurance organization will have instructions to give special attention to returned soldiers, because after all there will be hundreds of these employment offices and there are only fourteen men placed by this department in large centres. There will be hundreds of employment offices where there will be no representative of this commission. Surely the employment officers in charge of those offices would have instructions to give special attention to returned soldiers; if not they ought to.

Mr. GREEN: I would like to know whether they have or not. There is nothing to indicate that from Mr. Woods' statement.

The WITNESS: That they will be instructed to give preference to ex-service men in these things? I have never heard of any such instructions being issued except preference is provided such as in government contracts and so forth.

The CHAIRMAN: Will that not apply to the unemployment officers?

The WITNESS: There is a preference at the present time in government contracts and, of course, this preference will be observed. The question Mr. Green has raised is with reference to where an order comes in for half a dozen men for a job, and he asks whether any preference is given by the employment service to ex-service men. My answer is that I have heard of no such instructions having been issued.

By Mr. Ross (Souris):

Q. What do you mean by a preference given under government contract?—A. I mean government munition contracts that provide a preference for returned ex-service men.

By Mr. Green:

Q. That is only when the contractor asks for returned men.—A. Yes.

Q. Otherwise there is no preference if the contractor does not see fit to ask for returned men.—A. It is not imposed on the contractor as a condition under which there will be a penalty, but they are absorbing a tremendous number of discharged men.

By Mr. Cruickshank:

Q. What do you mean by a preference being given in government contracts? —A. I think the sticker that is used on contracts was tabled in the records of this committee earlier in its proceedings.

Q. I know. I have one of those stickers on my desk, but it does not mean anything; there is nothing compulsory about it.

Hon. Mr. MACKENZIE: Instructions have been issued by government departments that preference must be given on government contracts.

Mr. CRUICKSHANK: There is nothing compulsory about it. I happen to know that in British Columbia in the Boundary bay training scheme, they have disregarded it. The contractor there as far as returned soldiers are concerned has disregarded it.

Mr. REID: Let us get the record straight on that. A complaint was made to me by a returned men's organization in New Westminster and I made personal representation and investigation and found in the Boundary bay camp when I went down there that there were 38 per cent of returned soldiers on the payroll the day I went down—returned men working there—and on the Sea island work there were 27 per cent. I looked over all the names on the record and their

qualifications, and I am speaking of carpenters and labourers, and I know personally, because I have had representations made to me in connection with the Sea island and also Boundary bay airport. I said in the committee and in the house that there was a preference given to returned men. The question might arise whether 38 out of 100 men is enough, but the returned men's associations or organizations in New Westminster told me "they are satisfied".

Mr. CRUICKSHANK: I want that to be perfectly clear. I want my point on the record too. It is in your riding, but the Dominion of Canada is paying for it; New Westminster is not paying for it and the work should be spread throughout the province. Returned men were definitely turned down in my riding in that matter. It is nonsense to say that because an airport is in a certain riding that that riding is entitled to the work.

Mr. REID: I object to any implication being taken from my remarks to that effect, and I am not objecting to anyone interesting themselves in regards to these matters; any member of parliament can investigate at any place. I do not want anyone to think however that because this scheme is in my riding that I have any preference. A complaint was made to me that there was a little ring placed around the employment of labour and that a man could not get a job unless he lived in the constituency of New Westminster. I found that that was untrue, because when I went to investigate they showed me proof that from the city of Vancouver there were at that time twenty-six carpenters, fourteen from the city of New Westminster and four from Mr. Cruickshank's riding; and the superintendent and the management told me that there was no ring, that they did not ask a man where he came from at all providing he was a union man and a carpenter. I am stating facts because I gave this matter my serious attention.

Mr. CRUICKSHANK: I am also stating facts; and the engineer in charge had definite instructions that he was to employ nobody except from Delta municipality—the engineer placed in charge by the contracting firm for the government —and returned soldiers from my riding were refused employment. I seriously object to anything being confined to any particular riding or any particular organization, and returned soldiers in my riding were turned down, and the man in charge had a letter instructing him to employ men from Delta municipality only.

The CHAIRMAN: Order, gentlemen; we are dealing with the principle that has been discussed by Mr. Woods; surely we can carry on this discussion without acrimonious debate.

Mr. REID: This is now on the record and it is going out, and I as the person representing that riding—no matter what the committee may think— I am going to refute that statement. If you want to set up a committee to investigate the entire matter I would welcome the same.

Mr. CRUICKSHANK: I would like the committee to investigate this matter.

Mr. TUCKER: Mr. Chairman, supposing there are a lot of returned soldiers unemployed in Saskatchewan and there is a certain amount of employment in Ontario, what is going to be the attitude toward that situation? Is it going to be governed by the attitude that they do not want people coming in from outside to get the work in Ontario, or is it going to be treated as a Canadian problem to give the returned soldiers of Canada a chance to get work, some preference in the getting of work wherever it may be obtained at any reasonable distance in Canada? It seems to me that either we are dealing with this thing as a dominion problem or as a provincial problem, and we have to make up our minds at an early date whether we are going to be Canadians or Ontarians or what not.

It seems to me that very likely the reason why the officials of the employment services of Canada have not been instructed to give a prefrence to returned soldiers is the fear of complaints from provincial officials that they

do not want anything of that sort—they do not want labour coming in from other places. Now, that seems to be the reason, because I cannot think of any other reason. Why should not every single person finding work for people in the employment services of Canada be instructed by law to give a preference to returned soldiers the same as it applies to the civil service itself that they shall give returned soldiers first preference? Of course, if a man is sent out who cannot do the work that is another matter; but it seems to me that what we are doing is that we are having the general service told to proceed as though there were not returned soldier preferences at all. In a few places we appoint men to try to see that the returned soldiers do get some consideration; but if we really want to deal with this problem we should put the obligation right on the dominion government to see to it that the returned soldier does get a prefrence as far as they can see to it. If you do not do that you will not be dealing with the matter as a national problem or as a Canadian problem.

This is a submission I should like to make, and we have to face that.

The WITNESS: There are two questions which Mr. Tucker has raised: one, as to the transfer of labour from one part of the dominion to another; and, two, as to instructing employment office officials that a definite preference must be extended. Those are two points that can only be answered by the department concerned, the Department of Labour.

Mr. GREEN: We can make recommendation along that line, and it seems to me that is vital. What is the sense of setting up a welfare division for soldiers when there is only going to be a representation in 14 out of how many employment agencies—100?

The WITNESS: Over 100.

Mr. GREEN: In those 14 the man cannot go out and try to place individual soldiers, he has to sit in a back office and be a sort of adviser; and in the other 100 or whatever the number may be, there is no preference whatever given to the returned soldier; the office, however, instructs that the returned man take his chance with all the rest. It does seem to me that the work of the welfare division is being handicapped from the start, and you cannot expect results under a set-up of that type. Surely this committee could bring in some recommendation on that?

Mr. Ross (*Souris*): That was the reason why I asked Mr. Woods that question as to what he meant by a preference for returned men. I am quite satisfied that this thing is not dealt with in a national way and I feel that it should be, and I think we should recommend very strongly that a greater preference be given to returned men. I had experience with a little case regarding an application for mail carrier contract, which I mentioned before, and I think Mr. Reid took me to task then for not keeping the record straight. I obtained further information regarding that contract, and there were five applicants; it is a small affair, but there is a principle involved, and the man who received the contract was a member of a family who has never made any contribution to the war or to the national effort, and he received that despite the fact that there were two very well recommended Legion men for the position, and the backing of the very best citizens was refused.

Those five applicants all applied at the very same figure. Some members said they likely underbid each other for the job. I have obtained copies of the tenders from the Postmaster General, and the five applicants tendered at the very same figure; yet despite the recommendations of the local Legion these returned men were not given the position. That does not augur well for our national war effort at this time. That is one of the things that hinders recruiting

in our area. Those fellows who rendered splendid service in the last war and are not considered for any jobs advise their comrades to stay out of it. They say: "Why should you make these sacrifices?" and so on.

As to the construction of these air ports, there was a riding in Manitoba where lists were set up and returned men were not given the preference. I do not know what is taking place to-day, but I think this thing should be dealt with from a national point of view.

Hon. Mr. MACKENZIE: The contractor in that case was definitely not complying with the instructions that went out from the Department of Munitions.

Mr. ROSS: That may be.

Hon. Mr. MACKENZIE: You may remember my evidence that the Departments of National Defence, Public Works, and Department of Munitions and Supply have taken the precautions to see that all contractors carry out the provisions of clause 35 in our contracts stipulating that a reasonable quota of returned men be employed. That contractor was evading the instructions.

Mr. ROSS: What is a reasonable quota?

Hon. Mr. MACKENZIE: That is a question of interpretation.

Mr. ROSS: Following up what Mr. Tucker said, I think probably there is some difference of opinion between provincial employment officers and officers of the federal government. I know that in my own province of Manitoba that is so. The provincial employment man who makes the recommendations is very jealous about people coming in from other provinces, even the province of Manitoba. I suppose that applies in a greater extent in the eastern provinces. I think that should be ironed out, and that we should look at this thing from a national point of view. There should be a far greater preference given to returned men, especially by the government in all its departments. I think the government should take the lead in this matter.

Mr. TURGEON: I was just going to suggest that, while I concur with a great deal of what Mr. Ross has said, he made a statement which is on the record but which I do not think he meant to say. If I understood him correctly he said that returned soldiers were saying to the younger men of to-day who are willing to enlist: "Why should you enlist when this is the treatment you will get?" I do not think Mr. Ross meant that.

Mr. ROSS: I do not mean that to apply generally to returned soldiers, but you do get the odd disgruntled chap making statements of that kind. However, I do not want that to apply generally to the returned men.

Mr. TURGEON: I am not taking much part in this debate although I represent a constituency where there is neither industry nor anything else, and there are a number of ex-service men unemployed. But in my constituency it is the ex-service men through the Legion who are taking the lead both in recruiting and in various organizations for the raising of funds. While a good many of the returned soldiers in my riding are looking for work, they are doing everything they can to further both recruiting and contributions to war saving certificates.

The WITNESS: I hope this committee will not be left with the impression that the welfare officer will be sitting in a big office devoting all his time to solving problems of the individual man. I did mention that one of his functions would be to render advisory counsel, and I believe if I were a welfare officer at some large centre I would want to be informed of all war contracts, munition contracts, that are placed in my district. I think I could render greater service to the ex-service men in my district who are looking for jobs by going out and seeing these contractors and getting acquainted with them than I could by sitting in the office writing a card out and doing individual placement. I think I could do more useful work.

Mr. QUELCH: Many members have stressed the fact that this is a question which should be dealt with from the national point of view and that the provinces should not give preference to men applying for work from other provinces. On the other hand, just so long as a province has to be responsible for relief, naturally they are bound to take that point of view; you cannot escape it. Each individual province will have to give employment to its own people before it lets other people in from other provinces.

Mr. MACDONALD: We have to be realistic in this matter. It is all right to say that everybody should have the same right, but if any member here lived in a community where there was work and there were men unemployed he would not welcome the influx of a lot of other people to take these jobs from citizens who live in that community. People who have lived there for years and who may be out of work expect to get these jobs. They may have been paying taxes, and it is only natural that they should expect to receive these jobs. There is no use theorizing on this matter too much; naturally, the men who are in the district where the work is are going to get the first chance.

By Mr. Green:

Q. Would it not greatly strengthen your hand in making your new department successful if your representatives in the employment offices were given power to do placement work and also if the staffs of the employment agencies were instructed that they should give the preference to men of the forces? Would that not greatly simplify your work and improve it?—A. I am satisfied that we can work out a system of co-operation.

Hon. Mr. MACKENZIE: I do not see why they could not combine the two. If I found a job outside and reported it to the employment office they would not object.

Mr. GREEN: The Department of Labour have laid down the rule that they must not do that.

Hon. Mr. MACKENZIE: I think we can work out plans along the lines suggested that will be satisfactory.

Mr. TUCKER: Yes, I think you can.

Hon. Mr. MACKENZIE: It will certainly be tried.

Mr. CRUICKSHANK: Is there any objection to the government specifying that—I will just use this figure—75 per cent of all employees must be returned soldiers on any war contract of any kind?

Hon. Mr. MACKENZIE: That has been tried for years and it was found to be impracticable.

Mr. CRUICKSHANK: Just a moment. If they are available. I appreciate what Mr. Macdonald has said, that we are all human and are naturally going to protect our own ridings. We naturally want our men to go to work first. But the whole of Canada is paying for this war, and we are going to be paying for it a lot heavier than at present. I do not care what province or riding a returned soldier may be in, he should get work on any government contract if he is able to do the work. I do not see why we cannot get around this "reasonable amount" of returned men. I say definitely that it is nonsense, and I know that it is carried out in a nonsensical way in the province of British Columbia. It should be a definite number that they have to take.

The CHAIRMAN: Mr. Cruickshank, may the Chair be permitted to say just this: I had personal knowledge of a very large contract. I also had personal knowledge of the letters that were sent out by the four departments—the three war services departments and the Department of Munitions and Supply. Complaint was made that there was not a sufficient number of returned men being employed by the contractor in question. The matter was brought to the

attention of the Department of Munitions and Supply, at once. That department issued very strict and dogmatic orders within an hour to the contractor. The result was that the contractor employed a representative of the local branch of the Legion to work in the interests of the Legion on that contract. All difficulty was removed. It seems to me that the contractors have by and large endeavoured to obey these instructions, and when the department was notified of a disobedience of these instructions there was at once drastic action taken. I have personal knowledge of that particular case.

By Mr. Green:

Q. Mr. Woods, what power have you got to meet this situation? At every Christmas season there are a lot of extra men required in the different large post offices. I do not know whether that is the case in the smaller cities or not, but it certainly is in the larger cities. In the past there have been some returned men taken on and there have been an awful lot of the men appointed by patronage. That has certainly been the case in Vancouver. Are you going to have the power to fill all those positions without interference from the outside, or is it to be carried on in the same old way that some soldiers are taken and some civilians are taken on and the preference is, in my opinion, more or less of a farce?—A. There is nothing in the Order in Council setting up the welfare division that gives us power of that kind. I think perhaps our influence will be exercised very strongly to extend that.

Hon. Mr. MACKENZIE: Is it not a fact that in Vancouver they were all employed through the Veterans' Assistance Commission?

Mr. GREEN: No, they were not; I know they were not.

Hon. Mr. MACKENZIE: I will check up on that.

Mr. REID: I would not like it to go abroad that that situation prevailed throughout all of British Columbia. In New Westminster last year there were required something like 22 men for the Christmas rush, and it was found that there were 11 men on the available list of postal carriers, and they were taken on first, which is the regular routine, and the balance was divided mostly between the war veterans. The Imperial veterans, I think, put forth one man, and the army, navy and other veterans' organizations supplied most of the others.

Mr. GREEN: We are setting up an expensive new branch here, and there is certainly not a more efficient civil servant in the service, in my opinion, than Mr. Woods, and I do not think he should be handicapped in this regard. There is a clear case here where returned men could be used, and if the matter is left to Mr. Woods and his welfare officers, I think they will be. I think this committee should take steps to see that these men are not met at Christmas time with the same old round-about methods which result in some returned men being employed and a lot of others being employed, with returned men in certain cases having to get party proof. I should like to see this committee take steps to protect them on that point.

The CHAIRMAN: I am sure that will be done, Mr. Green.

Hon. Mr. MACKENZIE: There is no objection to that as far as I am concerned, but the recommendations of this committee will have to go to the Postmaster General.

The CHAIRMAN: Before this committee adjourns, Mr. Macdonald has a report from his sub-committee to present. Have you that report ready, Mr. Macdonald?

Mr. MACDONALD: Yes, Mr. Chairman.

The CHAIRMAN: Will you please put it on the record?

Mr. MACDONALD: Shall I read the report?

The CHAIRMAN: Yes.

Mr. MACDONALD:

INTERIM REPORT OF THE SUB-COMMITTEE APPOINTED BY THE SPECIAL COMMITTEE ON THE PENSION ACT AND WAR VETERANS' ALLOWANCE ACT TO STUDY AND REPORT ON COMPENSATION FOR INJURIES TO CIVILIANS CAUSED BY WAR

Your sub-committee has held several meetings and has given careful consideration to the question of compensation for death or disablement caused to civilians through the war as distinct and apart from members of the Navy, Army and Air Force. The question is a very complicated one with many ramifications and has required a great deal of study by the sub-committee members.

Apart from the general question of compensation to civilians generally for death or disability suffered by enemy action, there are three particular classes of civilians which, in the opinion of the sub-committee should be specially considered:—

(1) The members of the Auxiliary Services such as the Canadian Legion, Y.M.C.A., Knights of Columbus, etc., who are serving the troops in war areas.

(2) Civilian employees of the Canadian government in Great Britain, or other war areas.

(3) Members of official voluntary organizations such as the A.R.P., who are called upon to undergo certain training and who may be exposed to risk of accident or injury during such training.

With regard to class (1) above, that is, the auxiliary services, representations were made to the general committee on May 6, by Major Reg. Bowler of the Canadian Legion on behalf of members of the Auxiliary Services, and your sub-committee also had the benefit of the advice of Colonel MacIntyre who has recently returned from England to Canada after serving with the Canadian Legion Auxiliary Services in England. Your committee also had the advice of and is indebted to General MacDonald, Chairman of the Pension Commission, for his assistance and advice not only regarding the Auxiliary Services, but also with regard to the general question referred to the sub-committee.

With regard to second class above mentioned, namely, civilian employees of the Canadian Government in a theatre of actual war, your committee is advised that civilian employees of the government in Great Britain are subject to a very considerable risk and that several such employees lost their lives by the torpedoing of a ship recently. Your sub-committee is further informed that they do not come within the provisions of the Govenrment Employees' Compensation Act and can receive nothing, beyond whatever superannuation they are entitled to. Your sub-committee understands that this matter is receiving the attention of an inter-departmental committee.

Then with regard to class three, namely, members of official volunteer organizations such as the A.R.P., your sub-committee understand that the inter-departmental committee on War Risk Insurance and Bombardment Compensation has considered the question of civilian compensation generally, and that a report has been or is about to be submitted to the government in that connection. It is also to be noted that the Hon. Ian Mackenzie has given a great deal of time and study to this problem.

Your sub-committee, therefore, begs to recommend:—

(1) that the government make provisions for the members of the Auxiliary Services who are serving the armed forces in an actual theatre of war, by appropriate legislation or by amendment to the Pensions Act, or other-

wise, so as to provide compensation for members of the Auxiliary Services who serve in an actual theatre of war comparable to that provided for members of the armed forces.

(2) that the government take appropriate action to provide adequate compensation for disability or death suffered as a result of enemy action to Canadian government employees and that such compensation should be in addition to any superannuation to which the employee may be entitled by reason of his contributions.

(3) That the Pension Act be amended or, if necessary, another Act be passed to provide for medical services and payment of compensation to Air Raid Precaution personnel or to such other civilians who suffer disability or death by reason of enemy action or while in training with such organizations as the A.R.P.

All of which is respectfully submitted.

Hon. Mr. MACKENZIE: May I suggest one small amendment to that last section?

(3) that the Pension Act be amended or, if necessary, another Act be passed or other measures taken, etc.

Mr. MACDONALD: Yes, I will include that.

The CHAIRMAN: I think we had better defer discussion of this report until another time. Would you now go into camera to consider Bill 17?

(At 11.10 a.m. the committee adjourned *sine die*.)

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SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 18

THURSDAY, MAY 22, 1941

WITNESSES:

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health.

Colonel D. Carmichael, Acting Chairman of the War Veterans' Allowance Board.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

THURSDAY, May 22, 1941.
10.00 o'clock a.m.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 10.00 o'clock a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Blanchette, Bruce, Cleaver, Cruickshank, Emmerson, Gillis, Gray, Green, Isnor, Macdonald *(Brantford)*, Mackenzie *(Vancouver Centre)*, Macmillan, McCuaig, McLean *(Simcoe East)*, Quelch, Reid, Ross *(Middlesex East)*, Ross *(Souris)*, Sanderson, Tucker, Turgeon, Winkler, Wright.—23.

In attendance were: Brig.-Generål H. F. McDonald, Chairman, Canadian Pension Commission; and Mr. H. A. Bridges, Departmental Solicitor, Department of Pensions and National Health.

Mr. W. S. Woods, Associate Deputy Minister of Pensions and National Health was called, examined and retired.

Colonel D. Carmichael, Acting Chairman of the War Veterans' Allowance Board was called, examined and retired.

Information was requested for the next meeting respecting the number of Imperial, Australian and New Zealand Veterans now residing in Canada.

Mr. Tucker requested the Minister to have arrangements made in the taking of the census to have special questions asked veterans respecting their domicile during, or place of enlistment for the Great War.

The Committee adjourned at 11.00 o'clock a.m. to meet again this evening at 8.30 o'clock p.m.

May 22, 1941.
8.30 p.m.

The Committee resumed at 8.30 o'clock p.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Black *(Yukon)*, Blanchette, Bruce, Cleaver, Cruickshank, Emmerson, Gray, Green, Isnor, Macdonald *(Brantford)*, Mackenzie *(Vancouver Centre)*, Macmillan, Marshall, McCuaig, McLean *(Simcoe East)*, Quelch, Reid, Turgeon, Wright.—19.

In attendance were: Brig.-General H. F. McDonald, and Mr. H. A. Bridges.

The Committee *in camera* reviewed Bill No. 17, an Act to amend the Pension Act, as reprinted, and made the following amendments thereto:—

Section 6, subsection 3, line 26, after the word " as " insert the words " from time to time."

Section 10, subsection 2, line 5, delete the word " may " and substitute the word " shall " therefor.

Section 22, 67 (*a*), line 10, and (*b*), line 15, the word " war " preceding the word " service " was deleted in each.

The Committee agreed to report the said Bill as amended.

Mr. Turgeon expressed the appreciation of the Committee for the capable assistance rendered by Mr. Bridges in drafting and arranging the amendments to the Bill.

The Committee adjourned at 10.00 o'clock p.m. to meet again at the call of the Chair.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

Room 497,

May 22, 1941.

The Special Committee on Pensions met this day at 10 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Gentlemen, we will come to order. The first witness is Mr. Walter Woods. He will continue his statement on the war veterans' allowance. Mr. Woods, would you please repeat what you said before our reported proceedings started.

Mr. WALTER S. WOODS, Associate Deputy Minister, Department of Pensions and National Health, recalled.

The WITNESS: Mr. Chairman, since I made my statement before this committee on April 4, at which time I presented a list of resolutions that had been filed from time to time concerning the extension of the War Veterans' Allowance Act, there have been two other briefs presented, one by Mr. Herwig of the Canadian Legion and one by Captain Kermack, head of the Imperial Veterans of the Canadian Legion. The Canadian Legion Dominion Convention held in Montreal last year recorded itself as being in favour of extending the provisions of the War Veterans' Allowance Act to Imperials who have resided in Canada for twenty years. Captain Kermack, representing the Imperial division of the Legion, in his brief recommended that the provision of the War Veterans' Allowance Act be extended to Imperial veterans who were residing in Canada in 1930. I think, perhaps, it would be interesting to the committee to have some estimate as to the probable cost if the Act were so amended. Captain Kermack said there are 84,000 Imperials in Canada at the present time, but those figures have not been broken down. I should like to make it clear that we have no figures as to the number of Imperials who were residing in Canada in 1930. Captain Kermack suggested those who were residing in Canada in 1930 when this Act was enacted be given the benefits of the War Veterans' Allowance Act. He estimates that there are now 84,000 ex-Imperials in Canada, but what percentage of those were residing here in 1930 we do not know; there is no estimate that has been presented.

By Mr. Green:

Q. There have been very few here who have come in since 1930?—A. I think that is probably correct. If it be true, then, that there are 84,000 ex-Imperials in Canada now who would be affected by the extension of the Act requested by Captain Kermack, then it is estimated that the cost of the legislation would be increased thereby approximately one-third.

Q. Would that include inland water transport who went from Canada and served in the British engineers?—A. No, they are eligible under the Act in any event.

Q. Are they included in that figure?—A. This is Captain Kermack's figure; whether it includes those or not I do not know.

Q. Does it include the men in the air force?—A. I have no information on that either. I have only the statement he presented to the effect that there are 84,000 Imperials in Canada at the present time.

Q. Could you not get those figures through national registration?—A. I should think they could be procured. Captain Kermack said the figures had not been broken down when he presented the 84,000.

Q. The information obtained under registration was such that you should be able to get that information from that source, should you not?—A. It would be my opinion, yes; but I would like to stress this opinion also that so far as men who went from Canada and served in inland waters transport are concerned they are eligible under our Act in any event, and so far as those who served in the air force are concerned if they went from Canada to serve they are eligible under the Act at the present time.

Q. If his figure 84,000 is correct, it included all the men who served in the Imperial forces and it will also include a great many who are now eligible, so there would not be anything like that number to take into consideration?—A. The percentage of what we call pre-war Imperials who have qualified under our Act has been very small; the number has been negligible.

Q. The number of those who qualify would be very small too, would it not?—A. I am presuming that the same percentage of these Imperials would qualify as have qualified from the Canadian Expeditionary Force. There is not any specially selected group of men; there were 348,000 in the Canadian Expeditionary Force who reached France; 60,000 died or were killed which left 288,000. We presume that at least 10 per cent have died since that time; that would leave you 260,000 who have served in France. Now, there are at the present time 24,000 men out of that 250,000 who are receiving war veterans' allowance.

Q. It works out at about 1 in 11?—A. Approximately 10 per cent because of the 250,000 living. A percentage of those are living in the United States and in the old country and so forth; so one may say that approximately 10 per cent of the men who served in France with the Canadian Expeditionary Force have now qualified and are receiving war veterans' allowance. If the same thing be true with respect to the 84,000 Imperials; that is to say—

Q. Is that the 84,000? You do not know how many served in England?—A. No, I have no information on that point; but if it were true that they did serve in a theatre of war and that 10 per cent of them qualified for veterans' allowance—

Q. In so much as they were not Canadians serving in Imperial forces. That is another point.—A. Yes, quite. I have expressed the opinion that the percentage of pre-war Imperials is negligible. If 10 per cent of the 84,000 Imperials qualified for the allowance that would mean 8,400, and the additional cost would be $2,666,000.

From that would have to be deducted, as Mr. Green says, men who did not serve in a theatre of war, and from that would also have to be deducted those Imperials who were in Canada before the war.

Q. And the Canadians who served in the Royal Air Force. There were many thousands of them.—A. Overseas?

Q. Yes.—A. Yes. I think the bulk of Canadians who served in the air force, the larger number were those men who were recruited in Canada and trained in Canada, and I do not think that a great percentage of them reached overseas. That was an effort towards the close of the war.

Q. Men who served in the Royal Air Force would be included as Imperials?—A. Yes.

Q. Although they were actually Canadians?—A. When I said that from this would have to be deducted those Imperials who lived in Canada before the war, of course, I included air force men—men in any branch of the service.

What that number was, we have no way of knowing. We do know that under the War Veterans' Allowance Act so far, 803 have been granted war veterans' allowance out of 24,000. 803 have been granted war veterans' allowance who were Imperials but were residing in Canada before the war. That number of 803 may be included in the figure of 84,000. On that we have no information at present.

That is the only estimate one could give, Mr. Chairman, at the present time with respect to the Imperials.

Mr. GREEN: Really the position is that the whole estimate is based on so many ifs, ands and buts that neither Mr. Kermack's estimate nor Mr. Woods' estimate—

Hon. Mr. MACKENZIE: We cannot tell until we get the exact figures from the national registration.

Mr. REID: In my opinion you will find the greater number of Imperials who came to this country were all pensioners. Many gave up their pensions and were sort of induced to come to Canada. I have come across hundreds, particularly around Vancouver and the Fraser Valley who have all seen service in France.

Hon. Mr. MACKENZIE: I think we can get the exact figures and have exact computations made for a later date.

By Mr. Green:

Q. The bulk of them came out before 1926, did they not?—A. Yes.

Q. When was the big movement?—A. In my opinion the heaviest movement was in 1924 and 1925.

Q. Were there many who came right after the war?—A. There was quite a movement in 1920, yes, but I believe it reached its peak in 1924 and 1925.

Mr. REID: When the depression struck this country you will find that there was a drift back from this country to the old country rather than from the old country to this country.

The WITNESS: Of course this figure of 84,000 is based on the national registration that took place quite recently; so it would not include those men who drifted back.

As to the general question of broadening the Act to provide for Imperials, that must of necessity be a question of public policy or of government policy. That is a question for this committee to consider.

A number of parliamentary committees have considered the question, and up to the present time they have not recommended that Imperials who came to Canada after the war be included.

By Mr. Cruickshank:

Q. As Mr. Reid mentioned, the men who gave up their pensions—I understand they took a lump sum—did so as an inducement to come out here. I am speaking of the Imperial pensioners. They are not eligible for anything now, are they?—A. Imperials who came to Canada after the war?

Q. Yes.—A. They are not eligible under our Act.

Q. There is no way in which they can become eligible in the old country, is there? What I am trying to get at is that in Canada we have men who dropped their pensions and afterwards were taken on again.—A. They were restored.

Q. There is nothing like that in England?—A. No.

By Mr. Green:

Q. They would really fall between two stools. That is about the size of it. They have lost their benefits in England.—A. The benefits to which they would be entitled in England are social benefits. As soldiers, they would not be entitled to any further pension or any veterans' allowance over there. Their pension rights have been absorbed.

I said that several parliamentary committees have considered this question as to whether this country should bear the responsibility for providing for these ex-Imperials. Many arguments have been advanced both ways. It has been said that the War Veterans' Allowance Act was enacted to provide for intangible disabilities caused by the war; for example, a condition known as preageing. They have been referred to several times as intangible conditions that are not pensionable because they are difficult to determine and diagnose.

As to whether this country should assume responsibility for those intangible conditions caused by war service in the ex-Imperials is a question to be determined. If this country does recognize those intangible conditions and assumes responsibility for them, the question arises as to what about the tangible conditions. What about the pension that the man would ordinarily receive if he were under the Canadian Pension Act?

The Imperials paid off most pensioners with a disability of 20 per cent, or less. Many of them were pensioned for temporary periods, such as 26, 52 or 104 weeks. No pensioner of 20 per cent or less, so far as I know—I stand subject to correction—receives a pension from the Imperial government. Those men under the Canadian pension law all receive pensions down to as low as 5 per cent.

If the intangible conditions are recognized in these Imperials, and if the Canadian government assumes responsibility for them, the question has been raised on several occasions during discussion, does that also imply responsibility with respect to the tangible conditions for which, if the man served in the Canadian forces he would to-day be receiving pension?

By Mr. Green:

Q. Of course, Mr. Woods, that has never been very definitely pressed, has it?—A. What has never definitely been pressed, Mr. Green?

Q. That Canada should pay the pensions?—A. No.

Q. To the Imperial men who suffered disabilities?—A. No, it has not.

Q. That is really not at issue at all, is it?—A. But the suggestion has been made that there is an analogy between compensation for intangible conditions under the War Veterans' Allowance Act and compensation for demonstrable conditions.

Q. Yes, but that has never been stressed in any parliamentary committee, has it?—A. The parliamentary committees have not made a statement. No parliamentary committee, to my knowledge, has made a statement of any policy.

Mr. CLEAVER: There is just as good a reason for one as there is for the other.

Mr. GREEN: No, there is not. The War Veterans' Allowance is social legislation.

By Mr. Reid:

Q. You have spoken of Imperials; have you any data as to the number of New Zealanders and Australians who have come to this country? I know that around Vancouver and New Westminster there are many New Zealanders and Australians who rendered service to their countries.—A. I have no informa-

tion, but I presume the census will disclose that. Frankly, among those who have enquired as to their entitlement under our War Veterans' Allowance Act very few were Australians or New Zealanders.

By Mr. Green:

Q. Imperials are not entitled to free treatment?—A. No, sir. I do not know, Mr. Chairman, whether Colonel Carmichael, acting chairman of the War Veterans' Allowance Board, has anything to add.

The CHAIRMAN: Would you care to make any comments on that, Colonel Carmichael?

Colonel CARMICHAEL: The question of giving war veterans' allowances to the ex-Imperial is, of course, quite a large question. I am afraid we do not know the extent of the question. The figures cannot be quoted as exact. I rather think that, once you give way to suggestions or requests of this kind, you will immediately or almost immediately be faced with other requests or demands to extend the privileges. That is where I see the danger; that you might possibly, and probably would, in my opinion, be asked to consider the question of pensions to these ex-Imperials as well.

Mr. GREEN: From what other direction could there be requests for consideration?

Colonel CARMICHAEL: I mean requests to consider the question of pensions to them as well as war veterans' allowance. You probably would. I think it is safe to say that that is the trend of all soldier legislation, if you call it that; once you recede from a position you have taken, you are immediately followed up with other demands. Perhaps "demands" is rather a strong word, but you are immediately followed with demands or requests for other privileges as well.

Mr. REID: To me the suggestion made by the Legion is the most reasonable one of all, namely that those who are 20 years here be provided with war veterans' allowance, because that is in line with the Old Age Pension Act. A person must be 20 years in Canada. I think it is generally agreed that there must be some time limit of residence in this country. You could not simply apply war veterans' allowance to every Imperial that came from the Old Country. It would seem to me that what the Legion suggests is very reasonable.

Mr. CRUICKSHANK: Especially when you put a time limit on our own soldiers.

Mr. REID: Yes.

The CHAIRMAN: Is there anything further you wish to say, Colonel Carmichael?

Colonel CARMICHAEL: No, Mr. Chairman.

The CHAIRMAN: Could we not consider a recommendation to the effect that all possible information on this question be obtained for next session, and the whole question be explored as far as possible?

Mr. GREEN: I think it would be very beneficial if we had that.

Hon. Mr. MACKENZIE: We will undertake to do that, get them all classified as far as the nature of the service of the Imperials is concerned, their arrival in Canada and so on.

Mr. GREEN: Does the national registration give that information?

Hon. Mr. MACKENZIE: I am not sure.

The CHAIRMAN: I do not think so.

Mr. GREEN: Would there be any difficulty in the way of administering the allowance if we granted it to ex-Imperials?

The WITNESS: I do not think there would be any difficulty at all. It is a question of getting evidence of their military service and evidence as to their age and the other matter of investigating their financial and domestic circumstances. It is purely a matter of routine.

By Mr. Green:

Q. Could you get your records from Great Britain?—A. Yes. We have no difficulty. Of course, that has been suspended during the war, or almost; it is so dislocated that it is very difficult. But in normal times you have no difficulty at all in getting from the war office the military record of the ex-Imperial.

Mr. TUCKER: I think that the national registration will not give you enough information. It asks if a person served in any unit, but it does not go on to ask where they were domiciled at the outbreak of war. That is the place where we fell down in that.

Hon. Mr. MACKENZIE: It would give the date of their arrival in Canada, would it not?

Mr. TUCKER: I do not remember. It might do that, but that would not prove it at all, I do not think, because they might have come and gone again. It would at most be a guess, and for that reason I would suggest, Mr. Chairman, that immediately the minister makes sure that these items that we are interesed in be covered in the census; that whenever they come in contact with a service man, certain questions should be asked him to make sure that we have all the information, because I doubt if it is being covered in the census now, and I think it would be terrible to miss this opportunity to see that that is covered.

Hon. Mr. MACKENZIE: I am afraid all the forms are out.

Mr. TUCKER: I do not think it is too late. Word could go out to all the commissioners that supplementary questions be asked of ex-service men. It is not too late. I make that suggestion for your consideration.

The CHAIRMAN: That can be attempted.

Hon. Mr. MACKENZIE: Yes.

Mr. REID: There is one matter which I should like to mention, seeing that we have General McDonald, Mr. Woods and the minister here. It is in regard to a man in receipt of war veterans' allowance and who obtained that allowance due to circumstances. Later on this man finds that he should have obtained pension, that an error was made in some way in his papers, and he is granted a pension, 30, 40 or 50 per cent as the case may be. Then he is given an award of $1,200. I am putting forth the suggestion that in cases of that kind I think it is unfair for the War Veterans' Allowance to take that $1,200 as back payment, when they have proven that the man was entitled to pension and has not had pension for say 5, 6, 7 or 8 years.

Mr. CRUICKSHANK: The same case was brought up the other day.

Mr. GREEN: Someone mentioned that.

Hon. Mr. MACKENZIE: Yes. It was given in evidence.

The WITNESS: That matter was discussed and the only comment on it was that the committee should give consideration as to whether they were prepared to go back and make restitution in the thousands of cases that have been dealt with in the past.

By Mr. Cruickshank:

Q. Mr. Woods, take the case of a man who now applies, and is turned down by one of the soldier settlement medical experts. Then he gets a re-hearing before proper medical authorities and it is granted. Has your board authority to date it back? Take this illustration. Suppose he applies on the 1st of

March, for the sake of argument, and the soldier settlement expert said he was not eligible; and then on the 1st of May the medical authorities say he is eligible. Should he not get it dated back to the 1st of March? He has had to pay for medicine.—A. It is not given on the same basis as a pension to which, after the pension commissioner's rule, he is entitled as a matter of right; and he has certain rights under the Act as to the date of commencement. The War Veterans' Act, as has so frequently been said, is social legislation. A great percentage of the boys making application to us are being supported by the state in one form or another at the present time. It may be by relief or something of that kind; and if he has been maintained up to the present by some public source, the War Veterans' Allowance Board does not consider it to be in the public interest to go back to the date he made application.

Q. Suppose he is supported by private, shall we say, charity, although I detest that word in connection with returned soldiers in any shape or form?—A. The date of the commencement of the allowance is discretionary with the board. Ordinarily—

Q. It is discretionary? That is what I wanted to get at.—A. Ordinarily the board commences the allowance the first of the month in which its decision is made. When a veteran is granted an allowance who is under 60 years of age, and in the board's opinion he is not likely to maintain himself again, it would be difficult to set any actual day at which that condition took place—any actual date on which he became entitled. It is purely discretionary, and it is the practice of the board to set the date of commencement the first of the month in which the application is made. There are two reasons for that, the first being that in the bulk of the cases the application is disposed of within a month and in a great percentage of those in which it is not disposed of in a month, the man has been maintained by some form of assistance or other until the allowance commences.

By Mr. Green:

Q. Mr. Woods, someone in giving evidence suggested that the War Veterans' Allowance Act should be extended to cover men in the new forces. What would you say about that?—A. I covered that in my brief, Mr. Chairman. That is another matter of government policy. Not very many so far would qualify, and since it was not until 12 years after the great war that the necessity was found for the Act, I am wondering if it would not be a little premature just now to broaden it forthwith.

Q. You do not think there is much need for it in the meantime?—A. The cases that we have encountered have been extremely few that would qualify under the Act.

Q. What about the suggestion that the War Veterans' Allowance Act should be broadened to cover widows?—A. I stated in my brief the other day that the widows' of veterans' allowance recipients are one group of widows, but I felt the question of widows of veterans as a whole should be considered rather than confine yourselves to the consideration of widows of veterans' allowance recipients. Widows comprise three groups; widows of veterans' allowance recipients, the widows of pensioners, and the widows of the poor chaps who have never been able to qualify for either pension or allowance. I suggest that the question of widows should be considered in its full aspect rather than confining ourselves to provision under the War Veterans' Allowance Act.

By Mr. Cleaver:

Q. Would not consideration under the War Veterans' Allowance Act be all-inclusive of these three groups where there is a means test?—A. My honest opinion on that is that I think you would have to make it either a separate Act or a Part II of the present Act.

Q. Yes, the War Veterans' Allowance Act.—A. You would be destroying the basis upon which the Act was drawn up—after all, it is really social legislation.

Q. Are widows of ex-service men not entitled to the benefits of social legislation?—A. I did not express any opinion as to whether or not they are entitled.

Q. I just heard you state a moment ago that the War Veterans' Allowance Act was social legislation. I cannot see any reason why the widow of an ex-service man is not entitled to social legislation as much as her husband during her lifetime.—A. I think there is a great deal to be said for it, but I do not want anything I said as being interpreted as being an objection to the granting of anything to widows. I did not imply that. What I did say was, here is a specific piece of legislation designed to meet a specific condition. It is based on the principle that warfare these days has such an effect on the physical and moral fibre of the individual that it would shorten his expectancy of work; and that is the principle upon which the Act is based.

Q. Yes, and he had to support his wife and children during his lifetime; isn't she just as much entitled to consideration— —A. Perhaps she should be, but I am only replying to your suggestion, by stating that widows are provided for.

Q. No, no; my suggestion was that if some of the widows of ex-service men were let in under the War Veterans' Allowance Act then we would be dealing with the three groups that you mentioned in so far as the means test applies?—A. The vehicle used to extend help to widows is secondary, the principle is whether they are going to be provided for or not. If they were going to be provided for under the Act a Part II Act might be more satisfactory, because there are certain conditions that do not apply.

Mr. QUELCH: If we finish up without dealing with this question of widows I think we will have failed miserably to deal with one of the most important questions before us. We have certain widows receiving pension under the provisions of the War Veterans' Allowance Act, and we have certain others who are debarred from pension because their husbands during their lifetime were receiving pension of less than 50 per cent, and again others are debarred because it cannot be shown that the cause of death was directly attributable to war service. There are two classes that should be taken care of. But the great majority of soldiers are far more interested in providing a living for their wives than they are for themselves even. I know in my own case I would not worry about myself, but I would be very worried if I felt that on my death my wife had to go on relief. And I think this matter is one that should be dealt with by this committee before we rise. Regarding the other question, the class of widows of returned men not eligible for pension or war veterans' allowance, that might be slightly different. I think there might be a plausible reason why pensions should be awarded, but they have not as legitimate a claim as the other two; these other two classes should be included, and before we rise we should make a recommendation on that behalf.

Mr. CLEAVER: Are we not rather confusing or beclouding the issue in making so many groups?—I think the second group you referred to, namely, the widow of the pensioner who is receiving less than 50 per cent—obviously that type of man did serve in an actual theatre of war, and obviously that man's widow is qualified under the War Veterans' Allowance Act, whereby widows of ex-service men who served in an actual theatre of war were given the same rights and privileges as the men themselves with respect to the War Veterans' Allowance Act. I suggest, Mr. Chairman, that that would make provision for all needy widows. Now, that would be going a long long way toward answering the immediate pension problem. I am not concerned very

much with the widows of ex-service men who have independent means and who are able to take care of themselves, but I am very much concerned about the widow who is now on relief and who has no means of support at all.

The CHAIRMAN: In other words, you would apply the necessitous circumstances clause?

Mr. CLEAVER: Yes, I would have the means test. You see, if you did not have the means test, the evidence before this committee shows if we were to deal with all widows it would run into something over $20,000,000 annually. If you look up Mr. MacNicol's evidence you get that. If you were to attempt to do anything of that kind you would not get even to first base with it.

The CHAIRMAN: Would you apply the means test only to the widows of those who served in an actual theatre of war?

Mr. CLEAVER: Well, that is a question.

The CHAIRMAN: Mr. Quelch opens it up.

Mr. CLEAVER: I have not quite faced up to that and I would like to have an opportunity of sizing up the problem, and if it looked too large—I would take first the widows of those who served in an actual theatre of war. Just at this point I want to take this opportunity of telling the committee and the War Veterans' Allowance Commission how satisfactorily as far as my own county is concerned the war veterans' allowance has worked out, and how satisfactorily it has been administered. I have had no complaints of any nature, and the men are immensely pleased with the treatment they have received.

The CHAIRMAN: That is a musical note.

Mr. WOODS: Thank you very much.

The WITNESS: Before leaving that question of Imperials, I would like to assure the committee that Colonel Carmichael and I in collaboration will endeavour to secure all the information we can to ensure that the committee gets a fair picture of this situation. I would be very sorry indeed to present the case for the Imperials in any light that would be unfavourable to them.

Mr. GILLIS: Mr. Woods, there was a matter which I brought to attention when you were here before. It related to the case of the individual who was retired, let us say, on account of a breakdown and on that account was declared totally unemployable as far as a particular line of work is concerned and they became recipients of an allowance. Well, after perhaps six months of a rest they built up to a point where they are able to take on some occupation as a sideline—peddling patent medicine or something of that kind, but not able to obtain re-employment at their regular work, but they are able to augment their income, and in that way may be considered to be not totally unemployable. Is there any possibility of having the Act changed in any way to meet that?

The WITNESS: I think Mr. Gillis is under some misapprehension when he says that a man must be totally unemployable. You have to remember that approximately one-half of these recipients get the allowance by virtue of the fact that they are sixty years of age. All they need is a birth certificate to show that they are sixty and they are entitled to the allowance.

By Mr. Cruickshank:

Q. What happens in a case where a man is not able to produce a birth certificate?—A. We have other avenues we explore.

Q. Their position is covered?—A. Oh, yes, decidedly.

By Mr. Green:

Q. With regard to the rising cost of living—recipients of war veterans' allowance, in many cases they have been put in an extremely difficult situation; would it be possible to adjust payments in the form of a bonus such as has

been urged in the case of wage-earners?—A. Certainly, it would be possible to add 5 per cent or 10 per cent to each cheque; but I think I mentioned in my evidence the other day that the cost of living had not greatly increased as compared to what it was in 1934—it is still 12 per cent lower than it was when the Act was enacted. Now, as to adding a cost of living bonus to each cheque as it goes out, we would have to make a deduction because of the fact that in 1930 when the Act was passed the cost of living index was above what it is even to-day.

Mr. QUELCH: Since the declaration of war there has been an increase between 7 and 8 per cent.

Mr. CLEAVER: I think, Mr. Green, your main trouble would start when you began to make reductions.

The WITNESS: If logical application of the principle were made there would be a reduction because the present index is below 1930 when the present legislation was enacted, and immediately following 1930 up to 1934 I think the cost of living index dropped considerably.

Mr. GREEN: There is the possibility that that may become a very serious question and I just wanted to know if there would be any difficulty from the administrative point of view.

The WITNESS: I do not think there would be any difficulty from the administrative point of view to add a percentage adjustment.

The CHAIRMAN: I think we will have to call it 11 o'clock. As the re-drafted bill will not be ready for our consideration this afternoon I think we should adjourn until 8.30 o'clock to-night, when it will be available.

The committee adjourned at 11 o'clock a.m. to meet again this day at 8.30 o'clock p.m.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 19

TUESDAY, MAY 27, 1941

WITNESSES:

Mr. T. L. Church, M.P.

Colonel E. G. Davis, Deputy Director of Medical Services, Department of National Defence.

Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health.

Mr. C. H. Bland, Chairman, Civil Service Commission.

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1941

MINUTES OF PROCEEDINGS

TUESDAY, May 27, 1941.

The Special Committee on the Pensions Act and the War Veterans' Allowance Act met this day at 10 o'clock, a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Blanchette, Cleaver, Cruickshank, Gillis, Gray, Isnor, Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, McLean (*Simcoe East*), Reid, Ross (*Souris*), Sanderson, Turgeon,—15.

The Chairman read communications between the Secretary of State for External Affairs and the High Commissioner for Canada in the United Kingdom, dealing with questions of war disability compensation to Canadians serving in ships of other than Canadian Registry.

Mr. T. L. Church, M.P., submitted a memorandum from the North West Field Force addressed to the Minister of Pensions, respecting veterans of the Riel Rebellion of 1885. This was read to the Committee by the Clerk. Mr. Church made a plea that the War Veterans' Allowance Act be extended to include these veterans.

Colonel E. G. Davis, Deputy Director of Medical Services, Department of National Defence, was called, examined and retired.

Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health, was called, examined and retired.

Mr. C. H. Bland, Chairman of the Civil Service Commission, was called, examined and retired.

The Committee adjourned at 12.45 o'clock, p.m., to meet again at the call of the Chair.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

May 27, 1941.

The Special Committee on Pensions met this day at 10 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: Will the committee come to order, please? Before proceeding with evidence this morning, there are two or three things I wish to bring before the committee. The minister has given me some correspondence that passed between the Secretatry of State for External Affairs and the High Commissioner for Canada in the United Kingdom, which I wish to read:—

> Committee on war risks insurance and bombardment compensation wishes to know what arrangements if any exist between United Kingdom and Allied or foreign governments relative to terms of employment applicable to United Kingdom merchant seamen signed on Allied or foreign registered merchant ships, especially in regard to compensation for loss of personal effects through enemy action, detention allowance if held by enemy, pension in case of disability or to dependents in case of death, and other related considerations.
>
> SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

To that the following reply was received under date of May 9th, 1941:—

> No. 832. Your telegram No. 603 of April 26th. Ministry of shipping state that benefit of war pensions and detention allowances (mercantile marine, etc.) scheme, are extended to United Kingdom merchant seamen serving on Allied or foreign vessels under time or voyage charter to the Ministry. They are, however, in communication with Allied missions with a view to ascertaining whether or not the mission would be willing to reimburse the Ministry of Pensions, who administer war pensions and detention allowances (mercantile marine, etc.) scheme, for any payments made by them under this arrangement.
>
> Ministry add that an Allied or foreign vessel under demise charter to Ministry is a "British ship" as defined for the purpose of the above mentioned schemes, and personnel, whether British or foreign, serving in such vessels, and their dependents, are accordingly eligible for compensation in the event of their sustaining war injury, detention or damage to effects.
>
> HIGH COMMISSIONER.

The CHAIRMAN: This correspondence will be passed to Mr. Reid, the chairman of the subcommittee considering these matters.

There is one other question I just wish to mention: through the courtesy of Mr. John R. MacNicol, the member of parliament for Davenport, I have been permitted to read this letter. It is a private letter from the secretary of the Earlscourt branch of the Canadian Legion, and it sets forth what that branch considers to be fair and just; it has been covered I think by the representations already made to the committee by the Canadian Legion and I do not think we need to place it on the record as the contents really have been placed on the record by the Canadian Legion already.

The first statement this morning will be made by Mr. Church, speaking on behalf of survivors of the North West Field Force who served in the Riel Rebellion.

Mr. T. L. CHURCH, M.P. (Toronto-Broadview) called:

The WITNESS: Might I ask the clerk to read the memorandum?

The CHAIRMAN: Yes.

The CLERK: Copy of memorandum forwarded to Minister of Pensions:—

NORTH WEST FIELD FORCE

RIEL REBELLION, 1885

1. Members of the Canadian South African Contingent who landed in South Africa prior to the cessation of hostilities have, by parliament, been brought under the War Veterans' Allowance Act with the same rights and under the same conditions as veterans of the Great War, viz:—

Allowance for single men or widowers (maximum $20 monthly).

Allowance for married man with wife living (maximum $40 monthly).

2. The North West Field Force, 1885 (Riel Rebellion) received on their return a grant of land but, under its provisions, nothing could be done as the property was situated in the North West and it was too far away to be looked after or cultivated under the conditions of the gift, the result being that they lost control of the said grants.

3. The veterans of 1885 have not been a charge on the government in the fifty-three years, since their return, with the exception of those who were wounded or maimed while on service.

4. They now respectfully ask that the government place them on the same footing and terms, also conditions, as the South African veterans.

5. There must be many South African veterans now living, over seventy years of age, who will come under the government pension scheme.

6. The veterans of 1885 are all over seventy years of age, and they could apply for old age pensions but, under this heading, if they so applied and they had a home which, by extraordinary effort they were able to hold, it would be necessary to assign said property to the Old Age Pension Board, and if said property was sold or disposed of the money so loaned by the Board would have to be paid back to the said board out of the purchase money which, to a greater or lesser extent, might cripple them.

7. The Ontario Pension Board would only pay the twenty dollars monthly, which would not be increased in case of married men. Many of our members are suffering great hardships rather than come under the stigma and humiliation of accepting old age pensions.

8. Under the Federal Government Pension Act the veterans would not be asked for assignment of property from those who held same, but would pay to said veterans, as long as they lived, the twenty or forty dollars monthly.

9. There are not many of the veterans living, as they are passing away very fast, so that the amount to be paid to them would not be great.

10. It is fifty-six years since the rebellion but, at the time it took place it was one of great importance to Canada, and one that by its quelling in such short order, saved the country a deal of trouble and expense and permitted the Canadian Pacific Railway to go on and complete the railroad and one which saved the dominion many millions of dollars by permitting the government to again proceed in the settlement of the vast country to the north.

11. Your petitioners also respectfully request that they shall be treated on the same basis as Canadian veterans on the South African campaign in the matter of hospitalization, burial allowances and other existing benefits.

12. This application is made in the full assurance that the government, through War Veterans Allowance Act, will give the matter serious consideration; and your petitioners hope that, those now living, and for the rest of their lives, be it short or long, will have the satisfaction of knowing that the government of the day assisted those who in 1885 (Riel Rebellion) performed their duty to queen, country and home, with honour to themselves and Canada.

Signed—Thos. A. K. WORLD, V.D.,
Major.

The CHAIRMAN: Mr. Church, will you comment on this, please?

The WITNESS: Mr. Chairman, 700 of these men have died in the last three years. As you will recall, these were the men who marched across Lake Superior and Cyprus bay in 45 and 50 degree below zero weather to keep this country from being dislocated. Their condition to-day is pitiable as I see them going about on the streets; they have no allowances, they have no hospitalization, they have nothing for burial expenses or anything of that kind. They did great things for our country. They were pioneers of our militia and it was they who enabled us to have a good representation in South Africa, and in the Great War many of them fought with distinction. These men have been the back bone of our militia and wherever one sees them they are fine specimens of citizenship. A great many of these men came from Halifax. You will notice by a report which I am leaving with the committee that in 1885 there were 5,223 of these men; in 1938 there were 1,737, and in 1941 there are only 1,020. Also, of their present number 30 come from Alberta, 140 from Saskatchewan, 200 from Manitoba, 385 from Ontario, 175 from Quebec, 35 from Nova Scotia, 15 from the North West Territories, 10 staff and 30 general.

Hon. Mr. MACKENZIE: How many of them did you say were from British Columbia who took part in the North West Rebellion?

The WITNESS: I haven't anything from British Columbia. I am not responsible for the memorandum, I only got it on Friday. There are some in British Columbia I think, I know three or four from Toronto who are living out there. I know I can say this, that as I see these men going about the streets in my own city they are really in need of assistance but they are prevented from getting any form of assistance. What they ask is that they be put on the same basis as the South African veterans with respect to hospitalization.

The CHAIRMAN: Mr. Woods, would you care to comment on Mr. Church's statement?

Mr. WOODS: Mr. Chairman, I dealt with the question of the North West Rebellion in the evidence I gave before the committee on May 9, 1941, and I have no comment to add to that.

The CHAIRMAN: Thank you, Mr. Church. Now, we shall hear from Brigadier Gorssline, Director of Medical Services, Department of National Defence.

I understand that the Brigadier is absent on duty this morning, and his place will be taken by Colonel Davis.

COLONEL E. G. DAVIS, Deputy Director of Medical Services, Department of National Defence, called:

The CHAIRMAN: We have had considerable discussion with regard to the medical examination on enlistment. There has been a little discussion also with regard to the relationship between the number of discharged men from the

army since 1939 and the number enlisted. Some of the members would like to ask a few questions with regard to the calibre of the examination. Can you give us some idea with regard to that?

The WITNESS: The examination of recruits for the army is done this way. When a large number were called it was necessary to supplement the existing medical officers, and the best medical officers available were called to these boards. It is true in each district we have a standing medical board of active force medical officers, but when large numbers are called up it is necessary to supplement these medical boards with doctors or military medical officers and the best ones obtainable are brought in. They are furnished with a book of instructions which I shall table here. The book is entitled "Physical Standards and Instructions for the Medical Examination of Recruits for the Canadian Active Service Force and for the Non-permanent Active Militia." At the beginning of these examinations the examinations did not include X-ray of the chest and urinalysis, which are now included in the original examination. Instructons have been sent to all districts amplifying the different conditions and even in this book there are some appendices which cover such things as albuminuria, glycosuria, arterial hypertension, cardiac enlargement, endocardial disease, and so forth. Are there any points in particular you should like me to touch on?

Hon. Mr. MACKENZIE: There was one point brought up by the committee in particular and that had to do with the Wassermann test and why it was not taken of the troops when they enlisted.

The WITNESS: Yes, sir. To exemplify that and in reference to this question relative to the advisability or otherwise of the Wassermann test being made generally applicable to members of the forces I would say that early in the war this highly controversial subject was taken into consideration and it was not thought advisable to effect this test on enlistment. In 1939 the advisory medical board of the D.G.M.S. again considered this subject and recommended against the general performance of this test, since which date the subject has received continued consideration. On May 24,—just recently—1941, the medical officers of the staff of D.G.M.S. office met and again considered the subject at great length. The matter was discussed under four headings: first, the application of the Wassermann test to the entire population of Canada including the army. It was the unanimous opinion of the meeting that as a national health measure this would be ideal. There is no national performance of this test at the present time. Second, the application of the test to the Canadian army alone as a public health measure; the meeting was of the strong opinion that for medical advantages to be gained it was not fair to subject members of the Canadian active service forces to any measure which was not applicable to the people at large, unless it be to the benefit of the efficiency of the forces. The meeting felt that the military medical advantages to be derived were not of such moment as would justify the discrimination referred to. I will read that last sentence again. The meeting felt that the military medical advantages to be derived were not of such moment as would justify the discrimination referred to. Third, the application of the test to the Canadian army alone as a military measure under war conditions. The committee felt that they could not justify recommending this test on this basis. Four, the committee recommended that the test be applied under the following circumstances. (i) if a member of the forces has been treated for any venereal disease during war service or is known to have had a venereal disease at any time previously or should he show clinical signs at any time following his enlistment. (ii) A routine Wassermann should be taken previous to discharge of any individual who has had a history of venereal disease. (iii) All members of the forces, on admission to hospital be given a Wassermann test when in the opinion of the medical

authorities of the hospital it is considered advisable. I think you would like me to state what led us to these conclusions. The following points of interest were brought out in the discussion: Application of the test for syphilis might cause reaction that may seriously affect recruiting in Canada; possibility of causing a discord by taking the test on soldiers only. It was felt that as yet there is a division of public opinion with regard to taking of such tests, especially one related to the social life of the people. From a combatant military angle, the test was not considered necessary. Active treatment cases of syphilis are not now accepted for enlistment, nor those presenting symptoms of the disease, nor those with neurosyphilis. If the disease is discovered in the army and presents neurosyphilis, such personnel are discharged. There is army provision for continued treatment of diseases if discovered.

Provision has also been made for the notification to provincial authorities of all men on discharge from the army, for any reasons, and if known to have venereal disease. From a military point of view, it is pointed out that there are many syphilitics—(some undergoing suitable treatment)—who are quite capable of carrying on in civil life and that a similar condition exists in the army. All those who contract the disease in the army are required to report for treatment and it is a punishable offence not to do so. The personnel of the army are thus under a disciplinary control which does not exist in the civil population.

Cases of syphilis without clinical symptoms, in which the disease was contracted before enlistment, however, might not come under observation or might only be detected incidentally and, therefore, might not receive treatment. This is probable also in civil life.

As the army is concerned primarily with the maintenance of personnel and the enlistment of other personnel, and as the syphilitic, aside from the neuro-syphilitic—for the discharge of which provision has been made—is quite capable of being a useful soldier, it is thought the compulsory serological test on enlistment might interfere with the number of volunteers presenting themselves, on account of action which would follow a positive test. It is considered that as the best of our young men are passing into the active theatre of war it would be a mistake to exclude syphilitics, many of whom are capable of carrying on, from participation in the hazards of active warfare, even though they might constitute small potential pensionable material as a consequence of the disease.

Late or tertiary symptoms of the disease, if occurring at all, do so as a rule after some years. It was pointed out that only about 35 per cent of untreated cases developed serious tertiary symptoms. Also a certain percentage having the disease, even though treated, had developed late symptoms.

It was understood that out of 79,000 pensioners, twenty years following the great war, there were only 195 receiving pensions for syphilis. It is further understood that pensions for this disease are only applicable where the soldier has served in an actual theatre of war and the disease considered to be of pre-enlistment source and aggravated. Pension is only for the amount of disability on discharge in such cases and if there be no record of contracting the disease on service.

The bulk of disabilities from venereal diseases in service is due to the freshly acquired diseases—I am speaking of venereal diseases, both V.D.S. and V.D.G.—partially preventable by prophylaxis and not by tests.

Latent syphilis is not ordinarily a communicable disease. Also, syphilis is not usually communicable from one man to another.

There are numerous tests which, if time and circumstances would permit, might be of recognizable value on enlistment and which would be more justified from the standpoint of military effectiveness than this one—for example, of those returned from overseas on medical grounds a large percentage are because of gastro-intestinal disease; so it might be argued that on enlistment all men

should undergo X-ray with gastro-intestinal series. There is a limit as to what tests and examinations are feasible from the military point of view.

While it is understood that this Wassermann test is being carried out in the American army, it is also understood that it has not been attempted for the British army.

There are many thousands of Canadian soldiers already overseas.

Tests should only be performed by those well qualified to do them. They are subject to error in performance and interpretation. There are a limited number of places, such as institutes of public health and other like institutions, where such tests are usually performed. To supplement their staffs hurriedly to any great extent might lead to danger of error in the tests. Tests should be confirmed by additional other tests to be certain. With the present staffs of institutions only slightly augmented, it would take a long time to test the army. Concentration of troops is not always near health institutes. There are many thousands of troops in Canada and overseas, and laboratory facilities are limited. If tests are to be taken to determine the early diagnosis of disease and so establish treatment, then it would be necessary to take such tests every six or twelve months to be effective.

Only a small percentage of the populace have latent syphilis.

A possible advantage of tests on enlistment would be to distinguish between disease acquired on service and pre-enlistment syphilis.

The value of the tests is for the early discovery of the disease and treatment to prevent late serious forms.

The fact remains that a serological blood test is the only way of estimating the presence of latent symptoms or the disease in those who are concealing its presence.

It is to be noted that, up to the present there is no legal authority to make such tests compulsory in the army. Tests are now only performed with the man's consent when some symptom suggests definite requirements, or some cases in the course of hospitalization.

There is no objection on medical grounds to the taking of such tests.

The general procuring of such tests is one of public health and concerns both civil as well as military personnel.

From a public health point of view, a routine test of all recruits and personnel would give an indication of the prevalence of syphilis in the age group of males as included in the personnel of the army. This would be of considerable public health value and significance and would indicate the necessity for civilian control of the disease.

By the Chairman:

Q. What is the approximate time required for the giving of the Wassermann test?—A. These tests would not take a great deal of time for the actual taking of the test; but supposing you had a concentration of 17,000 troops; now the medical officer would have to insert the needle and draw some blood, take the proper precautions and place that blood in a sterile glass tube; the specimen would then be taken and properly sealed and sent to the nearest place where they did these tests correctly. Now, in some places that might be a considerable distance. The specimen would go mostly to these Public Health Institutes. At the present time some of those institutes are only taking tests once or twice a week, but that could be stepped up to take them oftener. These tests should only be done by some person thoroughly experienced in them. These reports come back, and it will depend on how much staff there is in the laboratory and how much medical staff you put on to take them—for example, I dare say some of these public health institutions now—I cannot give you the correct figure—but I suppose they do 50 or 100 once a week. Suppose you stepped up that staff; suppose, as I say, you have 17,000 troops—I use that figure—as in one

place there are that number and not very close to an institute, and suppose you did 100 a day; or even if you did 500 a day, it would take thirty-four days. This thing could be done.

Hon. Mr. MACKENZIE: Apart from the visual examination on enlistment I understand there is no such examination subsequent to enlistment except on report or complaint?

The WITNESS: Exactly, sir; there is no provision now for Wassermann tests except where the medical officer thinks there is some symptom requiring it.

Mr. CRUICKSHANK: What is the name of that other test of which Dr. Bruce spoke?

Hon. Mr. MACKENZIE: The quicker test.

The WITNESS: I think it is called the Laughlin test. I am not familiar with it, and not being familiar with it I cannot speak authoritatively on this point; but I am under the impression that this test while a quicker one is generally used just before blood transfusions. It is some quick method to see that the blood is relatively safe and to utilize a certain donor in addition to taking that donor's grouping. I do not think that test could be relied on like the Wassermann test or the Kahn test.

Mr. Ross *(Souris):* With regard to the total number discharged in the army, could you give us the figure of how many were discharged as medically unfit, what was their trouble, and in what numbers?

The WITNESS: The point I made there about this test not being essential involves it not being essential from a military standpoint. Here are some figures on invalids returned to Canada up to February 1, 1941. For example, for brain and all nervous system troubles, 223; for respiratory system, 100; for heart and blood vessels, 79; for gastro-intestinal symptoms, 411; for eye, ear, nose and throat, etc., 121; for bones, joints and muscles, 295; for genito-urinary system, 39; and then there is the point you particularly desired to raise concerning venereal disease, not necessarily acquired in the present war: eleven cases of syphilis and one case of gonorrhoea returned.

Mr. Ross *(Souris):* Those are all cases that have been overseas?

The WITNESS: Yes, they are all cases that have returned from overseas from the start of the war up to February 1, 1941.

Mr. Ross (*Souris*): Would you also have the figures for those who have been enlisted in Canada and who have not yet been overseas?

The WITNESS: I have not got them with me, but I can get them.

Mr. Ross (*Souris*): I think it would be well for the committee to have them.

The WITNESS: Tuberculosis, 14; old wounds and injuries, under age, overweight, cancerous growths and miscellaneous, 98.

Hon. Mr. MACKENZIE: How many gastro-intestinal cases were there?

The WITNESS: Four hundred and eleven. That would be approximately 28 per cent, and you see that the percentage of venereal disease is less than 1 per cent; that is why I point out that from military effectiveness it is not an important matter.

By Mr. Cruickshank:

Q. What was the total number?—A. The total number in this group, which was up to February 1, is 1,380.

By Mr. Gray:

Q. That was discussed at the time General McDonald was giving the number of men discharged each month as well as the total since the war began, and I think the committee were amazed at the number. The question of gastro-

intestinal discharges was brought up at that time. In view of the large percentage, and in view of the fact that you have taken steps with respect to chest X-rays, do you not consider it might be advisable to take some further steps with respect to gastro-intestinal examinations? Is there any way in which that could be checked on enlistment, or are the men acquiring those disturbances after enlistment?—A. There is great difficulty there. A gastro-intestinal series is a rather long performance, a barium series with X-ray is quite an undertaking on enlistment. In connection with that subject you have to consider, too, that a lot of these men may have some very slight symptom, like so many men have, of some little irritation, and they do not tell you anything about it; they go overseas, and it is hard to say what causes it. It may be the strain and stress of circumstances. There are a number of diseases which show themselves up to a marked extent when one is under strain, such as gall-bladder trouble and those gastro-intestinal ailments. I do not mean that they are put on at all. They do show up. And there is another feature in connection with that, that in a war of this kind, in which there is some inactivity in so far as actual campaigning is concerned, there may be a tendency to discontent and to complain over minor disabilities. They get more time to think about them and they get worrying about them, and the actual condition is aggravated by tension.

By Mr. Reid:

Q. In connection with examinations, does the entire responsibility for the type of examinations conducted lie with you and your board?—A. The examination of recruits?

Q. Yes.—A. The examination of recruits has been set by the directorate and has been approved, but it has been done after getting considerable advice from specialists and consultants. As I say, these qualifying instructions which have been set out, such as are contained in this book, have all been gathered after getting the advice of expert consultants in the matter.

Q. Apart from that, after getting all that data, does the responsibility of any further examinations regarding any disease, including venereal disease, rest with you or your board?—A. Oh, no. I see your point.

Q. I want to know whose responsibility it is?

The CHAIRMAN: Are you thinking of the responsibility of the local boards?

Mr. REID: The board in charge of the medical services for the army. I want to know the board responsible for laying out the regulations as to examinations.

The WITNESS: No. We make a recommendation to higher authority for any additional thing of this kind.

Q. To whom?—A. Our directorate would put that through the Adjutant General and that would be taken up—I do not know where it would go; it might even go to the minister.

Hon. Mr. MACKENZIE: Defence Council.

The WITNESS: That is where it would go, to the Defence Council. The promulgation of any new thing of any moment would not rest with us.

By Mr. Cruickshank:

Q. Regarding present examinations within the forces, who directs those examinations and who decides what examinations shall take place?—A. We also have instructions on that. For instance, a man is enlisted and he has passed the original examination. Now, of course, we have an X-ray and urinalysis. Then he gets in a unit and if he parades sick, or if he is noticed to require medical attention, the medical officer of that unit examines him. He either treats him, if it is for a minor ailment, or, for a more serious thing, he admits

him to hospital. If he thinks it is a matter of change of categorization, more than treatment, he has him appear before a medical board.

Q. I know that as far as my own unit was concerned in the last war, there was a periodic examination for venereal disease, and my information is that there is absolutely no examination of this kind conducted at intervals at Lansdowne Park.—A. You mean for this particular disease?

Q. Yes.—A. I am not in a position to state. I will find that out for you. The question is whether there is periodical examination for this particular disease?

Q. Yes.—A. I am rather under the impression that there is, but I will make sure.

Q. I do not say that there is not, but I say my information is to that effect.—A. Yes. I was under the impression that there was, but I will make sure.

By Mr. Reid:

Q. What has aroused a great deal of criticism in the minds of many of the people, including myself, regarding the discharges in the present war for medical reasons, is the fact that at the beginning of the war it was intimated from government sources that as there was no great hurry for men great care would be taken in the examinations, and that the mistakes of the last war would not be perpetuated. Now we find over 10,000 men who were taken in dismissed, and many of these men are complaining that they passed two boards and then the third board on active service in Canada dismissed them.—A. Sir, I think I can say without hesitation that the medical examinations conducted on enlistment in this war were tremendously superior or more exacting than in the last war. I do not think there is any question of doubt about that. But there were quite a number done quickly, and when you take comparative figures for wastage you have to have some basis for comparison. As to the reason why what appears to be a very appreciable number of men being discharged from the army as unfit for service in face of what was hoped to be an efficient medical examination at the time army personnel is recruited. A carefully considered standard and instructions for medical examination of recruits were published and distributed to all medical officers. In view of the fact that practically all men suffer from minor disabilities, of one type or another, it could not be hoped that the personnel selected for the forces would be physically perfect. Therefore, the medical men on the boards must be allowed to use their own judgment, that is, to some minor degree, as to the effect such disabilities will have on service.

In judging the effect of medical disabilities a medical man, in order to make a good percentage of correct judgments, would have to know the personality of those he examines in that the disabilities to some extent become of major importance depending on the manner in which they are viewed by the person concerned.

The number of enlistments is known and the number per thousand discharged as medically unfit is also known. In order to judge as to the relative efficiency and effectiveness of the examinations conducted since the first of September, 1939, it becomes necessary to have a comparative figure as arrived at by other armies on the "normal wastage".

In this connection it is to be remembered that had all those who were enlisted been physically perfect there would still have been an appreciable wastage through disease and injury.

It is observed that the peace-time wastage in the American army has run as high as 16·8 per thousand per annum. This wastage occurred, as stated, in a peace-time army where men were presumably examined by medical officers trained for the work and where the percentage of annual enlistmnts was comparatively low, and again amongst army personnel in a permanent force presumed to be fit for service in an active theatre of war.

It has been established that the ratio of wastage in an army is largely influenced by the number of enlisted men in service under one year; and the larger percentage of recruits, the larger the wastage.

In consideration of this subject the following essential factors must be weighed.

Hurried enlistment of large numbers of men results in medical examinations being carried out with speed under constant pressure.

The necessity for employing civilian medical personnel unfamiliar with army standards or requirements.

The fact that the wastage under consideration occurred amongst green recruits, a large percentage of whom were from urban centres, whereas comparative figures are compiled from the records of permanent armies where the the personnel is composed of seasoned troops.

Our personnel referred to includes 29 companies of home guards; 11 provost companies and staffs of militia training centres, as well as numerous others included in the active army, but in categories C1 and C2, and amongst whom the wastage was expected to be very high.

In view of these considerations, the general consensus of opinion is that the wastage in the Canadian army should have been expected to be at least double the ordinary peace-time wastage in, we well say, the United States army.

As of January 21, 1941, the actual number discharged after deducting the number discharged as a result of X-ray of chests and urinalysis; that is, deducting that number who were passed without those examinations originally, together with the number returned from overseas, the number of men per thousand discharged as medically unfit was less than double the annual wastage of 16·8 per thousand of the United States army.

Also in considering comparisons, many men in peace time are retained in different military services with minor disabilities appearing which under active service conditions would eliminate them as wastage by boarding.

I think I mentioned the point that in this war at the present time these men under strain and inactivity of actual warfare sometimes develop conditions which are hard to estimate.

By Mr. Reid:

Q. I think in the beginning of your remarks you stated that there were no X-rays taken of recruits; at what date did that commence, and what brought about the change in favour of X-raying the men in as much as this was not done at the commencement?—A. I cannot give you the exact date; I can look that up and submit it. I think the date was in 1939.

By Hon. Mr. Mackenzie:

Q. Is the standard for service in Canada the same as for service overseas?—A. No, sir; for service in Canada you can be in A, B or C categories, but for most services overseas you have to be in category A. For some services overseas you can be in category B.

By Mr. Reid:

Q. When a man enlists, does he not enlist in the active service force with the idea of going across?—A. Yes.

Q. And that examination would apply to all?—A. They can be taken in in categories A, B or C, for certain units. A man could not be taken in for an active unit going overseas unless he were in category A. But we will suppose you wanted a doctor for one of the home war establishments, you could take one of the older men in category C for that duty. But if he were going to go as a medical officer, for example, to a field ambulance or a battalion, he would have to be in category A.

Q. Is it not a fact that most, if not all, who were accepted and placed in category A may have been placed in categories C, D and E on later examination? —A. I do not quite follow you.

Q. All who are accepted into the active service forces are accepted as in category A?—A. Not all. For instance, I have just given you a good example. Supposing we want a doctor for a home war establishment, as, for example, a hospital operating in Canada, and supposing we have in that hospital a young liberate that young man for overseas service for one of those active units and we man under 45 years of age who has already been accepted, we would try to would not hesitate to take in a man belonging to category C for home war duty.

By the Chairman:

Q. For example, take the case of men in infantry units in training at the present time in Canada; is there a standard of physical fitness for them different from those going overseas?—A. Well, the physical fitness category for the active units going overseas must be "A".

Q. What I am thinking of is this: are you training men ostensibly for overseas service, with the ultimate purpose of sending them overseas?—A. I do not know what the percentage will be. I will submit that. You want the percentage of men being trained for combat units under "A" category.

Mr. REID: It is important to know that.

The WITNESS: I see your point. I really do not know the percentage, but I will try to find that out for you.

By Mr. Ross (Souris):

Q. The training in Canada should not increase the wastage to the point you suggest; I mean that there is far greater strain under the system of training in the British Isles than there is in Canada because there is the strain of bombing and all the uncertainty over there?—A. That certainly would have a tendency to increase wastage. As against that you have men here in Canada in lower categories doing duty in Canada and their wastage would be expected to be heavy. For instance, if you had some men in the home guards or the provost companies, say men in "C" category doing duty in Canada, from that angle you would expect their wastage to be fairly heavy; although the point you mention about strain overseas would increase wastage.

Q. What would be a comparison of wastage between those trained for overseas duty and those trained for home guard duty?—A. We will try to get anything possible that will help you. What you want now is the percentage of wastage for comparative purposes between those trained for overseas duty and those trained for home duty or defence.

By Mr. McLean:

Q. The question I would like to ask Colonel Davis is this: is hernia a defect that one might reasonably expect to detect on examination at enlistment?—A. Hernia ordinarily should be detected, but there may be potential hernias that would escape detection. It may be argued that the vast proportion of hernias are congenital, or the defect is. A man might come up for examination and the examiner might easily miss a ring that was a little loose. I do not mean a badly loose ring. I mean one that might have no hernia. That might miss detection and that particular man might go into training, and if he came out of some sedentary occupation and was put under physical training suddenly that man might develop a hernia in the early months, and they do so.

Hon. Mr. MACKENZIE: In the last war very frequently they did operate for hernia and then the man went overseas and served sometimes right through the war. Is that being done in this war?

The WITNESS: I do not know about the percentage of hernia operations. There is quite a percentage of recurrence after operation. I cannot give you that offhand. I cannot give you the percentage in civilian life that recur. There is another point to consider and that is that a man should not be put on duty for quite a considerable period aften an operation for hernia. Therefore, unless a man is considered as having had a lot of training spent on him—I am giving my own opinion now—or unless he is a key man, an essential man, or is considered so by his commanding officer, it is doubtful whether hernia operation should be done. I will look up our instructions with regard to that matter for you. We have sent out definite instructions, and I will submit them to you.

Mr. MCLEAN: I mentioned hernia because I am informed that 365 men have been discharged for hernia.

The CHAIRMAN: From overseas?

Mr. MCLEAN: No, from all over.

The WITNESS: If you are speaking of men from all over I cannot give you the figures offhand. If you are speaking of figures from Canada, there are a certain number of cases of discharged fairly early in training. In fact, some may have escaped detection on examination and others are detected early. But in regard to hernias which returned from overseas up to the 1st of February, 1941, there was 16 out of a total returned of 1,380.

Mr. MCLEAN: It is apparent that a large number were discovered before they got overseas.

The WITNESS: Yes, a large number were discovered before they got overseas. That is the inference I would take from those figures.

Mr. MCLEAN: What about flat feet? I notice there are 510 men discharged for flat feet?

The WITNESS: I have not got the exact figures. That could not be from overseas. Flat feet is a thing that may be of varying degrees, and even the apparent degrees that it shows may be varying in as far as disabling a man is concerned. For instance, you no doubt have seen men who have tramped through the bush for years carrying heavy loads whose feet were extremely flat, and they could go on doing it for years, whereas another man in civil life, might have a moderate degree of flat feet and some of them could hardly get around. We have instructions on that. I shall look them up for you.

By Mr. Reid:

Q. What is the examination for those men?—A. The men are stripped and their feet are looked at, and they rise up and down on their toes. However, there is a lot in flat feet that is in the head, and I think an examining board should use a great deal of discretion in enlisting men with flat feet. That is done if it is a good examining board. For instance, one man may come before a board and they know he is disabled when they have gone into his history carefully, whereas another man may come before them and he will be able to carry on and will undoubtedly carry on through the whole war. It is a hard thing to estimate. There have been many devices suggested for estimating it, but by manipulations in the way you stand you can fool those methods. However, we have instructions on this matter and I will submit them. It is a question that rests to a great degree on the medical examining board, how they interpret the flat foot condition. Some people are considerably disabled with flat feet while others are very little disabled even if the condition is apparently gross. Then, as I say, in some cases it is a matter of a person's mentality towards a disability.

By Mr. McLean:

Q. What about valvular endocarditis? Should that be discovered on enlistment?—A. It should be discovered.

Q. I understand there were 243 discharged for that?—A. Sometimes early in enlistment—

The CHAIRMAN: Will you give us that in plain English?

The WITNESS: The question is asked of a particular disease of the heart involving the valves. This condition varies in degree; it is sometimes shown by very marked murmurs that you should be able to hear in a stethoscope and it is sometimes hard to detect. They are varying in degree. A large figure—as you have said, it seems large. A man might escape detection in a mild case if it did not show up in his pulse and so on. He might come from a sedentary job and this condition might show up and the medical officer in the unit might say that there is something wrong with him and that they will examine him more carefully and have an electrocardiogram, and in doing that they will discover this valvular disease. I submit that probably a large number of those also, like the hernia cases, would be discovered earlier; not necessarily so, however, because it might take a strain overseas to show it up. I do not know whether I have any figures on organic heart disease. In that figure of 1,380 returned in that period there were only 24 cases of organic heart disease returned to Canada.

By Hon. Mr. Mackenzie:

Q. Do you mean organic or functional?—A. Well, the valvular heart trouble is generally considered to be organic; a functional condition is where there is some disordered function of the heart which may not necessarily be of much moment.

By Mr. Reid:

Q. This is very serious for the men. I am thinking of one case of a man in my district who went before a medical board and had two examinations and he was passed as physically fit and was put in category "A", and the circumstance is that upon going to Vernon, after a five-mile march, the medical officer paraded certain men and gave them an examination and they were weeded out. That man said to me: "Mr. Reid, I left my position and when I got back my job was filled and I was left on the street." He said, "I should have been turned down by the medical board at the beginning." I think I could duplicate that case by dozens. You see how serious it is from the men's point of view?—A. Absolutely, it is serious from the men's point of view. I appreciate that. I have not got the figures here. Somebody mentioned some figures.

Mr. MCLEAN: Two hundred and forty-three.

The WITNESS: It seems like a large number; but you must remember what that number is taken out of—it is a large number of troops that that number is taken from. It makes a very small percentage out of the total number.

By Mr. Reid:

Q. May I ask this question. Do you examine the men who are called up under the four-month training plan—the trainees?—A. The calling up has been changed; the method of examination has been changed somewhat recently; but the way they were called up—if you are referring to any figures in the past—was this: that the military authorities did not originally examine the men called up under the training scheme, they were under the Department of National War Services and they were examined by civilian practitioners under arrangements with that department, and we had nothing to do with them. When they came into camp they got an examination.

By Mr. Ross (Souris):

Q. By your people?—A. By our medical officers at the camp.

By Mr. Reid:

Q. There was a good deal of conflict of opinion involved after the examination by the private practitioners and after the examination by your officers. What is the procedure now under the four-month training plan?—A. I do not know what change has taken place. I will submit information on that for you also. I do not want to give any incorrect statement here and I had better be careful about that. The reason I want to be careful about the answer I give to that is this: under this four-month training scheme it is different; there are men in these training centres now who are to be trained for active service and then there is the class of men called up for training, and I would not be able to give the exact distinguishing point in the examination, but I will submit it.

Mr. SANDERSON: Have you got the figures of those who were not accepted after they went into the training centres and who passed the local doctors?

The WITNESS: I can get those figures for you—regarding those that did pass or did not pass the local medical doctors, the information would have to come from the National War Services department. But the figures of those that passed the local doctors and then were rejected—by our doctors or not considered to be fit by our doctors, I could get that percentage for you. I have not got it here at the moment.

By Mr. Reid:

Q. How do the medical history sheets or records compare in your department with those of the last war? Are they more detailed? The reason I ask you that is this: we have found great difficulty with regard to the men obtaining pensions due to the fact that their medical history sheet in the last war was faulty. What is the procedure now?—A. Well, of course, under present conditions I think it will be different. We have full instructions with regard to that that should prove satisfactory, but only time will tell whether some faults will develop in the present system or not. As a matter of fact, even in the last war there should have been a good record.

Q. Colonel, your department only deals with the man in active service. After he leaves you he becomes a charge of another department?—A. Yes.

Q. That is the reason for my asking that question.—A. Exactly, sir. We have tried to make every provision in this war and only time will tell whether these provisions are sufficient. We have tried to look after everything. We have looked into what we think are all the necessary provisions and we review those subjects from time to time in case there is any new thing coming up. We are anxious to make all provisions, but how efficient it is going to be time will tell. I believe it will be efficient, probably more so than the last war. Anyway, we are hoping that it will. To-day, for instance, more medical men who have had experience in connection with these things are in the service. Many of them have had experience in the last war and a great many of them have had experience with regard to examinations in connection with the pensions board and the pensions commission. I think our men on medical boards now, both overseas and in Canada, will realize far more the importance of a medical board than they did in the last war. That applies to records also.

By the Chairman:

Q. Reverting to the extent of the examinations and with regard to your figures of 1,380 discharged from overseas service, I understand that 411, or practically one-third of them were discharged for gastro intestinal ailments.—A. Yes, sir.

Q. Mr. Gray suggested that there should be a more intensive examination. I am informed, perhaps not accurately, that diagnosis of the ailment is extremely difficult without long observation; is that right?—A. That is true, sir, but we are watching these figures very carefully as they come in. We watch the figures on each group returned.

Q. It would be difficult to apply?—A. Yes, but what we are doing, sir, is this. The moment we get those figures back we immediately instruct the board they must be more careful in this thing and point out certain features. Then we communicate with overseas and we try to ascertain on what basis they are making their diagnosis, whether there are any being sent home that should not have been sent home. In other words we are making a very careful investigation and I think we can say that the steps we are taking will mean that the percentage will drop very materially.

Q. How do you account for the abnormal development of the ailment as compared with other ailments?—A. I really do not know the incidence of gastro intestinal diseases in civil life. When I say "gastro intestinal diseases" I am including all the miscellaneous gastric diseases there are. There is quite a large incidence of gastro intestinal trouble in the human being in ordinary life, but what the incidence is I do not know. But I think that you will find this percentage, which is over 28·9 per cent.

Hon. Mr. MACKENZIE: Very close to it.

The WITNESS: That is a large percentage. I can submit some letters of instructions which we have sent to the districts showing that we have gone into it pretty thoroughly and I think you will find the percentage will drop very materially.

By Mr. Reid:

Q. I wonder, Colonel, if we could have the figures of the discharges for medical unfitness.

Hon. Mr. MACKENZIE: We had them in the evidence a while ago. I think they are there somewhere.

Mr. REID: I think Mr. Chairman and Mr. Minister these figures were just the figures that had reached the pensions committee. They were not the complete figures.

The WITNESS: We have a thorough system of statistics and there will be no trouble in getting you these figures.

Mr. MCCUAIG: Are all those who enlist examined by your board on the first examination?

The WITNESS: You want the figures of discharges on various disabilities. You want them for Canada as well as overseas? I have them here for overseas up to date.

Mr. REID: I think the committee should have them for both Canada and the Old Country.

The CHAIRMAN: We have them on the record for overseas.

Mr. REID: If they are in the record for overseas we will complete the record by having them in Canada.

The CHAIRMAN: Yes.

The WITNESS: I am sorry, Mr. McCuaig, I did not catch your question.

By Mr. McCuaig:

Q. Do all men who enlist receive their first examination by your board or are there civil doctors examining them?—A. There are still some civil doctors examining, yes. The arrangement is this. Wherever we have military medical officers available in a district where there is recruiting we try to utilize the

experienced medical doctors in as far as possible, unless they are all fully employed on some other military medical duty. In each district there is a standing medical board of R.C.A.M.C. officers. Then when recruiting becomes more than that board is able to handle or support that board is busy with boarding men out of the army, or re-examinations under 227, or if recruiting becomes so heavy that additional officers are required—I mean medical officers—then there is an establishment of medical boards if and when necessary. They are only employed for the days required. They are not full time medical officers for active service unless, as I say, we have them available.

By Mr. Reid:

Q. How many boards have you?—A. Well, that varies. We might have twelve boards in one month and only one in another month in a district. There are three officers on the board and we try to have the president of that board one of the R.C.A.M.C. doctors with experience. If we have no medical officers available for the other two members we try to pick civilian doctors as competent as are available.

Q. Have you any method of checking up on those boards?—A. Yes, we check up on these boards. That board goes through the district office. The district medical officer checks over that board. When men are discharged from the service later on, on medical grounds, we look over the proceedings very carefully; and these particular board forms 227 come in to Ottawa. We have very competent doctors who have had wide experience in medical boards and pensions work—in fact, on our review board at the present time there is one former commissioner of pensions, a medical officer; and also one of the former medical advisers of the Pensions Board. They are well qualified. These men look over this 227 board. All the boards are carefully reviewed. A very large number of boards come to Ottawa for that checking. You would be surprised if you knew how many boards we have checked over. That does not mean all for discharge. I can give you that figure. It might be interesting for you to know how many we have checked over. During last year there were 35,850 files reviewed by the medical board in our headquarters. That is a lot of boards. That does not mean discharges, but boards forwarded on various grounds.

Q. So you can tell by the dismissals for medical unfitness whether a greater proportion was coming from one particular district board or the other?—A. Exactly, and we do not hesitate to criticize a board. If we find men are not competent we do not want them on these boards. We know where they are because we can find out where a man enlisted and who examined him.

By Hon. Mr. Mackenzie:

Q. Unfortunately I have to go, but I should like to ask you a question before I go. Suppose a soldier in Canada is discharged medically unfit. What happens to him the moment you are through with him?—A. So that there will be no delay the moment that board comes into Ottawa it is reviewed by our medical review board, reviewed very carefully. If it is concurred in or otherwise a wire is sent to the district that very night or certainly not later than twenty-four hours, and sent so there will be no delay. If it is concurred in and that man is to be discharged it is not then a medical question. From then on it is a question of the usual ordinary procedure. He goes to the district depot for discharge and so on. In some cases concurrence is not given. We think more evidence should be obtained. We write for that evidence right away. Or we might say, "Reconsider in the light of instructions issued."

Q. Do you notify anybody except his district when a man is to be discharged?—A. I think a copy of that goes to the D. P. and N. H.

The CHAIRMAN: Are there any other questions, gentlemen?

By Mr. McLean:

Q. Have a large number of discharges for optical defects been brought to your attention? Are there medical officers who examine generally, and are they qualified in connection with optical defects?—A. Yes. On those boards throughout the districts, in so far as possible, we try to have one of the men an eye, ear, nose and throat man. Then in addition to that, if it be necessary, there are always specialists available in the community or district who can be asked for a special report. For instance, suppose we were examining here, or we will say in Toronto or London. Suppose the medical board say, "We are not sure of this man's ears or eyes." They would probably have an eye, ear, nose and throat specialist on that board. But if there were not, they are at liberty—and they know this—to send that man for a special report. For instance, they could send him to one of our own specialists or, if he was not available, they could send him to the D.P. & N.H. specialist. We work in close co-operation with the different services. I do not think the percentage is high, the percentage from overseas. The number of cases of organic eye disease in that 1,380 was 6; but in addition to that, there were 45 for defective vision.

Q. There appear to have been some 600 altogether discharged for optical defects?—A. That must be Canada.

Q. Yes?—A. And some of these must have been discovered early in service. Of all conditions relative to eye, ear, nose and throat, there were only 121 sent back from overseas, during that long period that I spoke of.

Q. That would almost indicate that there was either some carelessness or some other avoidable reason why so many should be admitted to the army with optical defects? Six hundred is a pretty large number, is it not?—A. Six hundred would be a fairly big number. Of course, you must remember the hundreds of thousands that this number was called from. You must remember that diseases of eyes and ears and throat do occur. For instance, under conditions, especially overseas, you would expect even in perfectly healthy people, a certain percentage to develop eye and ear trouble; they always have.

By Mr. Reid:

Q. Do you find camp conditions producing a greater proportion of disease and sickness in Canada than is generally the case?—A. No; I do not think more than we could ordinarily expect. With regard to our percentage of sickness in Canada, I can give you the actual figures by areas or units; we have full statistics on this matter. We make provision for hospital beds by percentage according to the number of troops. The percentage of illness throughout Canada would vary. Sometimes in the summer months it would go down to two per cent, and sometimes it would be up to nearly seven per cent in the winter months or when there are epidemics, the average figure being about four per cent, I would think.

Q. I had in my mind the reaction on men leaving civilian life and coming under military conditions?—A. There are two considerations. I do not know whether or not they balance each other. A man coming in from civilian life, a great many improve in health—the thin ones get heavier. On the other hand, there are a proportion taken out of a sedentary life and put under more strenuous exercise who break down, temporarily. Then you have to consider that sometimes if an epidemic breaks out like measles, chicken-pox and those things, with men living in groups, it spreads rapidly; and there is provision necessary for beds in cases of that nature.

The CHAIRMAN: Colonel Davis, the committee is very grateful for your attendance here.

By Mr. Gillis:

Q. Before you leave, Colonel Davis, I should like to ask you one question with regard to the examination. There is a thorough examination for the chest, including an X-ray, is there not?—A. Yes.

Q. And you do not accept anyone who has a sign of tuberculosis whatsoever?—A. Well, not of any active tuberculosis or tuberculosis that really can be demonstrated. For instance, a man could have a little shadow that might not mean anything. But I see your point. We do not accept tuberculosis.

Q. I see. What I have in mind is this. A man goes through the examination and he serves a year in Canada. After a year in Canada he is discharged as a tubercular.—A. Yes?

Q. The Department of Pensions rule that it was not incurred during service. If he did not have it going in there, and he is discharged a year later as a tubercular, where did he get it?—A. I am not able to answer that. Undoubtedly some cases of tuberculosis develop rather quickly. In some cases there are demonstrable symptoms which may develop rather quickly. For instance, you could take an X-ray of a man's chest to-day and find very little demonstrable, if any. You could take a picture of that same man in four months and he might have cavitation, if that is any elucidation. But I am not able to say where that man contracted it.

By Mr. Isnor:

Q. I should like to suggest one question. I must apologize for being late and I hope I will not be going over any ground that has already been covered. Dealing more particularly with the local situation, you no doubt are familiar with the situation existing in Halifax about three or four months ago. I believe you were notified in regard to a so-called epidemic?—A. Yes.

Q. I understand the health authorities at that time, representing the city of Halifax and the health board, made certain representations to you for action along a certain line. Do you recall that?—A. Yes.

Q. What is your general policy in regard to such representations for co-operation, and what was your action on that particular occasion?—A. I have not with me the actual instructions sent out, but there was the question raised there about certain tests—toxoiding, rather, which is a hypodermic to be given to try to prevent disease. It is given in successive doses. I have forgotten the actual representations that were made, but anyway the question was raised by the health authorities as to whether all the troops should not be toxoided. Now, toxoiding of all the troops is something which takes a considerable time. Furthermore, it also takes considerable time to get a protective reaction from toxoiding. We did do some toxoiding there among certain groups, and I do not know that the incidence of our disease there was any greater or as great as that of the civilian population. I am not prepared to give those figures now, but I would think it was not. There were a great many cases of different diseases there—some were in different branches of the service; some were in the navy and so on. In addition to that, we sent down—

Q. In addition to what, Col. Davis?—A. In addition to giving some instructions and toxoiding certain ones, and giving instructions regarding the care of this disease and treatment, we did send down there a capable hygienic officer to look into the matter. I do not know at the moment the different discussions that ensued. We also sent down, as a district hygiene officer, a very capable officer. I do not think that the local authorities questioned our treatment at all. It was a question purely—

Hon. Mr. MACKENZIE: As I recall it, Col. Davis, representations were made, I think, by the provincial health authorities that there should be what you might call universal toxoiding. I think your department rather went on doing that in progressive stages.

The WITNESS: We did not do toxoiding of the whole group.

Hon. Mr. MACKENZIE: That was the controversy.

The WITNESS: No. We did not toxoid the whole group.

By Mr. Isnor:

Q. My second thought was as to your procedure or policy in connection with requests of that kind. Do you co-operate?—A. We try to have close co-operation with all departments and health authorities and the Department of Health in Ottawa, in connection with those things. They are all discussed and we get expert opinion on them. Oh, yes, there is a desire to have every co-operation.

Mr. ISNOR: Mr. Chairman, I am glad to have this on the record. I have perhaps a selfish motive in bringing it to your attention and to the attention of the committee. There was considerable criticism in Halifax in regard to the attitude, or may I say rather, what they felt was the lack of co-operation by the Department of Health, more particularly, perhaps the Department of Defence, as Halifax had a large number of troops—

Hon. Mr. MACKENZIE: I must ask you to withdraw that statement. There has been complete co-operation of the Department of Health from start to finish with the provincial health authorities.

Mr. ISNOR: That is fine.

Hon. Mr. MACKENZIE: There was a conflict of medical opinion, which was settled afterward.

Mr. ISNOR: The records will show that at the time there was considerable—I would say far above the average—sickness in the troops or among the troops at various points and also within the city. I think the hospitals, the military hospitals at Cogswell street and Camp Hill, were taxed almost to capacity. I am bringing this to the attention of the chairman today so as to dispel any doubt or feeling in the minds of people in Halifax, or any other place which might be similarly situated in the future, that there is lacking on the part of the department, co-operation in every way possible. It was so far-reaching that members will recall it was brought up on the floor of the House as to the awful situation existing in Halifax.

The CHAIRMAN: I do not think it could be described as "awful".

Mr. ISNOR: Well, it rather gave us a black eye and reflected on all departments, both the Department of Defence, Health and own own. I trust there will be better understanding, and that, if a similar situation arises, the colonel's department will show that there is no desire not to give the fullest co-operation.

The WITNESS: There is every desire to give every co-operation with all the different departments of health, both federal, provincial and municipal.

The CHAIRMAN: Thank you very much, Col. Davis. We are now to hear from Dr. Ross Millar, Director of Medical Services in the Ministry of Pensions and National Health.

Dr. ROSS MILLAR.

The CHAIRMAN: Dr. Millar, all members of the committee are naturally interested in all phases of your work, but they are particularly interested I think in the treatment system; I wonder if you would tell us something about it?

The WITNESS: The arrangements that we made at the beginning of the war were that the National Defence medical officers would look after all the sick troops that they could with the facilities which they had available and that for such cases as they could not handle they would pass them over to our pension hospitals and to our salaried doctors. That has worked out very well and, for instance, in the last year, the last fiscal year, we have had altogether about 60,000 in our hospitals since the first of the war; and for the last fiscal year we have had an average of about 2,000 troops every day in our hospitals or under our care—2,000 of the new troops—that falls off a little in the summer time and it raises in the winter time.

By Mr. Reid:

Q. Would that include minor diseases?—A. No, sir, as a rule the minor diseases are looked after by the National Defence medical officers in their camp hospitals or in the convalescent hospitals. We found that the most economical way of handling the sick troops, but for the serious diseases and the long-continued diseases the National Defence medical officers refer them to us. In the last fiscal year, for instance, that is for the new troops, we admitted 43,792, that is in the fiscal year ended March 31st; and that made a total of patient days of 653,807.

By Mr. Turgeon:

Q. Do those figures relate to the overseas army alone?—A. No, sir, they refer to the soldiers of the new army who are serving in Canada and also to certain of those who have been returned from overseas physically unfit.

Q. That is all from the army overseas, it does not relate to those in the four months training camp arrangement?—A. Some are included in that, it is all of the serving troops.

By Mr. Isnor:

Q. Could you make a breakdown in regard to the men overseas and in the home services, the trainees?—A. No, we cannot make that breakdown; oh, I suppose we could by digging into a lot of files but it would be a very difficult matter to do so. The trainees now are on active service, they are not reserve.

Q. Yes, but that was not so when that report was filed?—A. No. That is correct. This is up to March 31st—1st of April. Does that answer the question, sir?

The CHAIRMAN: Yes, unless there are some other questions.

By Mr. Reid:

Q. Yes. We had quite considerable discussion this morning regarding venereal disease; you heard the previous witness?—A. Yes, sir.

Q. I was wondering if you had anything to add regarding that?—A. Well, in the last war, in the first Great War, we had about 17,000 cases of syphilis in all and the great majority of those were incurred during service; the infection arose during service; but quite a number of them were syphilitic who were carrying the latent disease without symptoms and who were adjudged to have incurred the infection before their enlistment. Such men, this latter group, are pensionable. Those who incurred it on service, a large number—that figure I have given you—are not pensionable, but they are entitled to treatment by the department if and when they need it in their subsequent life. With that figure in mind and before the war opened, that is, after the Munich affair, we got together and decided that to avoid some of the difficulties of the last war we should make certain recommendations about the on-coming war and among those we made—I am speaking for the Department of Pensions now—we made a general statement that soldiers should have a Wassermann—should have a test for syphilis made. We had two reasons for that: In the first place we felt that it was only fair to the soldier himself because if it were down on the records that he entered the army carrying syphilis he would then be pensionable on his discharge from the army if there was a record that he was carrying infection when he entered the army. The second reason was that we felt that those latent syphilitics should not be discharged from the army or should not be thrown out before attestation because the great majority of these men could be cured and can make suitable serving soldiers; so that we modified our idea to a certain extent about questioning them before they were attested and we thought it would be a good idea—unless they had open sores that were obviously infectious, if they were only latent syphilitics—we felt it would be quite all right to take them

into the army and to put them immediately under treatment and cure them and to keep them in the army—that is perfectly feasible and possible. Well, that was the plan. There were other suggestions about this X-ray of the chest and urinalysis, but when war broke out National Defence considered that the wholesale testing of serving soldiers was not feasible. I think they also thought it might have a detrimental effect on enlistment if it were known; so that testing is not done and is not being done. However, we run eight big hospitals in the pensions department and it is the custom in every large civilian hospital to test every patient that comes in, a routine procedure whether a person has a sprained ankle or an appendix—every one in the large civilian hospitals in the well known and well established civilian hospitals in peace times and every time, they test every patient; so we decided regardless of what could be done with the serving troops we would follow along the line which is followed in the best managed and best regulated civilian hospitals and we would test every soldier who is referred to us for treatment of any kind, a sprained ankle, appendix, tonsilitis, or whatever it is—so that we have kept up the practice in our hospitals and we have done roughly 60,000. Now, the results of that testing—they vary in different districts—they vary from about 3½ per cent to as high as 8 per cent of all patients coming in, soldier patients coming in. Now, as soon as we find a man with a sprained ankle say, who has got also a positive test we refer him immediately to the National Defence for treatment and as Colonel Davis told you this morning they have a system now in National Defence—there is no need of hospitalizing a man of that kind—he can be attended in any clinic or any out-patient or sick parade room in the forces; they have arrangements where treatment is instituted immediately and as far as I know they do not discharge any such men from the forces, it conserves that many men. As far as I know they only discharge those who are actively infected with open sores; they do not take those back into the army, of course. We have treated some of them in our hospitals and the National Defence have treated some of them in their hospitals. I have not the statistics. But we think and we still think, that the figures we have had warrant testing every man soon after his enlistment.

By Mr. McCuaig:

Q. You mentioned that you found between 3 per cent and 8 per cent; even if these people had been tested before enlistment what percentage of those had been accepted into the army?—A. That is a question I cannot answer. That would be a matter of National Defence policy. I would say that a great proportion of those men would make splendid soldiers.

By Mr. Gray:

Q. You say afterwards rather than before attestation, for the same reason Colonel Davis did?—A. I said after attestation because I do not think a man who is carrying latent syphilis should be exempted but can be made a fit man easily. He can be cured.

Q. I see your point.—A. Now, following that Colonel Davis gave you this morning, and some of them are very strong reasons, it has not been feasible to carry that out in the army.

By Mr. Reid:

Q. Is the reluctance of the man to have a test not something similar to the reluctance each one of us feels with regard to being fingerprinted?—A. Quite.

Q. But in view of what——A. The analogy is very convenient.

By Mr. Gray:

Q. Well, is there any reluctance where it is a matter of routine and is done? —A. We have not found it in our hospitals.

Q. You say in civilian hospitals it is done as a matter of routine testing and it is not objected to?—A. Our experience of the last twenty months does not show these men reluctant at all.

Q. No, I do not think that is the right term?—A. There may have been a few cases who have objected but the vast majority are rather glad to have it done.

By Mr. Reid:

Q. The reason I used the word reluctant was because I rather gathered that from Colonel Davis' remarks. He felt that it should not be done because it might deter enlistment?—A. That does not follow my experience with the 60,000 that we have done in our hospitals. Say that it is 4 per cent, and it differs in the age groups too, but I do not need to go into detail; say it is four per cent, that is how many in 100,000 troops? Really, it is a sizable number of men.

By Mr. Blanchette:

Q. You have said that during the last war your record shows 17,000 infected with syphilis; can you tell us what the cost to the government was in connection with those cases?—A. No, sir; General McDonald would have to tell you that. But I do know this. that all of those men who contracted syphilis in the army were very carefully treated while in the army. They were not retired from the army, with the result that instead of having, as was prophesied, hundreds and hundreds of insane people on account of syphilis in the 1920's, we did not have a corporal's guard. The treatment was so efficacious that we did not have a corporal's guard, and we have not to-day in our hospitals or in our insane asylums throughout Canada but very, very few—I cannot give you the exact number—insane people who are insane as a result of syphilis.

By Mr. McLean:

Q. The treatment has improved, has it not, since the last war?—A. The treatment has changed and improved.

By Mr. Reid:

Q. Taking the test would have a twofold beneficial effect; it would preserve the soldier's health and would preserve his pension after service?—A. Yes.

By the Chairman:

Q. And also make him a soldier?—A. Yes. A man who is carrying latent syphilis and does not know he has it as he has no symptoms, that is, in a certain stage of the disease, goes along thinking he is in good health, but later on in an unknown number of years he begins to suffer from the effect of the infection in his nervous system, his brain and spinal cord. Now, when he gets to that stage we can sometimes stay the disease, but the man would not make a suitable soldier, and he would be a burden on his community.

To emphasize that statement I can tell you that within the last month a very fine young officer, a splendid, efficient fellow, carried on perfectly well until about a month ago when he suddenly played out and is now in an insane asylum. This man will never be back in the service again. If we had known a year ago that that man was carrying that disease he would have been cured and he would still be an efficient officer. This is, of course, largely a public health matter, but it is very important both in the interests of the troops themselves in keeping them fit for duty, and in the interests of the public.

I have not the exact break-down of how many of those neuro-psychiatric cases have been returned from England on account of the result of syphilis, but I do know that a certain number of them have been returned on account of that disease. These men did not incur syphilis since they enlisted. We know from

the stages of the disease that they must have had it before enlistment, and these men broke down over there and they returned to Canada and are eligible for 100 per cent pension.

When we found that this testing was not feasible or acceptable to the national defence, we proceeded a step further and we said: "Will you not test these men before they go overseas? If you cannot do it for all of those men, can you test these men before they proceed overseas?" I believe that is sub judice at the present time.

By Mr. Reid:

Q. You are quite aware of the number of applications that have come from the men in the new army; would you care to give an opinion as to whether these are coming in such numbers, compared with the last war, as would seem to indicate that greater precaution is being taken in the examinations before enlistment?—A. Well, Mr. Reid, there is no doubt about it that in certain respects and in certain localities the examinations were conducted very, very much better than they were conducted for the last war.

By Mr. Gillis:

Q. Doctor, I am interested in the policy of your department with respect to the men who have been discharged. What I have in mind is that there are between eighteen and twenty thousand men who have been discharged from the army as being medically unfit.

Mr. REID: No.

By Mr. Gillis:

Q. They are ruled out of the army anyway. I have in mind quite a number of cases of which I have personal knowledge, bearing on the question which I directed to the previous representative of the Department of National Defence. For example, a man went into the army a year ago, he served a year in the army and he was discharged as having tuberculosis. The man was working at the time he enlisted, and to-day he is back without a job, his family on his hands, and the Department of Pensions ruled that his disability was not incurred on service. What facilities are there for treatment for that man? He is in need of treatment, and any man who comes out of the army medically unfit is naturally in need of some medical attention. What are your regulations with respect to treatment for this group of men?—A. Well, Mr. Gillis, it is difficult for us as doctors to understand why a man in the army in Canada is living under different conditions from what he would be working in the mine. I know miners pretty thoroughly, and I do not think that the hard work they do in the army, even on training, is nearly as hard as the work of the man who goes down in the pit every day. You know more about that than I do.

Q. You are quite right in that.—A. So it is always difficult for me to understand how a man who was perfectly fit on attestation develops these terrible disabling conditions. I think that some of those men had they not been in the army would have gone on working at their ordinary work with no break down or perhaps a very delayed break down. But somehow or other, when a man has once had the uniform on, it is difficult for him to re-establish himself either on account of local conditions of unemployment or else—and I think this is largely the case—on account of the men having been told that they are physically unfit and being afraid to go to work again. That idea in a man's mind is quite conceivable.

Now, then, about the treatment for such cases. Our minister put through a very good Order in Council about the 10th of May, I think it was. It is Order in Council No. 2763 which enables us to take discharged soldiers in for certain treatment any time within a year after they are discharged, regardless

of whether they are pensioned or not. That Order in Council is to a certain extent confined. I will read it:—

> Such men who in the opinion of the departmental medical authority require active remedial treatment for an acute disease or disabling condition not attributable to service, subject to the same terms and conditions as to admission and treatment as apply in case of former members of the forces admitted to treatment under Class 2 of P.C. 91.

In Class 2 P.C. 91 there is a provision made for pensioners who were injured and who need treatment for some non-pensionable disease, and this is an extension of that class 2. It is under the same provisions otherwise as class 2. And there are certain types of cases which are not admissible; for instance, tuberculosis, infectious or contagious diseases, venereal disease, mental disease, alcoholism, drug addiction or any chronic or incurable disease requiring treatment over a long period.

So that the case of the patient you cite who has tuberculosis, and which the Commission rules is not related to his military service, would be a provincial charge under the ordinary arrangements which are made for the treatment of civilian patients suffering from tuberculosis either at Kemptville or at the Annex to the Sidney hospital.

Q. Do you not think it is rather peculiar that that man could go through the X-ray examinations and go in as fit and a year later be declared to have tuberculosis?—A. I do. I frankly do. There is something funny about it.

Q. While I agree with you in mining work a man works very much harder than any soldiering I have ever done and anyway there is an angle to it that would develop a chest condition. That is what I had in mind. This man tells me he spent a winter under canvas in a certain area where they were wet most of the time and he developed a cold in that way. That would have a tendency to bring on a condition that perhaps hard work underground would not. He is not so bad, I imagine, because he has written me and told me that he has presented himself for medical examination since to re-enlist and went through O.K. This man tells me he did not want to go through with it as it would be a repetition of coming back again when he passed his final test.—A. I cannot explain that case at all, but I call your attention to the fact that as a rule the serving soldiers are better clothed, better fed and have more regular hours than they have living as civilians. Also the sleeping under canvas, where they have lots of fresh air, is one of the best methods of treating tuberculosis. Also, if you remember the conditions in No. 3 pit—you will know that—how many miners come up out of that pit drenched to the skin?

Q. With very little clothes on.—A. With very little clothes on, so that it is a strange thing to me how a soldier's life should have developed tuberculosis in that man. But I am not an authority on that. I am only giving some private comments. That is a matter for the pensions commission.

Q. Do you not think that that particular case—no doubt you run into a lot of them—should not be excluded? These men are excluded under the order-in-council for treatment. That man of whom I spoke is condemned just to go along without treatment. Because he cannot get a job. There is no way he can provide himself with treatment and I think a case of that kind, where perhaps a couple of months in a sanatorium and proper treatment would cure him, should be given some consideration.—A. That is a matter of policy for the government which I am not prepared to answer.

The CHAIRMAN: Are there any other questions? We will recall Dr. Millar if he is required. Thank you, Dr. Millar.

Witness retires.

The CHAIRMAN: We will now have a statement from Major Bland, chairman of the Civil Service Commission.

[Dr. Ross Millar.]

Major C. E. BLAND, Chairman of the Civil Service Commission called:

By the Chairman:

Q. Major Bland, I think the members of the committee are somewhat puzzled over the question of veterans' preference. Perhaps you have a brief statement prepared.—A. Yes, I have, Mr. Chairman. Before discussing the general question of veterans' preference, Mr. Chairman and gentlemen, I should like to deal very briefly with two matters that have a direct bearing upon it, namely, the preference that is now in effect for veterans of the great war and also the objections that have been raised to this preference together with suggestions that have been made for its improvement. First, the preference now in effect for veterans of the great war—you will perhaps forgive me if I give the detail of the law in this connection because I think it is desirable the committee should have that detail before considering the question of preferenc for the present war.

(A) There are at present two preferences for employment in the public service granted in connection with service in the great war. A primary preference, sometimes known as disability preference, is given to persons with service therein who:—

(1) are in receipt of pensions by reason of their services in the war;
(2) have from causes attributable to such service lost capacity for physical exertion to an extent which makes them unfit efficiently to pursue the avocations which they were pursuing before the war;
(3) have not been successfully reestablished in some other avocation;
(4) possess the necessary qualifications for employment in the positions which they are seeking.

A secondary preference, known as the ordinary soldiers' preference, is given to persons who:—

(1) have served in the great war in either of the two following categories: (*a*) on active service overseas in the military forces of His Majesty or his allies; (*b*) on the high seas in a seagoing ship of war in the naval forces of His Majesty or his allies;
(2) have left such service with an honourable record or have been honourably discharged;
(3) have obtained sufficient marks to pass the civil service examination for the positions for which they are applying.

This secondary preference is also given to widows of any persons who have so served and who have died owing to such service.

If the persons entitled to these preferences possess the minimum qualifications required for the proper performance of the duties of the positions they seek, they are entitled to be appointed to them—and this is an important point—even if other candidates not possessed of the preference may be more highly qualified or obtain a higher examination standing.

They are, furthermore, not subject to the age limits and physical requirements that may be imposed on other applicants provided their age and physical condition is such as to permit them to perform their duties for a reasonable time.

They are also exempt from the payment of any fees for admission to examinations.

(B) Objections to and defects in the present system of preference. During the twenty odd years for which the present preference has been in effect, various objections have been raised and defects pointed out. Among them are the following:—

1. It has been urged that the preference should not be extended to veterans of the allied forces, but should be restricted to veterans of His Majesty's forces;

2. It has been urged that the preference should not be extended to veterans who had come to Canada to reside only after the war, but that it should be restricted to veterans who had been resident in Canada before enlistment;
3. It has been urged that the primary preference given to certain disabled veterans is too broad and should be restricted to a measure of re-establishment for severely disabled veterans in suitable classes of employment;
4. It has been urged that the preference should include not only widows, but also children of veterans who have died as the result of service;
5. It has been urged that the preference should include persons who have served in the war zone in the Canadian or British merchant marine;
6. It has been urged that the preference in general is too absolute and far-reaching, that the efficiency of the public service has been lowered thereby, and that it should be amended in one or all of the following ways:—
   (a) by changing it from an absolute preference to an allowance for war service to be added to the examination rating;
   (b) by restricting the preference to certain classes of positions;
   (c) by restricting the preference to a limited period after the conclusion of the war.

(C) Recommendations regarding the question of preference for veterans of the present war. A preference to war veterans for employment in the public service involves two main questions: the question of the policy to be followed in re-establishing or rehabilitating veterans after their return from the war, and the question of the effect of such policy on the efficiency and morale of the public service.

There has been little doubt as to the desirability of an adequate system of re-establishment and rehabilitation for veterans who have risked life and limb in the service of their country, particularly when they have suffered thereby some degree of disablement. Nor has there been doubt as to the fact that such service has, in at least the majority of cases, developed the character of the veteran and his capacity to serve his country in peace as well as in war.

The effect of a veteran preference on the morale and efficiency of the public service in which it is applied will depend partly upon the character and efficiency of the veterans who are appointed thereto, and partly upon the extent to which other better qualified applicants may, as a result of the preference, be debarred from appointment to the service. One effect is positive; the other negative.

In general, the standard of qualifications required of veterans under the present preference has been fairly high. In no case have unqualified veterans been appointed solely because they were veterans; in many cases the veteran appointee has been as well qualified as or better qualified than the non-veteran applicant. In a limited number of cases the veteran appointee has been adequately qualified, but to a lesser degree than non-veteran applicants.

On the whole, it is believed that the effect of the veteran preference on the dominion public service has not been harmful, and that while in certain instances it has resulted in the appointment of less qualified, though adequately qualified persons, this has been counterbalanced by the qualities of capacity, resourcefulness and loyalty which have been developed by the war and demonstrated by so many of the veteran appointees.

If, therefore, a policy of preference for employment in the public service is to be accorded to veterans of the present war, it is considered desirable that:—

1. the field of selection be limited to veterans who are entitled to re-establishment and rehabilitation;

2. veteran appointees be adequately qualified to perform the duties of the positions which they are seeking;
3. steps be taken to see that the exercise of the veteran preference does not interfere with or preclude the setting up of a sufficiently high standard of efficiency in the public service, and that where it does it be not exercised.

If these principles are approved, it is my opinion that the present preference to veterans and widows of veterans of the great war may well be continued and extended to veterans and widows of veterans of the present war, with the following amendments:—

1. It be restricted to veterans of His Majesty's Forces, but not the forces of His Allies, who have served in a theatre of actual risk to life and limb due to enemy action, and who have been resident in Canada before such service.
2. The Civil Service Commission be instructed to require adequate standards of qualification before according the veteran preference.
3. Instead of the present form of the preference for disabled veterans, the Civil Service Commission and all employing departments of the public service be instructed to give an absolute preference in employment to severely wounded veterans in all such classes of positions as they can competently fill.
4. The Civil Service Commission be empowered to disregard the veteran preference in any case where in its opinion the efficiency of the public service would be impaired by the exercise of it.

By the Chairman:

Q. Under number 2 on the last page, Mr. Bland, you speak of "adequate standards of qualification". Is that irrespective of the standing in the examination?—A. No. What I mean by that is that the rating given should represent a standard of qualification that is adequate to perform the duties of the position in a satisfactory manner.

Q. Not necessarily the man at the top of the examination?—A. Not necessarily.

Q. That is my point.

By Mr. Reid:

Q. I do not think any exception was taken by any member of this committee regarding the preference. I think all members, and people generally, are in favour of the preference for returned men. The remarks which I made were touching on the preference within a preference. I have been among the returned men, throughout the Legion at least, whose meetings I have visited and at which I have spoken; and throughout British Columbia at least—and I can speak for that province, I think—great exception was taken everywhere where I travelled to the preference within a preference. It was pointed out to me that in examinations, such as those for postal carriers, a man with a disability pension would be placed in the examination ahead of another veteran who gave equally good service to his country, who risked life and limb, who was in France; but owing to the fact that he had no pension he was rated less than the man who had a pension. These veterans felt very sore about that one point. They felt that the preference should be given to all those who had given equal service in France or in the fighting line for their country. It was with regard to that preference within a preference that I made the remarks I did in the committee earlier in the proceedings. At this time I am not going to mention case after case, because you are very familiar with many of the cases. But I am just pointing out in a general way the views which I found, and stating that whilst we are all for the preference being maintained for those who served their

country, I think more thought should be given to the preference within a preference, to find out if some reasonableness cannot be arrived at—a preference which, at the present time, prevents men serving in the front line from obtaining certain positions.—A. Well, it is quite true that under the present law a disabled veteran who is entitled to that preference, the disability preference, and who possesses the qualifications necessary for the performance of the duties of the position, may secure the position over the head of a better-qualified veteran who is not entitled to the disability preference.

Q. Yes?—A. And it is because of that dissatisfaction to which you make reference, and because of the fact that I think that severely disabled veterans can be re-established in a more satisfactory manner, that I suggest that a change should be made in the method of application. It is not a change in the principle of preference to severely disabled veterans—I believe in that—but I believe a more satisfactory method of administering it can be arrived at through the suggestion which I have made.

Q. There is one other case to which I can draw your attention. It was where the Department of Pensions and National Health required three inspectors. They had three or four inspectors but they wanted three inspectors of a higher grade for the work in around Vancouver and the surrounding neighbourhood. Examinations were held and when the final decisions came from your office the men who obtained the positions were men whose qualifications were not as high as other returned men, but who obtained the place because they had a disability or a pension. In the final analysis the three men whom they had to accept from your office were men who were not any higher in qualification than the three they had already, although the object in calling for the examination was to get men of a higher grade, and which they would have got had the preference just been maintained without the preference within a preference.—A. That may be a result. That may take place in connection with the present system.

By Mr. Gray:

Q. What steps have been taken with regard to the present war? Have any instructions been given or what has been done by the Civil Service Commission? —A. The Civil Service Commission has followed this procedure in connection with veterans of the present war; as you know the great majority of positions to be filled at the present time are in the war departments. Appointments to those war departments are made under special Order in Council; and for such positions the Commission has been giving favourable consideration to veterans of the present war, but no actual Order in Council or amendment to the law as yet has taken place.

Mr. GRAY: What is the situation, Mr. Chairman? This may have been discussed at an earlier meeting which I may have missed. Is it a part of our reference to make recommendations with respect to this, or are we merely hearing evidence?

The CHAIRMAN: No. We can make recommendations.

Mr. ISNOR: Mr. Chairman, I think that all members are very much impressed with the splendid report made by Mr. Bland. It will be very helpful to us and will give us an opportunity to study the various points with a view to making recommendations. However, I should like Mr. Bland—although I might say that I feel we are in accord with the greater portion of his report; perhaps 99 per cent of it—to enlarge and explain the reason or object of the last particular reference he made as to the greater power, I would take it, for the Civil Service Commission in respect to appointments.

The WITNESS: I presume that reference is made to the section wherein I recommended that the Commission be empowered to disregard the preference in certain cases?

Mr. ISNOR: Yes.

The WITNESS: As a matter of fact, that does not contain greater power than at the present time exists. In section 59 of the Civil Service Act, as it exists at the present time, the Commission may exempt certain cases from the operation of any section of the Act, if it considers it in the public interest so to recommend. I included that recommendation for the reason that I think the committee should be thoroughly advised of what is done and what might be done under any proposed legislation, so that there can be no misunderstanding as to the action that is being taken or as to the action which might be taken. It is simply putting in another way what can be done at present. But in certain cases, where an important position required to be filled, there were numerous instances where it has been a most difficult matter to decide whether or not a veteran who had the minimum qualifications, and the minimum only, should be given the position when there was a civilian available for it who was possessed of 95 or 98 or 99 per cent of the qualifications for the position. It is to provide for an exception where there is a reasonable ground for exception that I bring that recommendation to the attention of the committee.

By Mr. McLean:

Q. Would you mind repeating that last recommendation again?—A. Yes: "The Civil Service Commission be empowered to disregard the veterans preference in any case where in its opinion the efficiency of the public service would be impaired by the exercise of it." Perhaps I could give you an example that would help to illustrate that. I have one in mind. In numerous post offices throughout the country it is the practice when a postmaster has been in office for many years and is frequently assisted by an officer who has been with him for 10 or 20 or 25 years, when such a postmaster retires we have frequently found it to be the case that it is the unanimous opinion of the population of the town that the assistant should succeed to the postmastership; that is frequently also the recommendation of the Post Office Department. If it were thrown open to open competition and a returned soldier with even the minimum qualifications were available the law would require that he should be appointed instead of the assistant who has been serving a great number of years. That is a case which may serve to give you some idea of a situation which arises in which we think the interest of the public would be better served by departing from the strict letter of the law.

Q. Under the law as it stands at the present time you have the power to do that?—A. Yes, we have the power to recommend to the Governor in Council that a particular position be exempted from the provisions of the Act referring to returned soldiers.

Q. Then, what would be the benefit of putting this in? Wouldn't it have this effect, that it would create a great deal of distress and apprehension on the part of soldier organizations?—A. If we regularly exercised it, it certainly would.

Q. It would not do to do anything which would create a great deal of apprehension on the part of returned soldier organizations, that might result in something worse than we have now?—A. My only object in bringing it up is this, I thought that the committee should have all the facts of the matter before them; I thought I should put all my cards on the table and say this is the way we think it should be done.

By Mr. Gray:

Q. This is broader in principle in its interpretation?—A. Yes, and all I wanted was to let you know as a committee the way we felt it should be done.

By Mr. Ross:

Q. The returned man would be given all the preference if he had equal qualifications?—A. Certainly.

By Mr. McLean:

Q. And I presume that if the commission could do it there would not be the likelihood of the accusation of politics interfering with it; that is, under the section as it stands now it must be done by the government by Order in Council? —A. By Order in Council.

Q. You are suggesting that what is now possible to be done by the government, that it be done by the commission if they think it advisable?—A. I do not know that we want any more power in that regard. There are certain cases in which it is desirable that immediate action should be taken, and as you know the passage of an Order in Council very often takes up considerable time.

Mr. SANDERSON: Does that happen very often?

Mr. MCLEAN: I was not objecting to your recommendation.

The CHAIRMAN: Mr. McLean, might it not prevent—adopting a clause of this kind—might it not prevent unqualified men from accepting appointments that they could not fill?

Mr. MCLEAN: Quite.

The WITNESS: Yes, I think it might have a benefit. Generally speaking, I may add, that in cases where we do feel that it is undesirable to exercise the preference we almost always, in fact always, consult the returned soldier organizations and they have always been most fair in their consideration of cases of that kind and in co-operation with us. That has been the case in a number of instances I have brought to their attention where I thought the preference should not be exercised.

By Mr. Sanderson:

Q. Well, as I understand it, you are not asking for any further power?—A. No, I am not asking for further power.

Q. I agree with what Mr. Gray says; but you would have more power if your recommendation were acted on, would you not?—A. I think that depends upon the method in which our recommendation might be implemented. It was my purpose and my understanding of the desire of the committee that I should deal with principles rather than details; and the principle that I felt to be involved was that there should be a means whereby the preference should be put aside where the public interest was a consideration. The method of working it out is a different thing. I think it can be done satisfactorily under the Order in Council system that exists at present; and I do not press at the moment for any augmentation of the power of the commission to do what council at present does. It was the principle I was trying to emphasize rather than the method.

By Mr. Isnor:

Q. Perhaps you put it in with the thought in mind that 59 is not withdrawn?—A. No, I think the reason I put it in was this: that in connection with filling positions on the staff of the Unemployment Insurance Commission, which members of the committee will realize is a tremendously important task at the moment—several cases arose where it was extremely difficult to decide whether or not a returned soldier with what might be regarded as minimum qualifications should receive a high executive post, or whether a very much more qualified man who is not a returned soldier and who could give better service in that position and consequently could do more to ensure the success of the scheme should be appointed. Fortunately we have been able to arrange it so that there is a fair proportion of returned soldiers in the scheme. Once in a while a case arises where it is desirable that the commission should be able to make decisions quickly and to get a position filled, and in order to do that my suggestion is that the commission either by order in council or by its own action should exempt certain positions from the operations of the preference. It does not

matter very much as far as I can see whether we get that done by way of order in council or by act of the commission.

By Mr. Blanchette:

Q. That might be badly interpreted by the returned soldier organizations?—A. It would all depend on how it was put up to them. In the past they have been in almost unanimous agreement with the commission. However, if it were a general principle that was interpreted as a factor to destroy the provisions of the preference, I agree it would be most undesirable.

Mr. GRAY: I think the commission would be glad to have it left as it is.

The WITNESS: We are quite satisfied.

By Mr. Isnor:

Q. Your recommendations or suggestions have been submitted in order of merit?—A. No, they were placed rather in the order of action, I think, than order of merit. I would not say that recommendation No. 1 is any more important than recommendation No. 2 or recommendation No. 3 or recommendation No. 4. No. 4 I think is the least important as far as interpretation of action is concerned. I think it is quite important as far as principle is concerned. I think that No. 1 is the most important.

Mr. GRAY: Mr. Bland, the Chairman of the Civil Service Commission, has made quite a large number of recommendations. I would like to be able to look them over.

The CHAIRMAN: They will be in the record.

Mr. GRAY: If we were to discuss them at great length there are a large number there which could not possibly be dealt with now.

The CHAIRMAN: We will have the record to-morrow.

By Mr. Reid:

Q. In regard to the preference, what number of marks would a returned soldier have to receive in order to be eligible for that preference?—A. Under the present procedure the applicant must receive 70 per cent in order to be regarded as qualified.

Q. Say he is a returned man and receives 70 per cent, what would the preference add to the 70 per cent?—A. Under the present system if he receives 70 per cent and if he is a veteran he goes to the top of the list and must receive the appointment.

Mr. MCCUAIG: Unless some other veteran gets a higher mark.

The WITNESS: Unless some other veteran gets a higher percentage. The only change I suggested in that was in the field to which the preference should be allowed; that is, I suggested restricting the field. I also suggested a change in the method of administering the disability clause. At present in connection with the disability preference the law requires that any man entitled to the disability preference shall take the examination that shall be openly competitive, and if he succeeds, whether he be at the top of the list or merely passes in this open competitive examination at which other returned men usually apply, and at which civilians also apply, and having that disability preference if he merely qualified he automatically secures the post; and that frequently results, as Mr. Reid has pointed out, in a good deal of dissatisfaction on the part of other veterans. My feeling is that you would secure better results if the commission were to maintain a list of severely disabled veterans who are anxious to get employment and to consider them for any positions of the type for which they are particularly qualified.

Q. And get away from all this dissatisfaction that clause giving them preference creates at the present time?—A. Yes, and limiting it as far as wounded veterans go to certain classes that they are best fitted to serve.

The CHAIRMAN: Any other questions?

We are very grateful Mr. Bland for your interesting statement and your excellent suggestions.

Mr. MCCUAIG: Will Mr. Bland be before us again after we look at the record?

The CHAIRMAN: If we want him I am sure he will be very glad to come back.

The committee will adjourn to the call of the chair.

The committee adjourned at 11.50 o'clock p.m. sine die.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 20

FRIDAY, MAY 30, 1941

WITNESSES:

Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health.

Brigadier-General R. J. Orde, Judge Advocate General, Department of National Defence.

Mr. G. Murchison, Director of Soldier Settlement of Canada.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

ORDERS OF REFERENCE

TUESDAY, March 11, 1941.

Ordered,—That the said Committee be granted leave to consider and report upon all matters relating to ex-service men of the last and present wars, including matters relating to provision for medical, hospital and convalescent treatment, grants, gratuities and allowances, upon or after discharge and provision for their rehabilitation.

Ordered,—That the said Committee be granted leave to consider and report upon the desirability of enacting legislation in respect of persons injured in the course of duty during the present war, or in respect of dependents of such persons losing their lives in the course of such duty.

Ordered,—That the said Committee be granted leave to appoint subcommittees to examine witnesses, and to send for persons, papers and records, and to report back to the Committee from time to time.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

MINUTES OF PROCEEDINGS

FRIDAY, May 30, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 10.00 o'clock, a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Black (*Yukon*), Bruce, Cleaver, Emmerson, Gillis, Gray, Green, Isnor, MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), Macmillan, McCuaig, McLean (*Simcoe East*), Quelch, Reid, Ross (*Souris*), Sanderson, Turgeon, Winkler, Wright,—21.

Answers to a number of questions asked of Col. E. G. Davis, Deputy Director of Medical Services, Department of National Defence, on Tuesday last were submitted and ordered to be printed as Appendix "A" to this day's evidence.

A request from a number of ex-dominion civil servants in Alberta, signed by S. Gumwood and others, to have the period of military service during the last war to count for superannuation, was ordered printed as Appendix "B" to this day's evidence.

Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health, was called and examined. His evidence was interrupted to permit Brig.-General Orde who had another important engagement, to be called.

Brig.-General Orde, Judge Advocate General, Department of National Defence, was called, examined and retired.

Mr. C. H. Bland, Chairman of the Civil Service Commission was recalled, but as the Committee did not wish to question him further, he retired.

Dr. Ross Millar was recalled, further examined and retired.

Mr. G. Murchison, Director of Soldier Settlement of Canada, was called, examined and retired.

The Committee adjourned at 1.05 p.m., to meet again on Tuesday, June 3rd, at 11.00 o'clock, a.m.

J. P. DOYLE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

May 30, 1941.

The Special Committee on Pensions met this day at 10 o'clock a.m. The Chairman, Hon. Cyrus Macmillan, presided.

The CHAIRMAN: I shall ask the committee to come to order. You will recall that at the last meeting Col. Davis gave evidence, and certain questions were asked which he undertook to answer. I have the answers here. With your permission they will go on the record.

Mr. REID: Col. Davis is not present?

The CHAIRMAN: Col. Davis is not present. But after you have read the record, we can recall him next time, if you so desire. Is that satisfactory?

Mr. BRUCE: I think so.

(See appendix "A".)

The CHAIRMAN: I have also a communication from Edmonton, Alberta, with reference to the Veterans' Assistance Commission and certain resolutions that were passed. With your permission, I will also place those on the record. There is a copy for each member which you may have meanwhile; and if any questions arise out of this, we can take them up at the next session.

(See appendix "B".)

This morning we should like to hear again from Dr. Ross Millar for a few minutes.

Dr. Ross MILLAR, Director of Medical Services, Department of Pensions and National Health, recalled.

By the Chairman:

Q. Dr. Millar, you are chairman of the casualties committee?—A. Well, I do not recognize that title. I am Director of Medical Services.

Q. Yes. But in addition to that superior capacity?—A. I am chairman of the sub-committee on special casualties.

Q. That is what I mean.—A. Yes. The sub-committee on special casualties.

Q. Is there anything you care to tell the committee with regard to that sub-committee and its work?—A. We have had several meetings. The committee consists of Major Bell, who is particularly interested in the amputations, he being a double amputee himself; there is Capt. Eddie Baker, who represents the blinded soldiers; there is Dr. Wherrett, who is an authority on tuberculosis; and there is myself as chairman. As I said, we have had several meetings. We have considered the best way of both handling these cases while they are still in the army and also of how to dispose of them after they are discharged from the army and rehabilitate them in civilian life. The reports have all been printed. Do you want me to detail that?

Q. Not necessarily, unless some member of the committee has some questions?

Hon. Mr. MACKENZIE: Would you give a general description of what you have done?

By the Chairman:

Q. Yes, would you give us a general description of what you have done?—A. We have contacted the national defence in order to get quick reference of these cases to our treatment services. For instance, if a man loses a leg in Great Britain, we have asked the national defence—and they are doing it as far as possible—to return that man to Canada so that we can look after fitting up his artificial limb and get a job for him. We have taken some evidence about the best way of re-training these men. We hope to be able to do it, to a great extent, in our hospitals before they are finished, or at least part of it before they are finished with their medical treatment, so as not to lose time. Some of it we expect to do in the Canadian National Institute for the Blind, with reference to the blinded soldiers. We have fitted up all of our hospitals, with special apparatus which we found was efficacious in the re-training of muscles after the last war. We have rehabilitated some of these and we have purchased new apparatus. We have seen a lot of specialists on various points. We have had them come before the committee or we have had their written evidence as to how best, for instance, to look after deaf cases. I think that comprises about the sum and substance of our work. We do not meet regularly, but when sufficient agenda accumulates we call the sub-committee together.

By Mr. Reid:

Q. You spoke about fitting up new apparatus. Is that only in one depot or hospital or is that in all?—A. No, sir. In every one of our eight departmental hospitals we have put what we call curative apparatus—for instance, a stationary bicycle, a punching bag for the arm muscles, a rowing machine, a mariners' wheel and some smaller bits of apparatus. These are specially intended to re-educate certain muscles. When a man losses his leg, we have got to re-educate the muscles.

By Mr. Bruce:

Q. Have you a specialist in charge of that work?—A. We have not at the present time. But among our recommendations to the general committee we have made the recommendation that a specialist, a general organizing physiotherapist, should be appointed. That is one of our recommendations to the general committee.

Q. I would think that is very important, Mr. Chairman.

The CHAIRMAN: Are there any other questions?

By Mr. Reid:

Q. I was wondering if Dr. Millar would care to make a statement regarding general hospitalization of ex-service men?—A. Yes.

Q. I think it would be important to the committee.—A. We hospitalize ex-service men under order in council.

By Mr. Bruce:

Q. Mr. Chairman may I ask Dr. Millar a question before the goes on? You spoke of fitting men up with artificial limbs as early as possible; may I ask if the government has not now factories for the production of these limbs under its own supervision?—A. Yes. We have at the present time orthopaedic shops in Toronto which are not equalled or approached anywhere in Canada. It is a question whether they are approached anywhere in America. We manufacture all our own artificial limbs, legs and arms, and as well as that we manufacture special belts or special appliances, such as tailor braces. We manufacture practically all of those things, except trusses for hernia; we do not

attempt to do that. But we have a very, very complete setup in Christie Street hospital grounds, a special building devoted to the manufacture of orthopaedic apparatus of all kinds.

Mr. BRUCE: I was aware of that, Mr. Chairman; I was anxious to bring that out for the benefit of the members of the committee.

The WITNESS: Not only do we have facilities for fitting these men very carefully and for refitting and repairing their limbs, but the government some years ago acquired certain patent rights to manufacture special limbs, for instance, the hanger, which enables the department to manufacture these limbs at very much less cost than would obtain if the government had to go into the open market and buy these limbs.

By Mr. Bruce:

Q. You are speaking of the lower limbs at the moment?—A. The lower limbs particularly, yes, sir.

Q. Have you done anything about the upper arm apparatus developed by Dr. Duncan Anderson some years ago?—A. Yes, sir, we have all the literature on that; we have tried it out and while we are not prepared to say that it is not as adaptable to the soldiers still our experiences so far have not been very favourable towards it. That is not altogether on account of the apparatus itself; It is very elaborate, it is a very fine apparatus, but curiously enough—and this obtains also in civilian circles—it is very difficult getting ex-soldiers to wear artificial arms.

We have the best arms that are made in the world, and we have the various removable bits of apparatus for a hand; we have the dressed hand and working hand, and we have bowler hooks that are interchangeable.

While we fit these men up with arms—of course, there are notable exceptions to what I am about to say—and they wear them for a time, after the novelty wears off we find them hanging on the wall as a curio. That is, despite our best efforts to train these men and encourage them to wear their arms, the fact remains the same, and it is the same also in civilian circles.

I know very well the reactions of a patient of mine to whom I supplied an arm. He wore it for a while. He was a particularly good case for an arm, as it was an amputation below the elbow, but I saw him about six months ago and he was not wearing his arm. He said he did not want to be bothered with an arm.

That is one of the reasons why we have not gone further in adopting the Anderson apparatus. We do our best to train these men.

Q. Yes, I am sure you do.—A. But we cannot get away from the final decision of the man himself. It is a very wonderful bit of apparatus, the Anderson arm.

Mr. BRUCE: Yes, it is marvellous to see this apparatus. They provide artificial fingers and a man can move the fingers by it and take up a fork or a knife, and so on.

Mr. REID: How would they move?

Mr. BRUCE: By the apparatus itself through springs and adjustments. But it is, as Dr. Millar said, a very complicated apparatus and one that would not be generally applicable. I am sure of that.

The WITNESS: Of course, there are many notable exceptions of ex-soldiers who are wearing artificial arms, and it is almost uncanny the way they can shuffle papers or do various kinds of work with the artificial hand or with the bowler hook that we supply them with. So that I would not want you to think that no one wears artificial arms; a great many of them do.

By the Chairman:

Q. Is an ex-service man who loses a limb in the pursuit of his peaceful occupation able to purchase apparatus from your factory?—A. No, sir. We have had that threshed out very thoroughly. If an ex-soldier is a pensioner in any respect, and if he is injured and if he has an accident, he is entitled to come into our hospital as a class 2 case to have his leg or arm amputated, and in order to bring that treatment to a conclusion we have followed the practice of fitting him up with a good limb and we fit him with a limb which he can get repaired in civilian shops. We do not give him a special limb; we fit him up with one of the ordinary limbs that is worn by the ordinary civilian amputee. But we take no responsibility for replacements or repairs of that limb.

With the exception of certain arrangements which we have with provincial Workmen's Compensation Boards where we do supply limbs on reimbursement to those boards for their own amputees, we do not think it is advisable to attempt to compete with civilian factories or civilian agents of artificial limbs. In fact, the former minister has had very strong letters of protest from manufacturers of limbs and from agents of limbs, particularly in Alberta and in Nova Scotia, protesting against the federal government even supplying limbs to the provincial Workmen's Compensation Boards.

Coming back to your question, sir, if the soldier is a pensioner and is injured and has an accident he can be taken into any one of our hospitals and have his amputation and be fixed up and set on his feet with one issue of a suitable artificial limb.

The CHAIRMAN: Are there any other questions?

By Mr. Gillis:

Q. There is another question I should like to ask Dr. Millar. With respect to pensioners who may be suffering from a chronic disease such as rheumatism or asthma or so forth that is aggravated by the changing of the seasons, in the spring or fall when the weather changes and when the change in weather brings on attacks of a particular disease, under present regulations if a man suffers a severe attack—a pensioner—and he makes application to go into hospital, at the time your representative examines him he may require hospitalization, but due to the time that elapses between his application and his getting into hospital he is taken in and goes through a probationary period and an examination for ten days and at the end of that ten days it is found that no hospitalization is indicated—that his disability has cleared up during an interval of two or three weeks and it has not increased. Now, that man goes out and he receives no pay and allowances for the ten days of examination time when he has been in hospital. Is there any possibility of having that rectified, because there is an injustice committed in many cases where a man was absolutely in need of hospital treatment at the time he was recommended to go into hospital, but because of the fact that two or three weeks elapsed and the trouble cleared up to some extent he receives no pay and allowance. Now, this causes a slot of friction in departmental hospitals. Could the regulations not be amended so that if a man was recommended for hospital treatment by a fee representative he would be paid for the time spent in undergoing the examination?—A. Well, Mr. Gillis, let me say first definitely and firmly that any ex-soldier who needs hospital treatment for his pensioned disease is taken into hospital. If he cannot be moved from his locality he is taken into a local hospital and paid for by the government, and he does get pay and allowances without any question. I want that very definitely known because statements to the contrary have been made to this committee some little time ago. There is no question about it that if a man needs active treatment for his pensioned disease he gets it and he is given pay and allowances during that period.

By Mr. Green:

Q. Dr. Millar, there was some suggestion that it is difficult for men to get class 1 treatment which, as I understand, it, applies to their pensioned disability?—A. Well, sir, this statement was made without knowledge of the facts; that is all I can say. It was possibly made in good faith but it was made without knowledge of the actual facts.

Q. Well, is a man only entitled to get class 1 treatment if he needs active remedial treatment?—A. Yes, sir. If he needs treatment—and any doctor will know what that means—if he needs active treatment for his disease he will get it and he will get pay and allowances.

By Mr. Quelch:

Q. For his pensionable disease only?—A. Yes, for his pensionable disease only. If his treatment is for some other disease that is not related to his military service and he is indigent we take him into hospital and give him what we call class 2 treatment.

By Mr. Green:

Q. Why is that treatment for a pensionable disability limited to active remedial treatment?—A. Because otherwise the receipt of pension by the government is considered to cover his disability. For instance, if a man has bronchitis and he does not have a cough, his pension would not be continued and you would not take him into hospital every time he has a cough unless he has a temperature with it or he has active symptoms that require hospitalization.

Q. I cannot understand why the word "remedial" is used in that case if he is a class 1 man?—A. Well, I cannot explain the word—

Q. —where there is a pensionable disability.—A. I cannot explain the word "remedial" any more than to say that it means exactly what it says: you give him remedies for his pensioned disease.

Q. Suppose a man is fatally ill of his pensionable disease, can he get class 1 treatment?—A. Certainly.

Q. Is the word "remedial" interpreted in such a way that that treatment can be given only when a man has a reasonable chance of recovery?—A. Not at all. Any statements made to the contrary are not correct. For instance, I have before me the broad sheet of the last twelve months' hospitalization. This is twenty-three years after the war closed and we have at the present time on this date 1,080 ex-soldiers in hospital all of whom are drawing full pay and allowances.

Q. Are they all under class 1?—A. They are all under class 1.

Q. How does that correspond with the figures over the last few years?—A. Well, it is lower than the figures over the last few years for various reasons. In the first place, and principally, the men who require hospitalization for their pensioned diseases and who are very ill and who are entitled to pay and allowances are dying. They are the ones that comprise our hospital clientele; they are the people with Bright's disease or tuberculosis or endocarditis and heart disease of one kind or another. Those are the people who in the past have been the chief users of our hospitals for class 1 treatment. Now, they are dying—not faster than the civilian population because they are well looked after—but they are dying on account of age and other applications. Last year, for instance, the last fiscal year closed on the 1st of April, 1941, and there were 1,396 deaths among this very type of pensioners who required class 1 treatment. The year before—we will say five years before—the average is over 1,000. Those are the people who in past years have required the most hospitalization and they are dying. We do not have many deaths among the wounded men, the amputees and the blinded people—the people who were severely wounded; the deaths

up until 1937 among those people who were pensiond as the direct result of enemy action only amounted to ·3 per cent of the total number of deaths. On the other hand, the deaths from ordinary diseases such as tuberculosis—for tuberculosis there was 39 per cent of pensioners—and of the circulatory system 25 per cent and so on. It is set out in this booklet which can be put in evidence if you wish it.

Q. Has the number receiving class 1 treatment been dropping every year?—A. Oh, yes, it has been dropping every year from natural causes, not by action of the department. That can be proven by statistics if you wish to go into the details at any time.

Now, there was one reason why there were fewer class 1 treatments. One reason, for instance, is that there was a raise in the pension status, in the amount of pension being received. Now, we have recognized that in, say, the first ten or fifteen years after the war a great deal of hospitalization was done by us for economic reasons rather than for a physical reason. These men were poor and could not support themselves or get their treatment at home and we were prolonging their stay in hospital in order to give those men a little more money and a little more start. You may say that is a contravention of the legislation; it is, but we have always been supported in that and we continue to do it in certain cases now. These men in the last ten years, very many of them, have had their pensions very substantially increased. That is the second reason why we have not as many class one admissions; they do not ask to go to hospital. The third reason is because of the wide application of the war veterans allowance that came in 1930. These men are all getting older, and you remember they come automatically under the Act at the age of 60; and we find that these men who have such things for instance as bronchitis, or chronic rheumatism and distinct from acute rheumatism and who have a little pension for it, it does not bother them very much, but they have a little pension for it and that is augmented by the war veterans' allowance and it gives them enough to stay with their families or with their sons or relatives of one kind or another; they are glad to do that rather than go to hospital as long as they have enough money to keep them at home. Now, these men were potential class one cases but they do not come to us because their economic conditions are better. That is the third reason why our clientele, our class one clientele, are less. Now, in addition to that, in the last few years there has been quite a drop in class one hospital cases; so many of these men, small pensioners, who would ask us for hospitalization ordinarily have joined the forces. I have not the exact figures, we are not able to get the exact figures as to how many pensioners have actually joined the forces—it could be obtained but it would involve a lot of work—but we do know that a very considerable number, hundreds and hundreds of pensioners, I do not mean ex-soldiers,—I mean ex-soldier pensioners—have joined the provost companies, the home guards, and the R.C.M.P. special contable section; hundreds and hundreds of our patient clientele, our former patient clientele, have joined the forces, and they get their treatment as a right either by the forces, by the National Defence, or by us if they are ours; and they are not shown as pensioners in our lists, they are shown as serving soldiers, so they do not appear in this figure of 1,080 of class one cases. Now, I hope I have been able to show you that the class one cases have decreased in our hospitals not by any action from within the department or by the officers of the department—we are not trying to deprive any man of hospitalization, but they have decreased by natural causes—death, raising of pensions, war veterans allowance, serving in the forces; those are the four reasons.

By Mr. Green:

Q. Of course, Dr. Millar, the figures submitted by the Legion with regard to treatment show, for example, that in 1935-36 there were 7,562 men admitted

to hospital for class one treatment; and then the new proposal was brought in under order in council P.C. 91 and apparently that changed the test.—A. I am glad you put in the word apparently.

Q. I beg your pardon?—A. I said, I am glad you put in the word "apparently"; because, actually it did not.

Q. Well, is it not a fact that formerly the test was that if a pensioner's trouble more or less related to war services he was entitled to class one treatment; was that formerly the test, before P.C. 91 was put into force?—A. Yes, sir; and that statement of the Legion was in error.

Q. Now wait a minute; I think they know their business.—A. I have no doubt it was put in in very good faith, but you know how confusing—what false deduction may be drawn from actual figures on paper. Now, the deduction that was drawn on that statement—I have it before me—was totally in error.

Q. Wait until I make my point clear.—A. I said that statement was totally in error—

Q. Before P.C. 91 was brought into force the test was that if a man's disability was recognized to be more or less a result of his war service he got class one treatment; is that not correct?—A. No, sir, that is not correct at all.

Q. What was the situation before P.C. 91 was passed?—A. No, sir, that is not correct at all.

Q. What was the test then—?—A. Well, many a man—perhaps you and I, if we had nothing in our pockets—.

Q. Nothing, what?—A. Nothing in our pockets, no money, we would go to the doctor, our nearest doctor, our nearest friend in a little country district and say, I want to go to hospital—that has been registered in thousands and thousands of cases—what is the local doctor going to do for his friend?

Q. Don't you think that is exaggerating a little to say, thousands and thousands of cases?—A. I do not think so, no; I do not think so, not from our experience. If you want a straight answer to this: he goes to his friend, his neighbour probably, and he says, Doctor I want to go to hospital; well now, if you know the psychology of the local doctor acting for his friend, his neighbour, he wants to help him, any soldier will—hundreds of such cases were brought in in the earlier years, and they don't need any more treatment at all.

Q. Those are pensioners you are referring to now?—A. Those are pensioners, yes, sir. It was an economic question with them very largely, and a sympathetic view of their case by the local doctor and neighbour. Well, we did not take these cases in, and the pension commission did not bring them in for treatment, unless there were definite statements and findings by the local examining doctor; and when the doctor or the pensions people would write back to the local doctor we would have this certificate: John Smith needs to go to hospital; that is all. We would go to that doctor and we woul say, will you please amplify this; and the doctor would write back on many occasions—I can show you the letters—I just gave this man a certificate to get him out of my office. Now, I am speaking very plainly—

Mr. Reid: That is what we want you to do.

The Witness: —with the result that when we got a check-up on the case we would write to the man and say, well there does not seem to be any immediate need to bring you into hospital, and the man did not get into hospital. Now, about the order in council—

By Mr. Green:

Q. How does that order in council read, what are the terms of it?—A. I have it here.

Q. Will you let us have it?—A. Just a minute, until I finish my argument.

Mr. Green: Mr. Chairman, it is not a matter of argument.

The Witness: Well, I have not finished what I was going to say.

Mr. GREEN: I was just asking you to tell us how the order in council reads; what was the wording of it?

The WITNESS: In what respect?

Mr. GREEN: Setting up the qualifications for getting this class one treatment.

The CHAIRMAN: I think if the witness is permitted to go on with his answer, I think he would like to answer your question.

Mr. REID: I thought the doctor was proceeding very nicely, and that the information he was giving was very interesting. As a matter of fact, I have some questions which I would like to ask when he is through.

Mr. GREEN: I wanted to know the wording of that order in council P.C. 91.

The CHAIRMAN: That will be given.

The WITNESS: Yes, I have it. Now, I would like to complete my arguments.

The CHAIRMAN: Just proceed in your own way.

The WITNESS: Under a new Order in Council, P.C. 91, we recognized that state of affairs and so we put some further authority in the new Order in Council in order to take that man in and give him the benefit of the doubt. We put class 5 in P.C. 91. This was not in the old Order in Council at all, and we had no authority. Under the new Order in Council we put in: "a former member of the forces who has been awarded pension and who, directly or indirectly, applies for admission to hospital for the treatment of a disability attributable to service, when, in the opinion of departmental medical authority, there is (i) uncertainty regarding the need for active remedial hospital treatment; or (ii) uncertainty regarding the primary condition for which hospital treatment, observation or care is required." Now, that was a new conception entirely. It gave us a much broader authority to bring this man in.

By Mr. Green:

Q. They go in without allowances, I take it?—A. They come in under class 5 without allowances until it is determined first whether they actually need treatment for their pensionable disease, in which case the pay and allowances are retroactivated to the time of admission or until it is determined what the actual disease is that needs treatment. Hundreds and hundreds of times we get a certificate in from a doctor saying this man needs treatment for his pension disease, and when we bring the man in and examine him in hospital we find it is for some other disease entirely unrelated to the pension disease. Before the new Order in Council came in we had to ignore these cases.

Q. How many cases come in under that section a year, approximately, under clause 5?—A. I cannot tell you exactly because we do not break them down. All I can tell you is a very very considerable number have been brought into hospital under that new Order in Council who would not otherwise have been brought in under the old Order in Council.

By Mr. Turgeon:

Q. What was the date of the Order in Council?—A. The new Order in Council is dated January 16, 1936.

By Mr. Reid:

Q. You say it is really wider?—A. I claim this new Order in Council, from our standpoint, is very much wider in giving further privileges to the soldiers.

By Mr. Green:

Q. I suppose, Dr. Millar, there are many cases brought in under class 5 who would otherwise come in under class 1?—A. No, there are many brought in under class 5 who would not be brought in at all.

Q. Are there not people brought in under class 5 who would otherwise have come in under class 1?—A. No. If a man has an evident pensionable disease which needs treatment and we know from his past history over the last twenty-three years that he has had to have treatment at intervals in hospital with pay and allowances there is no question. We bring that man in under class 1 and give him pay and allowances; but under the new Order in Council we now have authority to bring in what you would call doubtful cases.

Q. Can you tell me how many thousand or how many are admitted under class 5 at the moment?—A. No, I could not tell you that as I have not the breakdown. We just know that under class 5 we can bring them in and as soon as it is proven a man whose claims are perhaps in doubt, are genuine he automatically comes under class 1 without any further action from us at all. That could not be done in former days, all on account of the very uncertainty of the man's need.

By Mr. Gillis:

Q. Class 5 is not treatment, it is a period of observation in the hospital?—A. Yes, it is a period of observation, and mind you if we find the man needs treatment for anything, it does not matter whether it is pensionable disease or what it is, it does not matter what, as soon as he comes in we start treatment at once, regardless of whether it is a pensionable disease or not.

Q. It has, then, caused a lot of confusion when it was first enacted. I know there were a lot of complaints at the Camp Hill hospital in Nova Scotia. Have these complaints been all ironed out?—A. Yes. This new Order in Council in addition to having the provision to which I referred a moment ago, also allows the pension commission to bring in a man whose doctor wrote in to them and said, "My friend here is not getting enough pension." Now the pension commission would not bring a man in on a statement of that kind. They would write back and ask the doctor to give them a report. In many instances the report was either too short or fragmentary or inconclusive and no action was taken. But under class 5 in the new Order in Council the following appears:—

A former member of the forces

(i) who has requested a re-assessment in respect of the disability for which he is in receipt of payment of pension, or

(ii) who has requested an award of pension in respect of a disability for which he is not in receipt of payment of pension, or

(iii) who, having accepted a final payment under the provisions of section 25 of the Pension Act prior to the 1st October, 1930, may, under the provisions of section 10 of Chapter 35 of the Statutes of 1930, be eligible to be restored to pension, or

(iv) who has been granted a hearing before a quorum of the commission, and who is referred by the commission to the department for examination or observation in connection with entitlement or assessment.

I should not speak of pension matters, but since there has been an attack made by certain of the associations on the extension of the treatment allowed by our present operating Order in Council as compared with the extent of treatment that could be given under the old Order in Council, whose number was P.C. 1842, I am just speaking with all deference to General McDonald, to show that we can take these men into our hospitals for pension examination on the slightest evidence that they need it.

By Mr. Green:

Q. Can you give me the terms of the former Order in Council?—A. In respect to what?

Q. In respect to the eligibility for class 1 treatment.—A. Class 1?

By Mr. Reid:

Q. What was the date of the old Order in Council?—A. March 21, 1928. You will find class 1 persons in this clause on page 34.

By Mr. Green:

Q. Of the Order in Council?—A. Of the departmental consolidation of the Order in Council. I will give you this if you want it.

Mr. GREEN: I should like to have it.

Hon. Mr. MACKENZIE: I will get one for each member.

By Mr. Reid:

Q. Were there any Orders in Council passed between 1928 and 1936?—A. In 1928, Mr. Reid, there was an amalgamation of the old Department of Soldiers Civil Re-establishment with the health branch and it was all consolidated under one Department of Pensions and National Health. Prior to 1928 they were operating under very much more limited Orders in Council even than this P.C. 1842. There were a great many Orders in Council extending back to the time of the military hospital commission in 1916, but they were all consolidated and put in this Order in Council which is P.C. 1842.

Q. They remained in effect until 1936?—A. Until January 16, 1936, with a few small ancillary Orders in Council made in the interval. Our present main operating Order in Council is P.C. 91. In addition to it there are several Orders in Council that are attached, for instance, the one that was passed the other day, the 10th of May, P.C. 2763, which gives a year's treatment to soldiers discharged from the new army if they need treatment. On page 34 of this blue book which I have in my hand the following appears, "Class 1. Persons in this class shall be paid compensation—while undergoing treatment by the department shall be divided into the following classes, and shall be subject to the conditions set forth in this clause: Class 1. Persons in this class shall be paid compensation;

Pensioner requiring treatment for a disability attributable to service;

Pensioner requiring observation in connection with pension examination or pensioner or non-pensioner requiring observation to determine whether a disability which has not been accepted by the commission is attributable to service;

Pensioner or non-pensioner requiring observation for assessment of pension, following a ruling by the Federal Appeal Board;—"

Now, remember I told you these admissions had to be substantiated by a local doctor's certificate. It was most unsatisfactory, both to the man and to the department to have the admissions on these certificates.

> "Pensioner requiring observation to determine whether treatment is required for a disability attributable to service;
>
> Pensioner who is found while undergoing examination or treatment for a disability attributable to service to be suffering from a disability not attributable to service which directly and adversely affects the nature of the treatment provided for the former or to retard recovery from the same." Now, that is all there was.

Q. Really the key words of that are——A. The key words are the same.

Q. —are "disability attributable to service."—A. Exactly the same.

Q. No. In P.C. 91 you have these words: "Paragraph (*a*): Who in the opinion of the departmental medical authority, requires active remedial treatment for a disability attributable to——" A. That "active remedial treatment" is new in P.C. 91, but after all there has got to be some authority for the expenditure of public funds and it was considered advisable to put that term in, "departmental medical authority." There is no other authority that you can refer to in the government.

Q. I presume that the suggestion is that the words "active remedial treatment" are too restrictive?—A. It has not limited the practice of the department over the last twenty years.

By Hon. Mr. Mackenzie:

Q. That has been misconstrued by some people?—A. Yes, it is misconstrued entirely.

By Mr. Green:

Q. You see, the Legion in their representations said on the first page, "On March 1, 1936, a new Order in Council, P.C. 91, became effective, superseding P.C. 1842. It introduced some new restrictions or what might be interpreted as such."—A. Who does the interpreting?

Q. I am not arguing the case.—A. That is the point I want to ask. They have been interpreted wrongly.

Q. "The Canadian Legion registered definite objections to the change and were assured by the then honourable Minister of Pensions and National Health directly and in the House of Commons that no rights were being taken away. However, the main objection of the Legion of the term "active remedial treatment" as applied to pensioners requiring hospitalization would result in dissatisfaction, has been amply borne out during the five years this new procedure has been in effect. That it has resulted in great restrictions in the granting of hospitalization to pensioners for war disabilities, with the payment of hospital allowances, is clear from the following figures." Then they give the figures showing the total number of hospital admissions has decreased very slightly but there is a big decrease in the number of patients getting class 1 treatment, from 7,562 to 5,990 in the year 1935-36 ending March 31st to 5,900 in 1937-38 to 2,160 in the year ending 31st March, 1940. That is a very big drop?—A. I have endeavoured to explain those figures. They do not convey the actual state of affairs at all. This same brief has been presented several times and has always been gone into and refuted, but in spite of that this brief was put in again.

Q. Of course, this is the first parliamentary committee that has sat since P.C. 91.

Hon. Mr. MACKENZIE: The matter was discussed fully in the house. I have not the reference, but there was a thorough debate on this matter.

Mr. GREEN: There has not been a parliamentary committee since 1936.

Hon. Mr. MACKENZIE: I have a complete reference in my office. The blue book that was read by Dr. Millar. I am informed, is out of print, so if members want a copy of it it could be ordered as an appendix to the report of the committee.

Mr. REID: I think it would be advisable to have it.

By Mr. Quelch:

Q. If a man is suffering from a disease or a disability that is not attributable to service, before he can get treatment he has to show that he is indigent; is that correct?—A. Yes, he has to show indigency. I do not like that term. It is set down in the Order in Council very clearly what indigent means as far as a

soldier is concerned, and that is another good thing in this new Order in Council. Before it was never defined at all, but in this Order in Council it refers to a man asking for this treatment for a condition not related to his military service but who is a pensioner in some other respect. I cannot find it at the moment, but it is here somewhere. However, it definitely sets out for departmental purposes that the term "indigency" means that a man has an income less than he would have if he were getting full pay and allowances. Now, that means for a man and his wife. It that man were getting full pay and allowances in a hospital of ours for a treatment for which he is pensioned, he would get $86 a month and free hospitalization—$45 for himself and $45 for his wife. Now, if that man's steady income is less than that figure he is considered to be indigent—that is $1,000 a year.

Q. Cases have been turned down for income considerably less than that. For example, I have in mind soldier settlers on farms, and a statement has been required from them showing the amount of wheat they have on hand; and what the doctor at the Belcher hospital—which is the one in my part of the country—seems to fail to understand is that although a man may have a certain quantity of wheat there are charges incurred in the production of that wheat that have to be paid, and, therefore, the only income that man has after those charges are paid is the balance of wheat left which in certain cases I know are in the neighbourhood of $300 or $400. Because he happens to have 2,000 bushels of wheat the case has been turned down. If, as you say, a man is entitled to $1,000 that should give a far wider interpretation than has been taken in the past out of our way. What was the name of that little pamphlet you have there?—A. P.C. 91.

Hon. Mr. MACKENZIE: It has been made an appendix to the proceedings.

Mr. QUELCH: I do not think the people at the Belcher hospital are familiar with that.

The WITNESS: Oh, yes, they are. I do not know the particular case you have in mind but I will look into it. You can understand, sir, that a man may have around $2,000 or $3,000 a year and still may not have a cent in his pocket when he wants to go into hospital. Now, the point to decide is whether that man is indigent or not. He is indigent for the moment, there is no question about it. That $2,000 or $3,000 has been paid out in the ordinary way of life. The question is is he a man who ordinarily pays his civilian debts.

Mr. QUELCH: That is the trouble in the case I am thinking of. The $2,000 or $3,000 has been used to pay costs incurred in running a farm.

The WITNESS: Oh, well, that can be done. There is no question of taking that man in as indigent; he has no money. That is pretty broad.

Mr. QUELCH: I am glad to have that definition; it may be useful.

The WITNESS: A man with a wife and $1,000 a year is an indigent soldier. That is pretty broad, I think, comparing it with the average income.

The CHAIRMAN: If the committee does not mind I should like to interrupt Dr. Millar's evidence for a few moments while we hear from Brigadier-General Orde who has an important meeting in a short while.

Brigadier-General R. J. ORDE, called.

By the Chairman:

Q. General Orde, representations have been made to us on behalf of the veterans of the permanent force who are asking that they be placed under the War Veterans Allowance Act and given the same privileges as are granted to the veterans of the South African war. We felt in considering the matter that it is beyond the terms of our reference and yet we feel that we should make a

recommendation. It is really the problem of the Department of National Defence. Some of the committee were somewhat puzzled as to why action had not been taken in the last 53 years on those cases.

Hon. Mr. MACKENZIE: The long service pension.

The CHAIRMAN: Perhaps you could tell us something of the long service pension.

The WITNESS: My information as to what I was required to inform the committee was that it pertained to the old permanent force soldier who was discharged from the permanent force prior to the close of the last war. The date of fixation is the 7th of July, 1919. We had a great many representations with regard to those soldiers. When I say soldier I mean soldier and non-commissioned officer, not officers and warrant officers who were discharged prior to the 7th July, 1919, and their service pension has nothing to do with disability pensions at all, and were based only on their pay. They have a small pension having regard to their length of service. Legislation was brought in—I speak from memory but I think it was in 1927 or 1928—whereby the corresponding mounted police pensioner had his pension augmented and the old army man thought he ought to be given like treatment. May I explain this, that in the case of non-commissioned officers and men who were retired under pension prior to the 7th of July, 1919, their pensions were based on their pay, not on their allowances. I might digress to explain what is pay and what is allowances. Pay is their basic rate of pay whether 80 cents or $1.10 or whatever it may be; allowances are given when a soldier is living out of barracks and paying for his own food, and he would get say 60 cents a day in lieu of quarters and so much in lieu of rations. It frequently happened that allowances payable to the soldier living out of barracks for his food exceeded his basic pay. That was frequently so up to roughly 1915 and 1916. So that men who were discharged under pension prior to the 7th of July, 1919, had their pension computed at 1/50th of their pay only which they were receiving for the three years immediately preceding discharge; allowances were disregarded. On the 7th of July, 1919, when we were beginning to demobilize and reorganize, the Militia Act was amended by chapter 61 of the Statutes of 1919 whereby the pensions of non-commissioned officers and men would be computed by reference to their pay plus their allowances. In other words, pay for the three years preceding discharge and allowances receivable as of the date of discharge would be added together and 1/50th of that taken for each year of army service, thereby placing non-commisioned officers and men on the same basis as officers and warrant officers had been placed ever since the inception of the Act from 1901 on. That situation prevailed until 1928 when in response to representations, and very proper ones if I may say so, the Act was amended by chapter 35, statutes of 1938, whereby in respect of non-commissioned officers and men who were retired or discharged from the permanent force prior to the 7th of July, 1919, by reason of wounds or disability suffered on active service in the last great war, would have their pensions re-computed as if the 1919 amendments had applied to them as of the date of their discharge. To illustrate, we will say that private Jones who was discharged in 1916 with twenty-five years of service would have his pension computed only on his pay. That was the pension he was receiving. As soon as the amendment came in we re-computed his pension and took the pay he was receiving—the average pay for the three years preceding the date of his discharge—and we took his allowance as of the date of his discharge and re-computed his pension, and he was quite satisfied. That clarified the matter as regards the non-commissioned officers and men who were discharged prior to the 7th of July, 1919.

By Mr. Reid:

Q. To get the matter clear, did you add the man's allowances to his average pay and then re-compute?—A. We re-computed his pension. To illus-

trate, we will say he had twenty years service and that his average annual pay at the date of retirement was $500, his original pension would only have been 20/50ths, two-thirds of $500; his allowance as of the date of retirement amounted to another $500, and by reason of the 1919 amendment we added his allowance of $500 to his pay of $500 and re-computed it so that he got $400.

By Mr. Green:

Q. The 1928 amendment only covered the men who had been disabled in the great war?—A. I will read the amendment if I may. It did not cover the man who had been retired because his time had expired. The amendment is very short:—

> "The provisions of chapter 61 of the Statutes of 1919, being an Act to amend the Militia Pension Act which came into force on the 7th of July, 1919, shall apply to those officers and militia men who by reason of wounds or disabilities received or suffered while on active service during the war between Great Britain and Germany which commenced on the 4th day of August, 1914, were retired or discharged from the force prior to the said 7th day of July, 1919."

Q. In other words, it only covers those who have been disabled in the great war?—A. Yes, and it left out the other fellows.

Q. It would leave out a man who had been through the great war but was not disabled?—A. This only refers to the permanent force men, not to the militia men—only the personnel who were in the permanent force; and this amendment did not apply to the men who were discharged for time expired or something like that. Supposing a man had reached an age limit in 1916 and could not be kept on.

Q. It would not apply, first of all, to a man who had left the permanent force before the war, before the great war?—A. No; because he could not have been discharged by reason of wounds or disability.

Q. The permanent force man who had served in the great war but had not been disabled would not come under it?—A. No. As a matter of fact, the man who served in the great war and had not been disabled did not need this section because he was already covered by the 1919 amendment.

By Mr. Isnor:

Q. Was there a permanent force in 1919?—A. Yes; there continued to be a permanent force since 1892.

By Mr. Green:

Q. I do not understand your last answer. If one of those permanent force men served, say, until 1917 in the great war and then was discharged for reasons other than wounds, would he be covered?—A. No, he would not have been covered by this section 34. I will come to that in a moment. Of the class of soldiers to whom these representations applied there were, as of the 6th of April, 1938—I have not brought it up to date, I did not have time to get the statistics—82 non-commissioned officers and soldiers who were discharged from the permanent force prior to the 7th of July, 1919, and in receipt of a pension. Of those 82, 41 of them came within the scope of this section 34 of the statutes of 1928—the one I read—applying the 1919 amendment to them. That left 41 who were not covered.

Hon. Mr. MACKENZIE: Was it not said that that was down to 25?

The WITNESS: It has been reduced. I was taking April 6, 1938. As of October, 1940, that has been reduced to 34, and it has probably been reduced to a smaller number since. In 1938 we made a computation of what it would

cost to deal with those 41 people at that time who were left out of the amendment of 1928, and it meant a difference of $6,484.77.

Hon. Mr. MACKENZIE: For how many?

The WITNESS: Forty-one pensioners.

Hon. Mr. MACKENZIE: There are about half of that number now; it would be about half the cost?

The WITNESS: As of October 22, 1940.

Hon. Mr. MACKENZIE: It is 20, according to the evidence.

The WITNESS: It would make a considerable reduction. If I might illustrate for greater clarity, the average increase which would be affected by applying the 1919 amendment to those few remaining people runs to about 70 per cent, in some cases greater.

Mr. GREEN: And in some cases less. The increase would be 70 per cent.

The WITNESS: Somewhere on the average of 70 per cent additional to the pensions they are receiving now. I have the list here with me.

Hon. Mr. MACKENZIE: Would this be done by Order in Council?

The WITNESS: It could be done by Order in Council. It could be done as a stop gap under the War Measures Act and it could be fixed up by statute. I do not think there would be any difficulty about it. I do not think I shall mention any names, but I should like to refer to one case.

Mr. GREEN: We have had all the names.

Hon. Mr. MACKENZIE: They appear on page 467 of the evidence.

The WITNESS: Yes. Sergeant Beaton appears here. Sergeant Beaton's pension is now $240.90 per annum. By including the allowances that he was receiving at the time of his re-discharge and re-computing the pension on the same basis his pension would be $514.80 or an increase of $273.90. We have another case here, Corporal Gamble. His pension is $136.74. By a re-computation on the same basis his new pension would be $218.86, an increase of $82.12.

By Mr. Emmerson:

Q. Sergeant Beaton in his evidence mentioned Private Major who served twenty-two years and was getting $9.99 of a pension.—A. There is something wrong with that, because this is the list taken from the Department of Pensions and National Health of all pension cheques issued. Sergeant Major's pension is $119.82. If that pension was re-computed on the same basis as I mentioned his pension would be $239.82 a year, which would give him an increase of $120, or in other words an increase of $10 a month. Some of the increases are a little over 100 per cent. I made a rough computation and on the average it comes to about between 65 and 75 per cent, taking it by and large. The differential is due to the fact that one man may have been getting a higher allowance at the time of his retirement than another pensioner by reason perhaps of a different position or different appointment.

Q. Private Major is now receiving $9.99 a month.—A. Well that is right, then.

By Mr. Isnor:

Q. I take it from your remarks then that there was a permanent force in 1919 and which continued throughout. What do you say with regard to this statement which apeared in a letter from Sergeant F. H. Miles to the dominion president, Canadian Legion, B.E.S.L.:—

> To this last I would respectfully submit, that at the time the new Act came into force, there was no permanent force in existence, it

having been absorbed into C.E.F. and was not reconstituted until April, 1920.

A. Whose statement is that?

Q. That is a statement from one of those unfortunates who after serving 26½ years received $385.44, when a person under the present Act would have received $745. It is from a letter written by the late Sergeant Major Miles.—A. The statement is entirely inaccurate. The permanent force did not disappear in the last war. There were many permanent force units which also had C.E.F. status. They had a dual status. It was not wiped off the list of establishments of the army at all. They were still there. You had the Royal Canadian Regiment, the Royal Canadian Artillery, the R.C.H.A., the Royal Canadian Engineers, and so on. They still preserved their military status.

Q. I thought they disappeared for a short period.—A. No. I can assure you that the permanent force was not wiped out any more than it has been wiped out in this war.

Q. As I understand it the increase in the present pensions on the average would be about 50 per cent?—A. No, it would be a little bit higher, between 65 and 80 per cent. May I just check it up and give you an estimate of the total cost?

Hon. Mr. MACKENZIE: The estimates for 1938.

The WITNESS: It was $6,484.77. It would be cut down somewhat now. On October 22, 1940, there were 34 pensioners. It would amount to about $3,500. It would be between 65 and 85 per cent of the original pension. That would be the average for the 20 or 25 men.

By Mr. Isnor:

Q. You are satisfied it could be done by Order in Council?—A. We do a great many things by order in council. I should think it could be done.

Q. It was done in connection with the R.C.M.P. by the Minister of Justice.

Hon. Mr. MACKENZIE: There is not very much money involved here, between $3,000 and $4,000—$3,000 at the outside.

Mr. GREEN: It would be better to have an amendment to the Act.

Hon. Mr. MACKENZIE: There might be difficulty in that.

The CHAIRMAN: What we want is the result.

The witness retired.

The CHAIRMAN: Major Bland, chairman of the Civil Service Commission is present, if anyone wants to ask him any questions. I take it there are no further questions. He has already dealt with the preference and if there are no further questions I shall release him. Thank you, Major Bland, for coming over. We are sorry to have kept you so long.

Dr. ROSS MILLAR, recalled.

The WITNESS: Before we leave this question of the relative merits of P.C. 1842 and P.C. 91, I should like to enter into the record an extract from treatment instruction letter sent to all chief medical officers of the department throughout Canada. The letter was categorical instructions to them issued by me. I had heard that there were some rumours that the new Order in Council was not as broad as the old one. This letter was issued on the 14th February, 1936. The Order in Council became effective in January, 1936. The standing orders are that on receipt of such a letter the chief medical officer of each district calls together all his staff, all his doctor staff, and reads them the instructions and enjoins them to carry the instructions out. I shall read part of the letter, because the rest is irrelevant. This is the extract:—

A good many of the changes from the previous Order in Council are more apparent than real, and a number of them embody, for the first time, new privileges to the soldiers which have been carried out in practice under orders from this office, and on the authority of the minister, but have not been hitherto actually legalized.

All departmental employees are enjoined to spare no effort in the way of time, courtesy, or diplomacy, to make satisfactory arrangements for the soldier patients, and to dispel any wrong impressions, which, a partial understanding of the circumstances, might lead the soldier to think that this new Order in Council is intended to curtail any of the rights or privileges enjoyed in the past by the soldier for the treatment of his service related disabilities.

That was received at all districts and discussed thoroughly at the first clinical staff meeting following the receipt of the letter and it was acknowledged to Ottawa. There is another thing that I should read into the record and it goes away back to 1922. The special parliamentary committee on soldiers' problems which sat in 1922 reported in part as follows—and this is the first entry that we find on the subject of pay and allowances given while in departmental hospitals under treatment for the service related to these. This is the quotation:—

As regards treatment of former members of the forces who have been classified by medical officers of the department as wholly incurable or chronically recurrent cases needing institutional care, the committee has taken that situation under the most careful advisement, recognizing that there are at present, and in fact will be in the future, many of such cases which must be provided for. As a matter of fact, an estimate of the number of cases in hospital at the present time, who might rightly be classed as incurable, would go to show that from 20 to 25 per cent would be the minimum estimate, and that these cases will increase very materially as the years go by.

In the case under discussion, the major portion of those so classified as incurable is because of some manifestation of old age. In the future largely similar types of cases will be embraced where possibly only a portion of the condition present may be attributable to war service and yet where the patient is unable to earn a living and is in need, in part certainly, of medical supervision.

Under legislation as now existing, the department has no general authority to provide treatment except with full pay and allowances. That being the case, it would seem clear that it cannot provide continuous care for the cases under discussion to which, under other circumstances, if legislation was provided, care might be given. It is felt that the government would be meeting its obligations were such cases to be provided with whatever care or treatment each requires, and rather than pay each one full pay and allowances, to grant medical treatment subject to a continuation of the pension as granted by the Board of Pension Commissioners less a fair deduction for maintenance cost in the case of those pensioners whose pensions are sufficiently high to enable deductions to be made without personal hardship to the man and his dependents.

The committee therefore recommends, as regards the foregoing, that it is desirable to empower the Department of Soldiers' Civil Re-Establishment to grant medical treatment subject to a continuation of pension granted by the Board of Pension Commissioners, and to a fair deduction for maintenance cost in the cases of those pensioners whose pensions are sufficiently high to enable deductions to be made without personal hardship to the man and his dependents.

That is the end of the quotation. As a result of that domiciliary care, class 4, of which we had an increase in number, applied. That parliamentary committee of 1922 had a very far-sighted vision of what was going to happen. We began to get large numbers of domiliciary care cases up until the time that the war veterans' allowances legislation was passed in 1930. I should say that the object of that class 4 legislation was to keep the home from being broken up so that the man would have enough money to live at his home with his sons and daughters or relatives rather than to go and live in hospital. Well from 1930 onward the increase in the number of domiciliary care cases was very slight. At the present time we have 393 cases in our hospitals, but we would have had, had it not been for the war veterans' allowances legislation, some thousands of them. We would have had easily that. But these men are not in hospital, they are living at home, assisted by the war veterans' allowances. You all realize—everyone realizes, he does not have to be a doctor—that as men grow older the grasshopper becomes a burden.

Mr. REID: I know the rest, doctor.

The WITNESS: And the men who perhaps have only a little pensionable disability for rheumatism or bronchitis or other civilian diseases find themselves feeling weaker, feeling less able to look after themselves, and it is inevitable that a large number of these men should apply to go into the hospital. It is only human nature for them to say, "I have to go into the hospital because of my rheumatism or because of my bronchitis." But when they come in—mind you, we can take them in under this class 5 which I am telling you about—we find that it is not their pensionable disease at all; it is the advance of age; it is the natural progression of the debilitation of vital functions. When we get a man in there, if he has a new flare-up of his rheumatism, of course, we put him on pay and allowances at once. If we find that he is not needing remedial treatment, he has got chronic rheumatism—and if any of you men know what remedies there are for rheumatism I should like to hear from you—if we find that the man cannot be helped by actual active hospital treatment we do one of two or three things; we keep him there for a little while, his pension goes on without deduction, we do what we can for him, we give him regular hours and regular food and warm, comfortable beds, we keep him there for a while and then after a reasonable period—and that has to be the subject of very elastic departmental opinion; we make it very elastic—we try to get for that man the war veterans' allowance. That sometimes suffices and he goes back to his family and is comfortable and happy; or, we suggest to him if he has no relatives or friends who are interested in him, we say we can take you into the class for domiciliary care, and keep you there, we will see that you get comforts and clothing and cigarette money and so on, and any balance which you have over, if you have a few dollars outside of that you can turn that over, according to this regulation of the committee, and pay part of your maintenance cost—the average maintenance cost in our hospital is something in the nature of $3 per day or $90 a month, and the man contributes a little something to that.

Now, when this 1932 committee made their recommendations I am afraid they had in their minds the cutting off a good deal more of the pay and allowances than we are actually doing now; you cannot read anything else into that recommendation. There have been far more additional privileges given to the soldiers in the way of hospitalization and in the way of higher assessment of pensions than was ever contemplated in 1932; I want that to go on the record before the subject is dropped. We have a Pension Act that is not equalled anywhere in the world, especially in regard to treatment.

By Mr. Reid:

Q. Dr. Millar, you have had considerable experience in the course of this work; have you any suggestions to make? Do you think fair treatment is being

given to the men at the present time in so far as hospitalization is concerned? —A. My frank experience as a doctor is—my unprejudiced opinion is that the advantages in the way of hospitalization and treatment that the present soldier has are splendid and that they are broader than in any other country that I know of; they are certainly broader than the United States treatment privileges. The United States has some pensioners up here in Canada. They do not get treatment for their pensioned condition while they are in Canada, except by special orders from Washington. If a man is an American pensioner—a 100 per cent even—travelling in Canada and something happens to him he does not geat treatment from the United States.

Mr. QUELCH: But a Canadian does in the United States?

The WITNESS: A Canadian does in the United States for his pensioned condition.

By Mr. Green:

Q. On that point the Legion made a representation in which they state:—

"At the present time, the Department of Pensions and National Health have authority to provide medical treatment and hospitalization for Canadian pensioners resident in the United States, but only in respect of their pensionable disabilities. This is done through the very excellent United States Veterans' administration, who maintain splendidly equipped hospitals in the great majority of the States and in most of the principal cities. The Department of Pensions and National Health have no power to provide medical treatment or hospitalization for any disability which is not accepted as one of a pensionable character.

It will be realized that many citizens of the United States, who rendered valuable service in the Canadian forces in the last great war, naturally returned to their homes and had they served in the forces of the United States, they would be entitled to receive free medical treatment and hospitalization under the laws of the United States. Then there are those Canadian who finding it impossible to secure employment in Canada, proceeded to the United States and have established homes therein.

It is felt by the Canadian Legion that in these days, when the goodwill and support of the United States is most desirable, it is detrimental to good relations when such ex-service men unable to provide necessary medical treatment or hospitalization cannot receive same under the same conditions, as if they were residents of Canada, from the Department of Pensions and National Health. The Dominion Convention of the Canadian Legion made the following recommendation:—

That the regulations governing class 2 and class 18 medical treatment be so amended as to provide for such treatment being provided for Canadian ex-service men resident in the United States."

Would it not be possible to make some such provision?—A. I think in the evidence, if I remember properly, that question was asked by a representative of the Legion and he said he didn't think there was any difficulty—well, that was a pious hope, that is all you can say. It would be very difficult to make any such arrangement with respect to class two and class eighteen treatment cases as they are governed by conditions which are not related to military service—that is given not to pensioners, class eighteen is for men who were in the front line not pensioners. It is social legislation. It helps the soldier over civilian trouble. Now, there is no country in the world that extends social legislation to its residents who are outside of that country as far as I know; certainly the United States does not and Great Britain does not; and it would be extremely difficult to inaugurate any such system in the United States because of the fact

that these men are scattered all over the country and they come in as our men in Canada do to the nearest doctor and the doctor gives them some sort of a certificate. Then, there are no documents down in the United States, they can't carry the files down in the United States on all these men. The United States Veterans' Facility authorities would not know and they could not find out what a man's entitlement was. That is only one small item of trouble. After all, you have got to remember these men living in the United States draw their pensions from the Canadian government. They have a right to live wherever they like without let or interest from the Canadian government; and there are special provisions for paying them their pensions in American funds. We are at the present time paying pensions to 4,000 or 5,000—Mr. McPhee shakes his head.

Mr. McKEE: Not in American funds.

The WITNESS: I beg your pardon; no, the 10 per cent exchange charge has to be taken into account.

By Mr. Green:

Q. What is the difference?—A. I had a letter from a man in Florida who cashed his cheque and had to pay 30 per cent discount there. He did not know that all he had to do was to go to his bank and get it at 10 per cent.

By the Chairman:

Q. You add the 10 per cent?—A. Oh no, we make a provision whereby that man can get his check cashed at a 10 per cent rate.

Q. That is what I mean.—A. If he goes to his local bank that can be arranged. This man was charged 30 per cent on his cheque.

Mr. GREEN: It is not the case of the Canadian government making an adjustment—

The WITNESS: Because the Canadian Foreign Exchange Control Board is sending a very considerable amount of money out of Canada to pay pensions in the United States. Some of those pensioners down there are United States citizens, while others are people who went down there to get work and still others went down there in search of health; and we do not insist that they come back but if they want to come back—

By Mr. Gray:

Q. Have you any idea as to the number?—A. I have it here somewhere. I have the number of those who are domiciled outside of Canada—that is all I have, I have not a breakdown but it could easily be obtained from the pension people; but roughly speaking there are 6,000 Canadian pensioners resident outside of Canada, not including those resident in Great Britain. That figure could easily be obtained. But this is social legislation and it has been abused, and all the other social legislation medical privileges—you know, all of you, the troubles that they have had here in Canada with the medical treatment of men on relief here in Canada—right here in Ottawa—in ascertaining the genuine cases and eliminating them from the spurious cases—the men who only want to go into hospital to get shelter and food and a rest. They have had that trouble with all of the social legislation all over Canada.

By Mr. Reid:

Q. The economic condition would be a factor?—A. Entirely so.

By Mr. Green:

Q. You think it could not be administered at all?—A. I would not want to have to try to administer it.

Q. Another point, in connection with class four treatment——A. Would you mind if I just amplify that before you come to that other question? To one of the men down there in the United States who is a Canadian citizen living down there and he needs treatment for something else outside of his pensioned condition we say: now if you want to came back to Canada we can give you class two treatment here in Canada but if you want to stay in the United States you can't come back to Canada and expect to go back to the United States, because you are a Canadian citizen and the immigration authorities may stop you; so we can only bring back to Canada for class two treatment such Canadian pensioners as are bona fide United States citizens and could go back to their relatives or to their work and when they wished to go. We bring a very considerable number of those up to Canada for class two treatment and for class four treatment. Now, take the case of one of our Canadian pensioners who is living in the United States, a Canadian citizen, and he has a chronic or incurable condition together with a little pesion, and he is never going to get any better, and he wants to come up here, we will take him and we will give a guarantee to the immigration authorities that we will always give that man a home in Canada before coming over here. I had one from Massachusetts this morning—a fellow from your constituency, Mr. Gillis—that man is never going to get any better. He is a Canadian citizen. He has been living in the United States for many years. He has a small pension. He is now total disability and his present condition is not a war service connected condition but rather the result of ordinary civilian conditions accentuated by the natural advances of age and so on; and I wrote this morning to that man, now if you have no particular connections or associations in Massachusetts we can bring you back to Canada and we can give you a home for the rest of your life in one of our hospitals with a class four case. We are doing a lot of those; but we cannot do it for the man who wants to go back to the United States again if he is a Canadian citizen because they won't let him back.

By Mr. Green:

Q. Well, Dr. Millar, on this class four treatment provision; we had a recommendation with respect to a number of men who served in the Riel Rebellion to the effect that they should be included now as being eligible for that treatment; what would you say as to that?—A. No, sir; that is a question absolutely of government policy and I would not want to give an opinion on that. We can do anything if parliament gives us the authority to do it.

Q. Would there be any difficulty with respect to administration in connection with such a regulation?—A. They would qualify for the war veterans' allowance, so I pass the buck to the War Veterans' Allowance Board. I do not think that if there were a Riel Rebellion pensioner who needed sympathetic treatment and was indigent and so on and so forth, I think if I went to our minister with his case and said let us take this man in for two or three weeks or a month and fix him up if we can, I have not the slightest doubt from analogous cases that the minister would say, yes I will give you special authority.

Q. Is there such authority in existence now?—A. No.

Q. Do you think we should have such authority?

Hon. Mr. MACKENZIE: Could we not do that by regulation without the necessity of new legislation?

The WITNESS: I do not think there are enough of them, sir, to warrant any special legislation.

Hon. Mr. MACKENZIE: As I understand it, they are practically all over age 70 and are practically all drawing the old age pension; did not someone make that statement here the other day? That is my recollection.

By Mr. Green:

Q. How about the veterans of the South African war, are they eligible?—A. They have certain privileges, they have the war veterans' allowance—you are getting me into questions of government policy.

Mr. GREEN: Perhaps I should be asking that question of the minister.

The WITNESS: I do not want to get tangled up in that.

By Mr. Green:

Q. Now, I am asking you whether the veterans of the South African war are eligible for class four treatment?—A. Veterans of the South African war if they are pensioners are eligible for treatment in our departmental hospitals if we get a request from the British Ministry of Pensions. They are British pensioners, not Canadian pensioners. That sounds funny, it was funny to me; but when they went off there they went as Canadian units in the British army, and any of those who are entitled to treatment and have pensions from the British ministry and come to us, we immediately telephone the British ministry and say what about this man now.

Q. Although they were actually Canadians?—A. Actually Canadians. Now then, you must remember too when you are speaking of our legislation as compared with others of the Allies—a man, Mr. Reid, in your constituency that I know very well has a pension, I think it is 10 shillings a week, a permanent pension of 10 shillings a week for bronchitis—that does not mean that he is entitled to hospital treatment for bronchitis, although he would be if he were a Canadian pensioner. A man is not necessarily, under the British Act, entitled to hospital treatment or medical treatment even for his pensioned disease; and also there is another curious difference between our legislation and the British legislation: if a man needs treatment for his pensioned disease—the old Act, remedial treatment that we were speaking of—he is taken into hospital without question and he is given pay and allowances; not so with the British pensioner. He can be taken into hospital for treatment of his pensioned disease, but he does not get pay and allowances unless he has been gainfully employed in industry within three months of the time of his admission to hospital. Is that clear?

Mr. REID: Yes.

The WITNESS: In other words, the British ministry realizes the primary reason for giving pay and allowances in that, that a man is laid aside from work by his service-related condition and he has to be compensated for that period off duty and therefore he is given pay and allowances; but with us it does not matter whether a man has been working since the war—lots of men have not been working since the war—if he is taken in for treatment of his pensioned disease he automatically gets pay and allowances. Well, those are just a few extensions which our Act has over other Acts.

Mr. WRIGHT: The British Act is put in that way because they have social legislation to take care of many of the cases which in Canada we undertake to take care of through our pension legislation.

The WITNESS: Yes, that is quite true.

By Mr. Green:

Q. As I understand it, the South African veterans are eligible for class four treatment?—A. I am inclined to think—it is a matter for the administration—I am inclined to think they are not eligible.

Q. It is just a question as to whether the definition of class four should be altered so as to include them. I realize that is a matter of policy.—A. It is a matter of policy.

By Mr. Gray:

Q. How many applications are there from the Boer war situation?—A. I could not tell you that; but there is one comes up to my office perhaps every couple of months, not oftener. I do not see them all, but there is an occasional one comes up to our office every couple of month or so. I have not seen one for three months.

Q. It is not a big question?—A. It is not a big question in this way, that these men know they are not entitled and therefore they do not make application and they manage to grin and bear it or swear and bear it, whichever you like.

Q. Probably the latter.—A. They do not apply for hospitalization.

By Mr. Green:

Q. The amputations association made a representation to the effect that there was often delay between the time a man's pension was cut off when he went into a hospital and the time his allowance was granted. I think that was the basis of the complaint. What about that? Is there no way in which that situation could be improved?—A. It should not be an appreciable matter at all. As soon as a man enters a hospital, the notification is sent to Ottawa about the man entering the hospital and going on pay and allowances. That goes to the representative of the treasury just as fast as mail will bring it and he immediately makes an entry on the man's file and puts him on pay and allowances and suspends his pension. In common practice there should only be the occasional case where any delay is occasioned, and when the delay is occasioned it may be because a man under the Pension Act is only entitled to pay and allowances for a certain number of children and a legally qualified wife; whereas under our pay and allowances in our department we give pay and allowances for a common law wife or children born after 1931. We give pay and allowances for those children and we do not always keep track of the number of children that have been born since that date. Naturally, the financial controller wants to know how many there are, and oftentimes it means writing back to the man for further particulars. Those are the only circumstances under which I think there might be delay.

Q. On page 39 of their brief they say: "For many years the association has felt that each time a pensioner enters hospital accounting procedure, disturbing delays and even mistakes could have been avoided if during hospitalization pension payments were continued without interruption and in the case of partial pensioners treatment allowances necessary to supplement up to recognized standards were provided. This would avoid stopping the man's pension on admission to hospital and starting treatment pay and allowances, and at the end of hospitalization stopping pay and allowances and starting pension again. Difficulties were multiplied in some cases when several periods of hospitalization succeeded closely. Whatever may be the necessity and point of view as to the maintenance of essential family income while in hospital it has been nevertheless the fact that frequent disturbance of a man's pension income with attendant delays seems to introduce avoidable elements of worry from both the economic and psychological point of view."

As I understand their submission it was that the pension should not be disturbed until the allowance had been worked out.—A. I talked that matter over with the financial branch of our department—I saw that representation—and he tells me that he does not think there would be a great deal of trouble in making a change. It is purely a financial matter. It does not come under me at all; and all I can say about it is this, that as a rule—now it is not generally known, but it is a fact—as a rule the class 1 case that enters hospital jumps into an affluent condition on pay and allowances over a man who only gets $7.50 for himself and wife while he is at home. As soon as he goes into

hospital he immediately jumps to $86 a month plus free hospitalization without deduction. Now, that is the great majority of cases. Our smaller pensioners are more often taken into hospital as class 1 than our larger ones. These are the facts. I cannot explain them, except, perhaps, that I should tell you that a man who is drawing $100 a month for himself and wife as a pensioner does not find the need for asking for hospitalization like the man who is only drawing $5 a month. So much of this is an economic question. Now, for instance —this is a recommendation—as far as I am concerned it would not make any difference because it is a matter for the financial part of the department, but you have to remember that there were several insidious suggestions in former committees, and among the civilian population too, that a man, instead of going into hospital on pay and allowances should be given a continuation of his pension and free hospitalization and no pay and allowances. Now, I do not think any one of us would subscribe to that idea at all, but that is embodied, that is in the background of that resolution. I do not think amputees would agree with that. I do not think as a private soldier I would want to agree to it. And speaking of these amputees, they are the men we have the least trouble with in all the army. In fact, the gunshot wound fellows are the ones we have the least trouble with. There is not a corporal's guard of amputees in hospital today. They do not go around bothering about little trifles. I do not know whether their disability has strengthened them up, but they do not go around looking for reasons to go into hospital.

Mr. GRAY: You can see their disability.

The WITNESS: Absolutely. They have on their persons the direct marks of enemy action. The amputees as a rule are our best pensioners, and the blinded people and the big gunshot wound fellows do not go to hospital. They do not ask to go to hospital. It is the civilian diseases such as Bright's disease and tuberculosis and heart disease that find their way into the hospital. About half of our pensioners are dying of kidney or heart diseases. They are the organs that wear out. A large number of those people have cancer.

By Mr. Reid:

Q. The question I am going to ask probably does not affect the ex-service man in cities so much as it does those who live in the country. It has to do with medicine. I have had complaints occasionally from men who have had to procure medicine on a prescription given to them from Shaughnessy hospital which had to be filled in their own little village, and these men found that the amount allotted by Shaughnessy hospital for the medicine was not adequate to pay the local store at which they purchased the prescription, and in certain cases they said that worked quite a hardship. They pointed out that had they lived in the city they could have procured this medicine free.—A. You have opened up a big subject. We have a schedule of fees which we pay druggists. That schedule of fees is so much an ounce for medicine and so much a tablet or so much a powder or so much for liniments and so forth. That schedule of fees was founded on our consultations with druggists, retail druggists and retail druggists' associations, and also on our knowledge of the medicine's actual cost.

Q. But they vary, do they not?—A. It does not vary anywhere in the country except in the Yukon where we give the druggist a little extra on account of the transportation charges. We believe that the schedule which we have allowed will give the druggist a reasonable profit. We only send the pensioner to the local druggist for some emergency prescription that he needs in a hurry, and we have been forced in many localities, particularly in British Columbia—it is working well in British Columbia—we have been forced, the department has been forced into the procedure of sending by mail to pensioners such staple articles as gauze and cotton and sputum cups and liniments and ointments

and even stock cost mixtures, and things of that kind that are not an emergency. A man writes in to us and we know his case and what he is entitled to and what he needs and we send back by the next mail whatever he needs and there is no delay. Now, if there is a special prescription that is needed in a hurry it can be got at the nearest drugstore or a doctor may make it in his own office according to the schedule. The schedule is fair enough; it does not allow the druggists the profits that are sometimes available to them in deluxe practice in the city, but we know the prices of these things and we feel that we are allowing a figure which will allow for a reasonable profit. Now, since the war opened we have advanced that scale of drug fees twice because the cost of drugs has risen. Does that answer your question?

Q. Yes.—A. In individual cases in which there is hardship, we take the matter up directly with the druggist; but you would not want the federal government to pay for a Rolls Royce if a Ford will do the trick.

Q. I asked that question because I had an appeal from one man who stated that the druggist refused to fill his prescription at the stated price.—A. All he had to do was to send the prescription into the Shaughnessy hospital and they would send it out to him by the next post.

By Mr. Gray:

Q. With regard to the evidence of Mr. Bland the other day, I am curious to know whether we are giving the preference that it is felt we should give to doctors and nurses and technicians in connection with the Civil Service Commission. What is your opinion and what is happening?—A. Of course, sir, we are all in favour of that soldiers' preference. Speaking broadly, there is no doubt about it that in the first ten or fifteen years after the war it helped us out and it also helped the disabled men out, it gave them jobs and restored them to industry. I have frankly to say that for the last five or six years in many instances it has been a detriment in as far as efficient management of hospitals is concerned in certain positions. Now, these objections are due to a number of things. The first important reason is the advancing age of the soldiers of the last war. These doctors and nurses and hospital orderlies who are applying to us for work almost always do so now because they are getting to feel that they cannot carry on in private practice as a doctor or as a nurse or as a man in industry—they feel themselves slowing up and they come to get a government job. That is all right. I can only speak of our department. We see these doctors and nurses and orderlies with just as much gumption and ambition and knowledge as they always have, and if we could only fit them up with new legs and new hearts and new lungs and so on they would be the most invaluable employees that one could get. Of course that is impossible. Perhaps I can give you one instance of what I am trying to convey to you, and this instance happens to apply to Mr. Isnor's constituency. Do you mind?

Mr. ISNOR: Be careful.

The WITNESS: I do not think you know about this case. You do not come into the picture at all. As a matter of fact I can give one from almost any of your constituencies, but I will pull one on Mr. Isnor. He has nothing to do with this. We asked the Civil Service Commission to establish an eligible list for advertising the position of hospital orderly, and we got a lot of good men and a lot of poor men on the list; but a couple of years ago we needed another hospital orderly, and the man on the top of the list, rated there because he had a small disability and was so placed on the list over the heads of other soldiers who had been to the war but had no pension and also over the head of civilians who had not been to the war—he topped the list anyway—and he was a man of 51 years of age and had been a blacksmith all his life. If I remember correctly he had been to school up to grade 3. I did not see him myself. I do not know

whether he was bright or blunt. At any rate, there was the man. He had had no hospital experience at all. He did not know anything about moving sick patients and attending to sick patients. He was at the head of the list and under the Act we were supposed to take him on and train him to be a hospital orderly to manage sick people in hospital wards.

The CHAIRMAN: Was this mental hospital?

The WITNESS: No, sir. Now, I reviewed the case and refused to take that man on. The Civil Service Commission told me there was no way out of it, that I had to take him on unless I could certify that he was physically unfit. Well, he was as fit as the ordinary man of 51 years of age physically. I could not certify that he could not do the work because of his physical condition, and there was an impasse. I did not know what to do, but I refused to take him on and the Civil Service Commission refused to take him off the list. I was going to go to the minister about it but fortunately I did not have to because it was found that he had applied and was on the eligible list of three of four of the industries in Halifax; he wanted to get in the armouries as a caretaker and he wanted a job as a crossing watcher and he wanted a job as a watchman, and fortunately one of the government warehouses had a vacancy and he was appointed as watchman, a job for which he was perfectly qualified. That is an exaggerated case, but I think Mr. Emmerson could give you some instances in his constituency.

By Mr. Gray:

Q. Do they all happen in the maritime provinces?—A. I was going to go west, and the further west you go the worse it is, with all due deference to the minister who comes from Vancouver.

If I were asked privately what to do I should approve Mr. Bland's recommendation and I also would approve that certain technicians and so forth should have an age limit on them. There should be some sort of age limit beyond which we should not take them on. At the present time we take on nurses up to 65, doctors up to 65, and any man up to 65.

By Mr. Green:

Q. There were certain representations made by the Legion about class 18 treatment.—A. Yes.

Q. For instance, this was in their brief:—

> The chief benefit has naturally been felt by those residing in close proximity to hospitals, under the control of the Department of Pensions and National Health, or those with which the Department of Pensions and National Health had a contract. It has been difficult and usually impossible for those ex-service men, otherwise qualified to receive this benefit, who reside in the northern districts of the various provinces, because the cost of transportation, which they are required to pay, is prohibitive.

They then list recommendations, the first one being:—

> That a more liberal application be given the regulations governing class 18 treatment, particularly with a view to establishing more contract hospitals, and arranging that the services of district medical officers of the Department of Pensions and National Health be made more easily accessible to ex-service men in outlying districts.

Is there not some way in which that could be improved?—A. Well, Mr. Green, since class 18 legislation was inaugurated—I do not know the exact number of new contracts which we have had, but they must run well over 100 with small hospitals out in far distant places. Incidentally we have 89 class 18 cases in our hospitals to-day.

Q. For the whole of Canada?—A. Yes.
Q. Eighty-nine?—A. Eighty-nine.
Q. Eighty-nine cases?—A. Yes.
Q. Surely that is not for the whole of Canada?—A. That is the whole of Canada. These are acute cases. The idea is to rehabilitate them, get them back in industry. That is what the Order in Council originally contemplated, make the man fit to get back to work. If a man is getting treatment for acute appendicitis he is not getting paid while in hospital. He wants to get back to work quickly and as soon as we can fix them up to get them back to work we do. They do not stay in hospital very long. The number in at any one time is not very large. The figure I gave you was as of March 31. The total number for the year is comparatively large.
Q. It would run to how many?—A. I cannot tell you exactly. It is shown in the annual report for last year. I can get it for you. These men, you must understand, are not pensioners. It is surprising the number of times we have a man brought in for treatment by another soldier in his car. They manage to get to hospital somehow or other. Where there are facilities that we can attend to them we have the authority to pay their railroad fare back to their home, although it is not shown in the Order in Council, so there is not much hardship on them.
Q. You do pay the fare back?—A. We pay the fare back home of any man in hospital.
Q. Are you expanding the number of your contract hospitals?—A. Very markedly, very much.
Q. All the time?—A. All the time everywhere.
Q. How many would there be now?—A. I cannot tell you that.

By Mr. Reid:

Q. What would the contract entail, Doctor?—A. The contract entails board, lodging, medical care, X-rays, anything that is necessary. We make a contract according to the size of the hospital and the facilities which they can afford to the soldier. The Royal Victoria would be on a different status from the Royal Jubilee. The rates vary according to the facilities at the hospital.

By Hon. Mr. Mackenzie:

Q. Generally speaking it is about $3?—A. Yes, $2.75 or $3.

By Mr. Reid:

Q. The man in the country does not have to travel long distances now?—A. No, sir.

By Mr. Green:

Q. "That in the instance of an ex-service man needing urgent treatment or hospitalization, and being certified as such, transportation be provided to and from the point of hospitalization, if he is unable so to provide."

A. We provide it going home. After all, these soldiers are pretty good gamblers. They are not going to ask to come in unless they are sick. If we had an arrangement whereby we could take any man in on application or on the little certificate that his local doctor gave him well we would just—well, we could not manage it. We would not want to take a chance of not taking him in, and yet in a great many of the cases we find after he comes in he does not need hospital treatment.
Q. Then they say:

"That the classification 'meritorious service' include forestry, labour units, and medical units who served in a theatre of actual war."

Are they not covered now?—A. You have meritorious pension. Now, I speak subject to General McDonald's correction. You have a meritorious pension

now not for service related disability but because the soldier was a very good soldier and is hard up.

Hon. Mr. MACKENZIE: And hard up?

The WITNESS: Yes, and for his diseases and disabilities which he has, not for service related and not attributable by the department.

By Mr. Green:

Q. In order to qualify under class 18 treatment a man has to have meritorious service.—A. Where a man gets meritorious pension you know he has to have active service in the front line. If he has that he comes under class 18.

Q. Who makes the decision as to whether his service is meritorious or not?—A. The administration branch of the department.

Q. You do not have anything to do with that?—A. No, sir. We get a wire in the morning from a district or whenever it is, at night, the middle of the night or in the morning and the administrative branch immediately investigates the service and the department sends the wire back.

Q. According to this class the forestry unit, the labour unit and the medical unit would not be covered?—A. They do not qualify. These men were not in jeopardy of their lives, Mr. Green. Probably you visited some of these camps in the Jura mountains or south of Paris. The forestry camps were not in the danger line. There was no peril.

Q. What about the hospitals? They were bombed. Would they not be covered?—A. Occasionally they were bombed. They were not in constant jeopardy of their lives as these other men were who were in the trenches. I believe class 18 was based on men who gave good service and were in jeopardy of their lives.

Q. The labour units and the working units, what about them?—A. Wait a minute. If the labour units were railway units and were up in the front working and it is so shown by their sheets they would be accepted.

Q. Then they say:—

> "That consideration be given regarding the inclusion of those who serve in a theatre of actual war in the present war."

Does class 18 treatment apply to men in the present war?—A. That is a matter of policy. There are several things in regard to that which I am not just clear on. These things have not yet been decided. You remember that class 18 was not inaugurated until 22 years after the close of the last war.

Q. Does it apply to men in the present war?—A. I have not had any applications yet, because we have a covering Order in Council for all of them whether they served in a theatre of war or not. This Order in Council of May 10, 1941, will cover them for acute diseases the same as 18 covers the old soldiers.

Q. That is the Order in Council giving treatment privileges for a year?—A. That is it. So the point has not arisen.

Q. They are covered for a year, at any rate?—A. Yes, sir.

Q. Then, is it a fact that a Canadian who served in a British unit in the last war cannot qualify under class 18?—A. No, sir. The wording of the Order in Council says that class 18 particularly applies to men who served in the Canadian expeditionary forces. It was quite a step in advance in legislation.

Q. I realize that. A Canadian who served in the British unit is not eligible?—A. No, sir.

Q. For class 18 treatment?—A. No, sir.

Q. Or the Imperial soldier living in Canada now?—A. No, sir.

Q. Would there be any difficulty from an administrative point of view if they were included?—A. Yes, sir, very great, because their papers mostly all are in England. These cases that come to us for class 18 treatment are emergency cases and we could not find any of their documents. The British ministry say it is

impossible to carry all the documents of the Imperials in Canada. They do not know how many there are. Some people say 80,000. I do not know, although I have asked how many Imperials there are in Canada.

Q. The same thing would apply to a Canadian who served in a British unit?—A. Yes, sir.

Q. It does seem unfortunate that these men cannot get any effect from this class 18 treatment at all.—A. Well, of course, it is a matter of policy and class 18 legislation was a very advanced piece of legislation. The government in its wisdom granted it but certainly had to put certain limitations on it to make it a workable Order in Council. It certainly has proved its value. Hundreds and hundreds of men have been rehabilitated under that Order in Council.

Q. Have you got any figures available as to the number who have taken class 18 treatment?—A. I can get it for you, I have not the figures here.

Q. You show it for the last fiscal year, do you not?—A. Yes, sir.

Witness retired.

Mr. GORDON MURCHISON, called:

The CHAIRMAN: Mr. Murchison, will you review what has been done by the subcommittee of the Soldiers' Settlement Board? Will you please make your own statement?

The WITNESS: Mr. Chairman, on April 4 report No. 10 contains the gist of the activities of the set-up of the land settlement up to that time. Perhaps some reference to it here would serve as a starting point to deal with some of the more concrete conclusions which were reached by the committee at its last meeting.

"The land settlement committee which comprises men who for the main part have been engaged in land settlement and colonization work for twenty years or more, has held several meetings on the subject of land settlement as a means of rehabilitation for members of the forces engaged in the present conflict."

Probably, Mr. Chairman, it is unnecessary to take up the time of the committee in reading the full text of the report which I have here. A lot of the members I believe have it before them.

The progress of the committee is largely reflected in the minutes of this report and I feel it is perhaps sufficient to say at the start that the committee found itself in agreement on certain important principles, the outstanding one of which is that special financial assistance, a substantial part of which will not be recoverable, is a prerequisite to the institution of any comprehensive plan of land settlement as a rehabilitation measure.

That statement is based directly on a study of results of the settlement scheme undertaken at the close of the last war. It is based also on a study of the principles which govern with any degree of success the operation of any land credit agency; and without saying it critically at all of the former Act, experience over the past twenty years has shown that the violation—if I may use the term—of the well tried rules of land credit, were the direct causes of the greatest difficulties in connection with the administration of the soldiers' settlement scheme following the last war. That is to say, the soldiers who were established under that scheme were placed under an interest bearing indebtedness which extended in many cases up to approximately 150 per cent of the actual value of the farm on which they were established. That was brought about by reason of the necessity of not only buying land but also the erection of improvements and also the purchase of stock and equipment, temporary advances for seed, and food, and in some cases credit stocks and things of that sort to make up the advances in capital that

these settlers had when they came under the scheme. This always resulted in an interest bearing debt structure which was away out of line with the practices followed by any concern or corporation engaged in the land credit field.

Frequently during the past 22 years there has been a series of amendments to the Soldiers' Settlement Act, all designed to ease the principal debt burden or the accumulating debt burden of the settlers. In the course of these amendments an extraordinarily large sum of indebtedness has been written off.

I think I have the figure handy as to what these total legislative reductions amount to: as of March 31, 1940, the total reduction ran to $52,756,982.

By Mr. Reid:

Q. What do you mean by the total deductions?—A. Those are deductions on account of all the various legislative amendments to the Soldier Settlemen Act.

Q. Is that since the inception of the Act?—A. Since the inception of the Act. Starting in 1922 we have an amendment which created an interest free period of two to four years duration, depending upon the date that establishment took place. Later on we have an amendment provision for revaluation of the land under which a substantial amount of money was withdrawn.

By Mr. Sanderson:

Q. Which means a loss to the company of $52,000,000, doesn't it?—A. Yes.

By Mr. Quelch:

Q. Does that include deductions made under the Farmers' Creditors Arrangement Act?—A. No, I am coming to that.

Mr. REID: I wonder if it would not be advisable for Mr. Murchison to give us the whole picture from the beginning, the amount of the deduction in respect of each one?

Mr. QUELCH: Yes.

Mr. REID: Yes.

The WITNESS: I think I might be able to do that.

The CHAIRMAN: You might put it on the record.

Mr. REID: That would be fine.

The WITNESS: I am quoting now from the balance sheets of the department as of March 31st, 1940 and I think it will be sufficient for the purposes of this discussion. The gross advances for loans on account of soldier land settlement was $109,034,816.33. In connection with the establishment of a certain number of families under an agreement with the Imperial government there were further advances of $12,956,764.46. In addition to that we have what is known as the New Brunswick British Family Scheme which was auxiliary to the 3,000 British family scheme; in connection with that scheme the advances were $952,859. There is a replacement item in the balance sheet of $2,676,776.92, and interest charges to a total of $37,455,254.16. Now, I suggest, Mr. Chairman, that the figure in which this committee is vitally concerned is the one relating to the advances to soldier settlers; that is the item of $109,034,816.33; because all these other advances to British family account and things of that sort are items which arose within the administration of lands originally acquired for soldiers settlement, and for that reason they do not necessarily form an important part of the picture of soldiers settlement as it was at the outset or as it is today.

By Mr. Isnor:

Q. Except as to the $952,000 in connection with the province of New Brunswick; that was a co-operative scheme, as I understand it, between the province of Nova Scotia and your board.—A. It was at the outset but in 1938 the dominion government brought up the application of the New Brunswick government, I think the consideration at that time was something like $752,000. It relieved the province of New Brunswick of any further financial obligation.

Q. Was that the only province that undertook such a scheme?—A. Yes, all the other settlements of British families took place under a larger scheme which applied in all the provinces.

By Mr. Quelch:

Q. And that $109,000,000 only refers to lands sold to settlers, or does it include arrears of taxes, fire insurance and so on?—A. That is the original sum of the loans or advances on account of purchases of land, for the removal of encumbrances, for the erection of buildings, purchases of stock and equipment and so on.

Q. Then it would be a fairly large change in the payment amount?—A. It is interesting to know that of that figure of $109,000,000 to which I referred, that legislative reductions amount to $52,756,982.75; it amounts roughly to an equivalent of 50 per cent of the cost of establishment.

By Mr. Isnor:

Q. Would you mean by that that it amounted to a reduction of $57,000,000? —A. They were brought about under the following amendments: there was an interest exemption in 1922 which represented a loss of $10,269,187. There was a live stock reduction—a cost of live stock reduction—in 1925 which represented a further loss of $2,927,809.99.

Q. How would that be brought about, what would it be?—A. It was brought about by the drop in the current value of live stock in 1925 as compared to the time the live stock was purchased in 1919 and 1920.

Q. Depreciation in value?—A. Yes; and it was to a large extent a dead horse anyway because a lot of the live stock bought in 1919 and 1920 had passed out of existence by 1925.

By Mr. Reid:

Q. Had disappeared?—A. Had disappeared.

By Mr. Isnor:

Q. Would it be fair to say that out of the $109,000,000 invested you now place a valuation of $57,000,000 on it?—A. No, I would not put it in that way. If you will let me develop the various items under which these reductions were made I will come later on to what the recoveries have been and what the present day considered value of the accounts receivable is. Following the 1925 live stock reduction amendment we had a land revaluation amendment in 1927 which resulted in a further loss of $7,479,344.75. Now, that amendment operated on the principle that the settlers had been obliged to contract to pay sums in excess of the value of the land seven or eight years following the date of purchase. It will be recalled that at the close of the last war we were going through a period when all agricultural products had very substantial values; lands were accordingly held for substantially higher prices than would be the case if the value of the products had been less; so it was with that idea of writing off the depreciation in the value of the land brought about by the depreciation in agricultural conditions following the time the settlement took place.

By Mr. McLean:

Q. When you are speaking of write-off you mean, do you not, reduction in the amount owing by the soldiers to the government?—A. Quite. The 1927 amendment was then followed by I think the most drastic amendment of them all in 1930 when there was a 30 per cent horizontal reduction made in connection with all soldier settlers—good, bad or indifferent, it didn't matter whether the man was paying the debt or whether he was in arrears or whether he was solvent or insolvent—there was a horizontal reduction of 30 per cent made in all accounts. That resulted in a further write-down of $14,911,283.53. You will recall that shortly after that took place in 1930 we had quite a serious depression in this country and we had a serious difficulty in western Canada, particularly in the province of Saskatchewan where a large part of the business is located where due to low prices and climatic conditions the affairs not only of soldier settlers but of practically all farmers in the country were reduced to a rather desperate level. In 1933 there was interest remission for one year granted to a total of $2,344,098.56—a remission to all settlers who were unable to pay or who claimed inability to pay, as an inducement to those settlers to meet their payments and in recognition of the difficult conditions prevailing there was an amendment about that time providing for the application of what was termed the dollar-for-dollar bonus—for every dollar paid a man was given a receipt for $2.00. Now, the net result of that dollar-for-dollar bonus represented a further loss of $5,180,909.02.

By Mr. Quelch:

Q. That was only allowed on current payments, it was not allowed on pre-payments?—A. No. That privilege was amended or was extended from time to time I think until March of 1938—there was an amendment to it then which provided that the bonus would continue only in respect of arrears on record as of March 31, 1938. It was discontinued on current payments. The reason for that was that the bonus system was not working. The accounts of the department were something over $12,000,000 in arrears in spite of these remedial amendments and in spite of the dollar-for-dollar bonus which had been in effect five years—the arrears stood at something around $12,000,000. In order to meet the situation it was decided to bring a maximum number of these accounts under the provisions of the Farmers' Creditors' Arrangement Act with a view to finally getting them written down to some point which bore fair relationship between value, and debt and ability to pay.

By Mr. Sanderson:

Q. It is a sad story right through?—A. It is a sad story. I am giving you all the sad part of it at the start in any event. The result of the Farmers' Creditors' Arrangement Act operations as of March 31, 1940, showed a further reduction of $9,644,428.03. Now, all these items of reductions I have discussed here go to make up that total of $52,756,982.75. I might say, Mr. Chairman, that the figures with respect to the reductions under the Farmers' Creditors' Arrangement Act are substantially in excess of what I quoted you a moment ago because a further year has elapsed and that figure now stands at $12,513,-208.41. We had a great many outstanding proposals as of March 31, 1940, which have been cleared up in the meantime, and I may say that the operations under the Farmers' Creditors' Arrangement Act are practically completed. The Act has been suspended in the Maritime Provinces, Ontario, Manitoba and British Columbia; it is still active in the provinces of Alberta and Saskatchewan, but we are convinced through close examination that practically all settlers who are in financial difficulties from the standpoint of debt in excess of the value of the farm have already taken advantage of the Act so that there will be very little more done in that direction.

By Mr. Reid:

Q. Can you tell us the total indebtedness now?—A. Yes.

By Mr. Wright:

Q. Have the settlers who have gone through the Farmers' Creditors' Arrangement Act kept paying their payments since?—A. There has been a very decided improvement. We deal more fully with that a little later on. But I might just interject here that the collections for the fiscal year just closed are the best on record for the past ten years. The total amount of the recoveries runs close to $2,000,000.

By Mr. Gillis:

Q. Why was the Act suspended in the other provinces?—A. Well, because, I suppose, it was decided by the government that it had served its purpose. I think it is common knowledge that the operation of the Farmers' Creditors' Arrangement Act in eastern Canada did not enjoy the same reception at the hands of the ordinary public that it did in western Canada.

Mr. WRIGHT: I think that is largely due to the fact that in the east the mortgages are for the most part held by individuals.

Mr. MCLEAN: I think I might answer that question; I don't think there would be much dispute about the statement that it was discontinued in Ontario in order to restore farm credit, to restore a condition where a farmer who wanted to buy a farm and borrow money on it could do so; a condition which had been destroyed by the operations of the Farmers' Creditors' Arrangement Act.

By Mr. Quelch:

Q. The dollar-for-dollar bonus expired on March 31st of this year, did it not? —A. Yes.

Q. Would you say there had been very many settlers who had not been able to take full advantage of that owing to the effect of low prices, or limitation of marketing incidental to the wheat quota and things of that kind?—A. That is a rather difficult question to answer. When the plan expired on March 31st last there were arrears outstanding to a total of approximately $1,000,000 which could have been made under the bonus plan; but it does not necessarily follow that if the bonus plan had been continued that those debtors would have paid off their debt under that arrangement, because we have plenty of evidence to show that a large number of the men who could have taken advantage of the bonus failed or neglected or refused to do so. It is true that running through arrears of that size there are a percentage of settlers in western Canada in particular where there was some difficulty due to the system employed in marking the 1940 crop, for instance the quota system on wheat, and in some parts of the country there is a blockade at the elevators; but by and large the main problem confronting that particular group of settlers had been met under the provisions of the Farmers' Creditors' Arrangement Act, because those farmers, mainly speaking, were located in the district which had been hit with greatest severity during the past eight or ten years, and they had their accounts adjusted by the Farmers' Creditors' Arrangement Act and in that way derived much greater benefit by way of reduction in their indebtedness than they would have enjoyed under the bonus plan. Now, that did not apply in all cases, there were exceptions to that.

Q. In the case of a settler unable to sell his wheat owing to the quota system were the board willing to make a certain amount of wheat on the understanding that it would be applied to payments under that principle?—A. No, we cannot do that under our legislation.

Q. Were many applications made for that to be done?—A. According to my recollection—I think I saw them all—I do not think there were over eight

or ten. I think the settlers mainly recognized that they had had a period of seven years to take advantage of it, that they had had an opportunity of having their affairs adjusted under the Farmers' Creditors' Arrangement Act, and the situation generally was met. Those settlers who were unable to take advantage of the bonus were located in a wide variety of districts. We have the problem of the apple grower or the potato grower in the Maritimes; we have the fruit man in British Columbia whose fruit goes into the packer's warehouse in September and his returns are not through until the following June—those are all exceptions, of course. Our experience of the bonus period showed that it probably worked some individual hardship, but the main problem was met under the terms of the Farmers' Creditors' Arrangement Act because, as I said a few moments ago, as of March 31, 1938, the arrears outstanding in the accounts stood at approximately $12,000,000; as of March 31st, 1941, reductions under the Farmers' Creditors' Arrangement Act totalled $12,513,208.41, so that you can see that the arrears of record as of March 31, 1938, had disappeared —or, the equivalent had disappeared under this other Act.

The CHAIRMAN: Are there any further questions you would like to ask Mr. Murchison?

Mr. QUELCH: He will be coming back, of course?

The CHAIRMAN: Yes.

Mr. REID: I think we should have the number of the original settlers and the number who are at present on their farms; I think it would be very useful for us to know how many stayed on their farms right through the years.

Mr. QUELCH: And I think we should also have some information as to these people who came under the Farmers' Creditors' Arrangement Act; how many are going to fail under it and how many are making headway under it.

The WITNESS: We made a very close analysis of that situation during the winter months.

The CHAIRMAN: Can we have that next time? We still have to hear from Mr. Phelan, Mr. Armstrong and Dr. Archibald and some other witnesses.

Mr. GREEN: Before we adjourn to-day: the house will be adjourning about the middle of next week and there are several vital matters that should be considered by the committee and our report has to be put in. For example, there is the matter of the war veterans' allowance and rehabilitation and several others. When are we going to be able to get that report considered if we do not sit between now and Tuesday?

The CHAIRMAN: We cannot sit until Tuesday I am afraid, but we can sit two or three times on Tuesday.

Mr. GREEN: I think the time has come when we have got to decide about our report and just when are we going to deal with it? It begins to look as though there will be no opportunity to give consideration to those questions I mentioned at all, I am afraid.

The CHAIRMAN: I would say that that is not quite accurate. I think all the members of the committee are thinking about the report and when we get down to it I am sure it will not take us very long to deal with it.

Mr. GREEN: It means there can be no discussion in the house on it, and I am afraid there will be no proper discussion in this committee on this clause.

The WITNESS: The only point I had in mind in going into statistical detail on soldier settlement was to set up the background.

Mr. QUELCH: That is very important because there is a question of re-establishment after this war.

The CHAIRMAN: I was not referring to the witness' remark at all.

The committee adjourned to meet Tuesday, June 3rd, at 11 o'clock.

APPENDIX "A"

WCA/LL Quote No. MEDS. 14-1-10.

DEPARTMENT OF NATIONAL DEFENCE
ARMY

OTTAWA, CANADA, 28th May, 1941.

1. *Copies of instructions issued in connection with Herniæ—all forms.*

H.Q. 54-27-7-157
(Meds)

DEPARTMENT OF NATIONAL DEFENCE
(MILITIA SERVICE)

23rd September, 1940.

D.G.M.S. CIRCULAR LETTER No. 55

1940

To: The District Medical Officer,
All Military Districts.

DISPOSITION OF SERVING SOLDIERS FOUND TO BE SUFFERING FROM HERNIA

(all forms)

1. Records received at N.D.H.Q. indicate the necessity for a clearer understanding in connection with the procedure to be adopted when herniæ are discovered during the service period.

2. For the above purpose herniæ may be classified as follows:

(1) Umbilical
(2) Incisional or Recurrent
(3) Femoral
(4) Inguinal
  (*a*) In inguinal canal or extending to pubic bone
  (*b*) Scrotal
  (*c*) Direct.

3. It is to be understood clearly that recruits are not to be enlisted if hernia in any form is discovered to be present.

4. It is also to be definitely understood that the question of service connection either as to cause or aggravation is not to be considered as a factor in deciding as to whether or not surgical treatment is to be undertaken.

5. Herniæ as in Class (1) and (2) (umbilical and incisional or recurrent) are not to be treated surgically except in emergency.

6. Soldiers suffering from such herniæ may be classed in Category "C.1" or "C.2" if in the opinion of the Medical Board their services are required and there is no danger of strangulation.

7. If in the opinion of the Medical Board a truss is required in any case, same may be supplied, but category is not to be higher than "C.1."

8. Herniæ as in Class (3) (femoral). These cases rarely occur in the Army, but if discovered it is considered that Category "E" should be assigned.

9. Herniæ as in Class 4 (*a*) (inguinal) may often be satisfactorily held by a properly fitted truss.

10. If in the opinion of a surgical specialist a truss as above will enable the soldier to carry on the duties appertaining thereto, such soldiers may be retained in Category "C.1."

11. Herniæ as in 4 (*a*) may if necessity arises, be considered for surgical treatment.

12. Herniæ as in Class 4 (*b*) and (*c*) (scrotal and direct) may be considered for surgical treatment.

13. In considering such cases, Medical Boards will be guided by the following:

14. The whole question of the classification and treatment of hernia cases rests on one point only that is the probability of surgical treatment producing an effective soldier.

15. This probability is to be weighed in the light of the man's usefulness to the Service.

16. Before a definite conclusion is arrived at, the Medical Board should ask for a report from the Unit O.C. concerned. This report should be confidential and should be of a nature which will assist the Medical Board in arriving at a conclusion as to the desirability of surgical interference from the point of view of the man's usefulness as a soldier.

R. M. GORSSLINE,
(Colonel)
D.G.M.S.

H.Q. 54-27-7-157
(Meds)

DEPARTMENT OF NATIONAL DEFENCE
ARMY

24th April, 1941.

D.G.M.S. CIRCULAR LETTER No. 105/1941

To: *The District Medical Officer,*
All Military Districts.

DISPOSITION OF SERVING SOLDIERS FOUND TO BE SUFFERING FROM HERNIA

(*all forms*)

1. Records received from N.D.H.Q. indicate increasing incidence of recurring hernia.

2. It is laid down in Circular Letter No. 55, and Physical Standards and Instructions of 1940, that recruits with hernia in any form are to be rejected. In addition, no recruit will be enlisted with a history of recent herniotomy until a period of at least six months has elapsed from date of operation.

3. Herniotomy, except in emergency *will not* be authorized in the following cases:—

(*a*) When the patient is 40 years of age or more.
(*b*) When the hernia is of pre-enlistment origin, but not detected on enlistment. (Unless approved by N.D.H.Q.)
(*c*) Recurrent herniae.
(*d*) Bilateral inguinal herniae.

4. Personnel with herniae as in Para. 3 (*a*) (*b*) (*c*) (*d*) may be allotted Category "C.1" if the hernia is controlled by truss.

5. In authorizing herniotomy in those cases where inguinal hernia has developed during service, the point to decide is, whether surgical repair with adequate convalescence will produce an effective soldier.

6. A surgeon specialist's report as to the advisability of operation, and a statement from the O.C. Unit as to the soldier's efficiency should be available before herniotomy is recommended or approved.

7. Refusal of the patient to accept treatment (herniotomy) will not be considered as unreasonable.

8. To ensure a satisfactory result and to avoid danger of recurrence in those cases where herniotomy is authorized, the patient will be categorized "D" for two months. He will remain in bed for 14 days at least from date of operation.

9. At the expiration of the convalescent period, he will be re-boarded, and if the operative scar is in good condition, he will be allotted his proper category and returned to his unit with a recommendation that he be exempted from arduous physical effort for a period of one month. It will be the duty of the Unit Medical Officer to examine him at intervals during this period to observe his condition, and to ensure that duties he is called on to perform are proper ones in the face of the condition present.

L. G. DAVIS, Col.,
for (R. M. GORSSLINE), Brigadier,
D.G.M.S.

Quote No. Meds. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE
ARMY

Ottawa, Canada

1. Instructions issued in connection with physical standards and instructions for the medical examination of recruits, 1940, in connection with *Flat Feet.*

FLAT FOOT

The degree of arching of the instep is no guide to a diagnosis of flat foot, as the degrees are as varied as types of feet. The young and unhardened soldier is frequently subject to painful symptoms before objective signs are visible, and similar symptoms are commonly found even in the fully trained soldier.

The non-rigid type of flat foot presents two distinct conditions, viz: Acute and sub-acute.

The acute form, characterized by extreme pain and sudden development, is, of necessity and irrespective of the exciting factor, grounds for rejection.

The sub-acute condition is the one most frequently met with, characterized by tenderness and pain over the tubercle of the scaphoid on handling, as well as in the dorsum of the foot and under the tip of the external malleolus, with a tendency to swelling.

A foot predisposed to this condition is the long, thin, narrow type.

No such cases of sub-acute nature should be classed higher than Category "B.1".

A flat foot is commonly met with where the arch has long since disappeared. The symptoms complained of in this type of foot are generally attributable to the abnormal foot not readily conforming to the Army issue of boot when new. These symptoms therefore, being of a transitory nature, this type of flat foot does not necessarily prevent the soldier from being classed in Category "A".

The flattening of the transverse arch of the foot is a painful condition, usually aggravated by the formation of corns, and prevents a soldier from being placed in Category "A". The majority of such cases fall within Category "B.1".

Soldiers suffering from the rigid type of flat foot, it is considered, are not eligible for active service.

Low longitudinal or transverse arches will not be cause for rejection, unless accompanied by eversion or prominence of the astragalus. The Category will be "B.2".

WCA/LL Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE

ARMY

OTTAWA, CANADA, 28th May, 1941.

CHAIRMAN OF SPECIAL COMMITTEE ON PENSONS
ACT AND WAR VETERANS' ALLOWANCE ACT,
Room 497,
House of Commons,
Ottawa, Canada.

Question: How are men examined under the 4-month's training scheme?

Prospective recruits are directed by the District Registrar of the Department of National War Services to report to the nearest or any physician for the purpose of filling out a medical form. This form contains particulars of examination made by the civilian practitioner, shows the category the man is thought to be by the civilian practitioner, and is returned by him (the civilian registrar) to the District Registrar.

The District Registrar instructs the proper quota to report at Basic Training Centres. A sufficient number of Medical Officers is detailed to each Basic Training Centre to enable all the men to be examined in 24 hours. They are stripped and carefully examined under the directions issued in "Physical Standards and Instructions for the Medical Examination of Recruits, 1940" (copy filed). The result of the examination conducted by R.C.A.M.C. Officers is noted on space allotted for that purpose on the original form filled in by the civilian practitioner.

The only difference between the examination conducted at the Training Centre for 30-day recruits, and that now required under the 4-month training period is that x-ray and urinalysis is required in view of the extent of period of training.

WCA/NHW Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE

ARMY

Circular letters in connection with the following question *"What provisions have been made for parade examination for Venereal Disease?"*

Please note Paragraph 3, Subparagraph (iii) of instructions H.Q.C.-60-4-19, November 30, 1939.

H.Q.C. 60-4-19.
Nov. 30, 1939.

CONTROL OF VENEREAL DISEASE

RESPONSIBILITY

1. The prevention of military ineffectiveness through venereal diseases is mainly a disciplinary matter. It therefore concerns chiefly the C.O's of Units and formations. Primary responsibility does not rest on the Medical Service. The greater prevalence of disease in civil than in military life does not excuse neglect of the question by the military authority, which has powers of control not enjoyed by the civil authority.

2. Venereal disease is an important cause of military ineffectiveness due to sickness and must be controlled in the interests both of the troops and the public. This can be brought about only by vigorous action on the part of the D.O.'s C. Districts, who will take steps to see that instructions are carried out by Officers Commanding Units.

3. The question is to be approached as follows:—

(*a*) Education of the soldier.
(*b*) Prophylaxis.
(*c*) Administrative action towards general control.

A. *Education*

Three methods are available, all of which shall be carried out under the orders of the D.O.C.

(1) Approved *Printed Instructions,* to be retained in the possession of all ranks and called for at Kit Inspection. (M.F.W. 132 or M.F.W. 132A.) These are already in possession of Districts.

(2) Systematic *Instructions by Lectures,* for which the M.O. of each unit will be held responsible. (Approved syllabus has been forwarded to all D.M.O.'s.)

All recruits must be thus instructed within one month after attestation. A lecture on venereal disease shall be delivered to all ranks at intervals not exceeding two months by the M.O. of the Unit under direction of the O.C.

Emphasis must be laid upon the added risk of venereal disease due to alcoholic excess.

Every effort towards the establishment of sound moral views must be made, the chaplains, Y.M.C.A., and other such agencies being required to co-operate in the elevation of the moral standard of the soldier.

(3) *Weekly Inspections,* for which Commanding Officers are responsible. These shall be surprise inspections, forming part of the ordinary foot and other health inspections. Venereal Disease Inspection on such occasion shall be made only by the Medical Officer in private.

B. *Prophylaxis*

1. A Medical Officer for each District will be detailed by the D.M.O., who will supervise all preventive measures. The duties of this officer will be

(1) Inspection and reports on prophylactic centres.
(2) Co-ordination and control of educational preventive measures throughout the District.
(3) Co-operation with the Provincial and Local Health Authorities.

2. *Prophylactic Packet.* A prophylactic packet may be issued free by the N.C.O. on duty at the Medical Inspection Room to all men on request.

C. *Administrative Action Towards Control*

1. D.O.'s C. are responsible for general measures such as methods of education, discipline with regard to prevention, conferences of Medical and other Officers concerned, action of Military Police, establishment of prohibited areas, co-operation with civil authorities. O.'s C. Units are responsible for strict enforcement of instructions in the Unit under their command.

2. Medical Officers will co-operate in every way, and it shall be the duty of the D.M.O. to report as required by the D.O.C. from time to time upon the whole situation, particularly reporting Units in which orders as to venereal disease are not being properly enforced.

H.Q. 60-4-19
Nov. 30, 1939

D.G.M.S. CIRCULAR LETTER No. 6

Confidential

To—The District Medical Officer, Military District No.

VENEREAL DISEASE CONTROL

1. D.M.O.'s are requested to arrange with M.O.'s for a continuation of lectures to the men in accordance with the following suggested syllabus.

2. The headings should be elaborated, and the men given all advice possible.

3. Precis on Prevention of Venereal Diseases, suggested Lecture Material:—

(1) Prevention of contact.
- (*a*) Abstinence from sexual intercourse. Only sure method.
- (*b*) All professional Prostitutes are infected.
- (*c*) Big proportion of " amateurs " similarly infected.
- (*d*) Certificate of health displayed by many professionals no guarantee against disease.

(2) Three main venereal diseases.
- (*a*) Gonorrhea, "clap", "dose", "strain", "chaude piss".
- (*b*) Syphilis, "hard chancre".
- (*c*) Soft chancre.

One or all above may be contracted at the same time.

(*a*) Gonorrhoea.
Early symptoms, such as discharge, burning, etc. Danger of complications, such as epididymitis, prostatic abscess, ophthalmia, etc.
Possibility of sterilization.
Necessity of always using own towels.

(*b*) Syphilis. " Killer of the race ".
Length of incubation and early signs.
Primary sore on lips as result of kissing.
Stress possibility of insanity and paralysis as a result of disease.

(*c*) Soft Chancre.
Possibility of inguinal abscesses.

(3) Instructions—Must report to M.O. immediately any symptoms appear.

(4) Penalties—(*a*) Segregation from fellows.
(*b*) Loss of Pay.

(5) Warning re prophylaxis:—
Must be early to be effectual.
All barracks equipped with prophylaxis rooms, open 24 hours a day.
Condoms not a definite guarantee against disease.
Use prophylaxis room also.

(R. M. GORSSLINE.)
Colonel, D.G.M.S.

Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE
ARMY

OTTAWA, Canada, May 28, 1941.

CHAIRMAN OF SPECIAL COMMITTEE ON PENSIONS ACT AND WAR VETERANS' ALLOWANCE ACT
Room 497,
House of Commons,
OTTAWA, Canada.

Parliamentary Questions:

1. Question: On what date was X-Ray examination of chests commenced?
2. Answer: X-Ray of chests was ordered in Routine Order No. 97 of 1939, dated November 1st, effective October 25, 1939.

E. G. DAVIS, Col.
for D.G.M.S.

Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE
ARMY

OTTAWA, Canada, May 28, 1941.

CHAIRMAN OF SPECIAL COMMITTEE ON PENSIONS ACT AND WAR VETERANS' ALLOWANCE ACT
Room 497,
House of Commons,
OTTAWA, Canada.

Question: The percentage being trained for *Combatant* Units in Canada below category "A".

The exact percentage is not known. You are advised, however, that only "B.1" men are called up for training aside from the category "A" men, and that the percentage is very small, and composed largely of tradesmen being specially trained in Military Schools for specialty jobs in the Units.

E. G. DAVIS, Col.
for D.G.M.S.

WCA/LL

Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE
ARMY

OTTAWA, CANADA, May 28, 1941.

CHAIRMAN OF SPECIAL COMMITTEE ON PENSIONS ACT AND WAR VETERANS' ALLOWANCE ACT,
Room 497,
House of Commons,
Ottawa, Canada.

Question: The percentage of wastage for comparative purposes as between men trained for Overseas service and men trained for home duties.

It is regretted that the wastage for these two classes has not been kept in a manner which will permit of the desired information being supplied. It could only be obtained by a survey of individual files and this would be, as you will recognize, a difficult and tedious process which would take some time.

L. G. DAVIS, *Col.*
for D.G.M.S.

WCA/LL Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE

ARMY

OTTAWA, CANADA, May 28, 1941.

CHAIRMAN OF SPECIAL COMMITTEE ON PENSIONS ACT AND WAR VETERANS' ALLOWANCE ACT,
Room 497,
House of Commons,
Ottawa, Canada.

Question: The number of cases discharged in Canada under the different group causes.

Attached hereto is a return showing the above as from September 1, 1939, to March 31, 1941. The return has been made up showing both Overseas and Canada cases for comparative purposes.

It is of interest to note the percentage of wastage in Canada as compared with that Overseas. In connection with eye conditions, ear conditions, tuberculosis, heart conditions, and hernia, it is thought that these percentages illustrate the care being exercised to insure only physically fit men proceed overseas.

L. G. DAVIS, *Col.*
for D.G.M.S.

CANADIAN ARMY (ACTIVE FORCE)

MEDICAL BOARDS APPROVED MEDICALLY UNFIT (CAT. "E") FROM SEPTEMBER 1, 1939 TO MARCH 31, 1941

Diagnosis	Number of Boards				Total Number of Boards	% of total Boards
	Overseas Cases	% of Cases	Canada Cases	% of Cases		
Respiratory system	104	9·1	1,499	9·3	1,603	9·3
Peptic ulcers	287	25·0	1,078	6·7	1,365	8·0
Eye conditions	25	2·2	1,306	8·2	1,331	7·7
Mental condition	107	9·5	1,157	7·2	1,264	7·4
Ear conditions	53	4.6	1,199	7·5	1,252	7·3
Tuberculosis	13	1·1	1,072	6·7	1,085	6·3
Arthritis and rheumatism	111	9·7	942	5·9	1,053	6·1
Foot conditions	66	5·8	882	5·5	948	5·5
Injuries	61	5·3	857	5·3	918	5·3
Heart conditions	28	2·4	793	4·9	821	4·8
Hernia	10	0·9	518	3·2	528	3·1
Digestive system (other than ulcers)	17	1·5	451	2·8	468	2·7
All other conditions	262	22·9	4,302	26·8	4,564	26·5
Total	1,144	100·0	16,056	100·0	17,200	100·0

Quote No. MEDS. 14-1-0

DEPARTMENT OF NATIONAL DEFENCE

ARMY

OTTAWA, CANADA, May 28, 1941.

CHAIRMAN OF SPECIAL COMMITTEE ON PENSIONS ACT AND WAR VETERANS' ALLOWANCE ACT,
Room 497,
House of Commons,
Ottawa, Canada.

Question: Percentage who were passed by civilian doctors under the National War Services Mobilization Act, and were later rejected by R.C.A.M.C. Officers at Basic Training Centres.

The above information was asked for in connection with the 30-day training period, and the 4-month's training period.

Attached hereto is a table showing the number examined for all of Canada, the number rejected, and the percentage of each group called up. The first three dates, October, 1940, November, 1940, and January, 1941, were 30-day training periods. Men called up March, 1941, and April, 1941, were for the extended period of training of 4 months.

L. G. DAVIS, *Col.*
for D.G.M.S.

C.A. (R.F.) TRAINING CENTRES

"R" RECRUITS

RESULTS OF EXAMINATION ON REPORTING

Date	Number examined	Number rejected	Per Cent rejected
October, 1940	27,599	2,078	7·52
November, 1940	30,722	2,615	8·51
January, 1941	30,626	2,526	8·24
March, 1941	5,268	416	7·89
April, 1941	5,458	456	8·35
Total	99,673	8,091	8·11

APPENDIX "B"

11034—107 Street,
Edmonton, Alberta,
May 28, 1941.

The CHAIRMAN, PENSION ACT COMMITTEE AND WAR ALLOWANCE ACT,
House of Commons,
Ottawa, Canada.

DEAR SIR,—On behalf of a large number of ex-dominion civil servants in Alberta, we, the undersigned, beg respectfully to ask that the following recommendation of the Veteran's Assistance Commission, which was included in its report issued in December, 1937, be considered by your Committee with a view to same being endorsed:—

> That the Civil Service Superannuation Act, being Chapter 24 of the Revised Statutes of Canada, should be so amended as to provide that the time spent on Active Service by members of the Civil Service of Canada, who saw service in the armed forces of the Country during the Great War, 1914-18, may be counted for the purpose of superannuation.

When the Honourable Ian Mackenzie visited Edmonton in the early part of 1938, it was stated definitely that the above recommendation had been referred to the Special Select Committee on Superannuation.

In the Report of the Special Select Committee on Superannuation, submitted to the House in May, 1939, Recommendation No. 4 was submitted as follows:—

> That provision be made for counting active service overseas during the Great War, which cannot now be granted, subject to certain restriction.

The Chairman, in submitting this particular recommendation, stated:—

> All organizations of returned men have made representations for many years, urging that such service be allowed as a matter of fair play and justice, the principle of which is established in connection with the Mounted Police, and, I believe, one other branch of the Service; and your Committee has decided to recommend that a change be made.

The recommendation in question has not yet been implemented, and I am requested to ask if your Committee would consider the advisability of adding your endorsation to an early implementation of the recommendation.

In view of the fact that many of the men affected joined the civil service late in life, it would add a little extra to their already meagre allowance.

We are including herewith sufficient copies of this letter for distribution among the members of your Committee.

On behalf of Alberta Ex-Dominion Civil Servants.

Respectfully submitted,

S. GUMWOOD,
Chairman.
J. W. PRATT,
W. RONAHAN.

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 21

WEDNESDAY, JUNE 4

WITNESSES:

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health.

Mr. A. W. Crawford, member of the Interdepartmental Committee on Youth Training.

Mr. G. Murchison, Director of Soldier Settlement.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

June 4, 1941.
10 a.m.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met this day at 10 a.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Blanchette, Bruce, Cleaver, Cruickshank, Eudes, Gillis, Green, Isnor, Macdonald *(Brantford)*, MacKenzie *(Neepawa)*, Mackenzie *(Vancouver Centre)*, MacKinnon *(Kootenay East)*, Macmillan, McCuaig, Quelch, Sanderson, Turgeon, Winkler, Wright.—20.

A letter from A. J. Dixon, Secretary to the Department of Pensions and National Health, respecting the Poppy Fund was read by the Clerk.

Mr. W. S. Woods, Associate Deputy Minister of Pensions and National Health, was recalled and examined on the work of the sub-committee dealing with land settlement; also on interrupted education. Witness retired.

Mr. A. W. Crawford, member of the Inter-departmental Committee on Youth Training, was called and examined.

The Committee recessed from 11 a.m. till noon to permit the members to be present in the House.

The Committeee resumed at 12 noon.

The Chairman referred to a letter he had received from Mr. Walter H. Callow protesting against deductions from pensions during hospitalization. It was agreed to refer the letter to Dr. Ross Millar, Director of Treatment Branch, Department of Pensions and National Health, for appropriate action.

Mr. Crawford's examination was then continued.

The witness retired, and the Committee adjourned to meet again at 8.30 p.m. this evening.

June 4, 1941.
8.30 p.m.

The Committee met at 8.30 o'clock, p.m. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Bruce, Eudes, Gillis, Green, MacKenzie *(Neepawa)*, Mackenzie *(Vancouver Centre)*, MacKinnon *(Kootenay East)*, Macmillan, McCuaig, Quelch, Sanderson, Winkler, Wright.—13.

On motion of Mr. Green, a vote of thanks was extended to Mr. Crawford for his very interesting and illuminating evidence.

Mr. G. Murchison, Director of Soldier Settlement, was recalled and further examined.

The Soldier Settlement Balance Sheet as of March 31, 1941, and Statement showing Legislative Reduction as of March 31, 1941, submitted by Mr. Murchison, were ordered printed as Appendices "A" and "B" to this day's evidence.

Mr. McCuaig moved a vote of thanks to Mr. Murchison for the evidence he submitted.

The witness retired.

The Committee adjourned at 10.45 p.m. to meet again to-morrow, June 5, at 12 o'clock noon.

J. P. DOYLE,
Clerk of the Committee

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 277,

June 4, 1941.

The Special Committee on Pensions met this day at 10 o'clock. The Chairman, Hon. Cyrus MacMillan, presided.

The CHAIRMAN: Order, gentlemen. I have a very interesting and informative letter from Mr. A. J. Dixon, chairman of the sub-committee on the administration of special funds, which I should like to have placed on the record with your permission. Meanwhile, I shall ask the secretary to read it because it is very interesting.

The SECRETARY (Reads):

"DEAR SIR,—From the minutes of proceedings and evidence of the special committee on the Pension Act and War Veterans' Allowance Act on Friday, April 4, 1941, it is noted that Brig.-General H. F. McDonald, chairman of the general advisory committee on demobilization and rehabilitation, filed summaries of minutes and reports of the various sub-committees appointed by him. These appear as appendices to the proceedings of April 4th. Among them as appendix E is the interim report of the sub-committee on the administration of special funds, of which I am chairman.

I should be glad if you would report the following to the chairman of the special committee:—

(*a*) On page 344 of the minutes of proceedings and evidence of April 4th, the following heading appears in the 10th line:

7. Ships' Poppy Fund administered by the War Veterans' Allowance Board.

As the context indicates, the phrase 'administered by the War Veterans' Allowance Board' is in error.

(*b*) In connection with the reprinting of the report it should be noted that page 335 should be page 333, and page 333 should be page 335.

(*c*) In connection with the Poppy Fund the following statement appears on page 345:

There was no profit on the sales of these poppies accruing to the Department of Pensions and National Health.

It should be made clear that the Canadian Legion for the past fifteen years, has bought from the department at rates mutually agreed upon, the poppies and wreaths used in the campaign on each November 11th. This money has been utilized by the department in the purchase of material and the payment of wages to disabled ex-service men and their families. It should be pointed out that the Canadian Legion throughout the years by means of purchase of poppies have thus paid to the department over $777,000 which has assisted in the provision of sheltered employment.

Perhaps the chairman would consider entering this letter in the evidence as an indication of the corrections."

The CHAIRMAN: Gentlemen, we will recall Mr. Walter S. Woods.

WALTER S. WOODS, recalled.

The CHAIRMAN: Proceed, Mr. Woods.

The WITNESS: Mr. Chairman and gentlemen, I understand that this morning I am required to make some comment on the deliberations of a sub-committee of the general advisory committee that has been dealing with the subject of land settlement for the new forces. Mr. Murchison started the other day to make a statement which he has not yet completed on the operations of the land settlement policy of the great war and it had been his intention as a member of this sub-committee on land settlement for members of the present war to comment on the operations of that sub-committee during my absence from the city. I was out of town when Mr. Murchison testified. I have prepared a statement, Mr. Chairman, on the operations of this committee to date which I should like to place on the record. The statement is as follows:—

Sub-Committee on Land Settlement

It would be unnecessarily taking up the time of the committee and constitute a repetition of what is already in the record if I were to deal at length with this subject.

The progress this sub-committee has made is largely reflected in the minutes of the parliamentary committee No. 10 of Friday April 4th, when General McDonald tabled a synopsis of the progress of the various sub-committees operating under the general advisory committee.

It is perhaps sufficient to say that the committee finds itself in agreement on certain important principles, the outstanding one of which is that state financial assistance, a substantial part of which will not be recoverable, is a prerequisite to the institution of any comprehensive plan of land settlement as a rehabilitation measure.

The fundamental shortcoming of the soldier settlement policy following the great war was that the settler himself had little or no equity or less than no equity in the property. Experience teaches that farmers who are established without financial assistance cannot carry on overhead of 100 per cent.

The question arises as to what is a safe margin—what equity should the settler have to ensure reasonable chances of success.

Private mortgage companies have set a limit of approximately 50 per cent, the Canadian Farm Loan Board has a limit of 50 per cent; the central Mortgage Bank Act contemplates reducing the farmer's total debt for land and equipment to 80 per cent. If it be agreed that some equity is necessary, then if the settler cannot furnish that equity himself, it must be furnished through some other agency.

The sub-committee on land settlement is of the opinion that generally speaking the settlers will not have the funds to provide any reasonable equity, and that if a successful settlement plan is to be developed, that equiry would have to be provided by the state.

The committee has not yet completed its deliberations but briefly it has accepted the foregoing principle, and is now addressing itself to concrete figures, and is contemplating a plan which will settle as many families as were settled after the great war at approximately half the outlay and meeting the primary problem of last war's settlement at the outset by recommending after a suitable period of operation the settler be granted an equity in his property such as will give him a reasonable chance of success and thus avoid the necessity from time to time of remedial legislation and continuous and close supervision.

I may say, Mr. Chairman, in conclusion that I should like to point out that the committee is still considering this problem. It is now addressing itself to

actual concrete figures. It has accepted the principle I have outlined in this memorandum. I should like further to say from eleven years' experience in soldier settlement after the great war that I am of opinion that the settlers were not badly selected. They, as a group, were as good risks as any mortgage company has loaned money to. I should like to express the opinion that the selection of lands was not badly done and that the settlers themselves put up reasonable efforts to cope with their indebtedness, but that the fundamental primary fault was the fact that loaning took place on a margin that experience indicates offered no chance of success.

I do not know, Mr. Chairman, whether the committee wishes to go any further into this land settlement question just now. Mr. Murchison, the director of soldier settlement, is here and he is also a member of the sub-committee on whose behalf I have been speaking.

I also have a brief report of the sub-committee on interrupted education. If you wish that report given at this time I shall be glad to give it, sir.

The CHAIRMAN: Go on, Mr. Woods.

The WITNESS: This is another sub-committee of the general advisory committee, and its terms of reference are the question of the resumption of interrupted education on the part of men who had either embarked on a university career or who have the educational qualifications to enter university.

To give an outline of the progress of this committee in detail would also constitute a repetition of the evidence that was tabled by General McDonald at the sitting of this committee on Friday, April 4th, and which appears in the minutes of proceedings No. 10.

Briefly, it may be said that in the case of men who were domiciled in Canada upon their entering the service and who served not less than six months and who are qualified to enter a Canadian university or have actually been admitted to such university;

that the dominion shall pay to the university in which the student is enrolled an amount equal to the annual fees ordinarily collected from each student plus training allowance for a period of time exactly equal to the number of years during which such individuals have been on active service. It is not proposed to shorten the term of tuition by granting credits because of the man's service. In short this committee is recommending that the time lost and the education lost as the result of the soldier's absence on service be furnished to him free on his return. It will be interesting to the committee to hear, Mr. Chairman, that out of 41,000 veterans of the great war who were granted vocational training with living allowances while they were taking the training only 3,240 came in this category of men who were embarking on an educational career to follow a profession. There were 1,108 who were studying for engineering, 772 who were studying medicine, 580 artistic professions and other professions 780. Whilst that represents a very small percentage of the total of 41,000 men who were given vocational training it is felt that after this campaign the percentage will be much greater because of the educational qualifications required in the air force.

That concludes the report, which is purely a progress report, Mr. Chairman.

By Hon. Mr. Mackenzie:

Q. You also have a sub-committee on vocational training and have you a report?—A. Yes, there is also a committee on vocational training. I did not prepare a report for presentation this morning. I happen to be the chairman of these two sub-committees—

By Mr. Green:

Q. Has the last recommendation you made gone into effect or is it merely a suggestion?—A. That is as far as the sub-committee has progressed. They have accepted this principle, of course.

Q. There is no Order in Council?—A. No, it has not been promulgated in the form of legislation.

By the Chairman:

Q. These credits and living allowances that you speak of as well as fees will be paid for the equivalent time the student spent in the army?—A. Yes, sir, that is it.

By Mr. Green:

Q. If a man were in the army for a year he would get the assistance for a year?—A. That is right.

By the Chairman:

Q. And the fees?—A. And the fees.

Mr. MacKenzie (*Neepawa*): Only in training.

The Witness: I am now referring in this report to the man whose education was interrupted. It would apply to any boy who had senior matriculation or who had already embarked on a university career.

By Mr. Macdonald:

Q. Was that provision in effect in the last war?—A. I pointed out for the last war 3,240 men were given training allowances to enable them to continue their university education.

Q. It was not the same arrangement as is proposed for this war?—A. No.

By the Chairman:

Q. Would that assistance be irrespective of any gratuity?—A. Well, there will have to be some tie in of policy there. The question will have to be decided as to whether if gratuity is granted it should not have some bearing on what rehabilitation facilities are given to the men by the state in other directions. The committee in considering the question of war service gratuity has not yet been able to persuade itself that it was the wisest form of rehabilitation.

Hon. Mr. Mackenzie: In connection with these reports I may say that the report of the sub-committee goes to the advisory committee and from there they go to the cabinet for decision.

Mr. Green: It has not yet been heard by the main committee?

Hon. Mr. Mackenzie: No.

By Mr. Green:

Q. Your understanding is then they would not recommend both gratuity and training allowance?—A. I am not prepared to say that, but I can envisage the committee, considering the question of war service gratuity, might be influenced in its recommendation by what other rehabilitation facilities are provided.

Q. Have you given any consideration to including in this assistance programme the young men who go into a trade rather than into a university?—A. Most certainly. The committee on vocational training has progressed so far as to accept the principle that a good many of these boys had no trade when they enlisted and some provision will have to be made for them to help them when they come out of the army.

By Mr. Macdonald:

Q. Does a man who is now discharged from the army receive a gratuity?—A. He receives a rehabilitation grant of one month's pay for six months of service.

Hon. Mr. Mackenzie: Continuous service.

By Mr. Green:

Q. Is there not a need for help for this type right away? There are many men being discharged from the forces. Are there not some of these cases where the education has been interrupted and where the young men should get this benefit right away? A. There may be one or two boys affected. There cannot be very many because in our welfare division—which, by the way, will not be fully functioning until we get all our field men appointed—we have not encountered more than one or two cases at the outside. And I am now making a trip to Western Canada to make a survey of conditions in that regard; and if there are sufficient cases to warrant it I am quite sure the minister will give the matter serious consideration.

Q. Of course, even if there are only a few, these men should be protected before the next university term starts. They should be able to go into the university term next fall. A. That is a matter, Mr. Chairman,—for Mr. Green's information—on which I addressed a memorandum to the minister yesterday and I hope to submit something concrete to him as to the situation in that regard very shortly.

Q. You probably would not hear of one case in a hundred through your welfare offices, because these young men do not know that there is anything like this in prospect. I do not think you can place much emphasis on the fact that you have only run across one or two cases through your welfare work. That does not prove there are not several hundred of them. A. It does not prove it, but in view of the fact that less than 10 per cent of the enlistments are men with senior matriculation or men who had embarked on a university career, and in view of the fact that less than 10 per cent of them are in that category and only 1,200 men have been discharged with overseas service, I think it can hardly be far from correct.

Q. Does this apply only to those who have had overseas service? A. No, it does not apply only to those who have had overseas service, but amongst those with Canadian service only who did not proceed overseas, the percentage of men with higher education is small. We have an occupational history of every one of them who has applied for the rehabilitation grant and the number of boys in this category is small. Most of the boys with these qualifications receive commissions in the service and the discharges amongst those is correspondingly small.

Q. It is only a suggestion that the provision apply only where a man has been six months in the forces? A. Yes.

By Mr. MacDonald:

Q. Is there a difference in the gratuity of a man who has been six months in the service and a man who has been a year in the service, or is there a difference in the gratuity for a man who has served only in Canada and a man who has served overseas? A. Not at the present time. The present Order in Council provides a gratuity or rehabilitation grant of thirty days' pay for men who have been in the service for six months. The question of those who have been in for longer, for a year or longer, has not yet been considered.

Q. And there is no gratuity for a man who has been in less than six months? A. There is no gratuity for a man who has been in less than six months.

The CHAIRMAN: In the last twenty months I have been following one student who was discharged from the forces. That does not prove there are not a great many more elsewhere.

Are there any other questions?

Mr. QUELCH: Is Mr. Murchison coming back?

The CHAIRMAN: Yes.

By Mr. Quelch:

Q. I think probably Mr. Woods is very well qualified to speak on soldier settlement problems in view of the fact that he was in charge of the work for quite a number of years after the war. I think, too, that his statement was a fair one when he said that everything possible was done to make the scheme a success. But there were many exceptions. There were cases where poor land was put off on the settlers and high-price stock, which was of very little value, taken over. I think, as Mr. Woods points out, it is impossible to expect a soldier to make a success of the undertaking under this plan if he has got to stand the full capital investment. I was wondering if there had been any consideration given to a plan whereby the government could acquire land and then lease it, we will say, on a twenty-year lease, at a very low rental? That is being done in Alberta today in special areas, and it is being very successful. Where civilians could not pay for land, it is found that they could pay a very low rental and make a success of it.—A. The committee has given consideration to that matter and has discussed it. I think they have a realization that certain types of land with certain people would be more successful under lease rather than on a purchase basis. I would not say that that would apply to the majority of them. The majority of them have a land hunger, and they want to own something of their own. They want, at least, the prospect of owning it. But there are certain situations where leasing would be more advisable, and the committee is giving that consideration.

Mr. QUELCH: I believe in a certain area the land is leased on a 99 year lease. To all intents and purposes that land is yours, although there is the feeling that you will not actually own it.

Mr. WRIGHT: Another factor which should be taken into consideration is the great fluctuation in the price of agricultural products from time to time. I took that up with the Soldier Settlement Board in 1920, and I have come through the whole process since then and I know from personal experience what happened to the settlers under the old scheme. I think my own personal experience might be of some interest to the committee. In 1920 I purchased my seed wheat at the market price of $2.60 a bushel. In the fall of 1921, I sold it for 72 cents a bushel. I think the committee have got to take into consideration that the debt which a soldier has should bear some relation to the price of his products. If you do not do this and you have the same fluctuations that we have had in the price of agricultural products for the last twenty years, you are going to find yourselves in difficulty under the scheme.

I do not know what is the best way to handle the matter, but it has got to be done if the scheme is to be successful; the debt has to bear some relationship to the price of agricultural products from time to time.

By the Chairman:

Q. Are there any other questions?

The WITNESS: I should like to point out, Mr. Chairman, that the committee is not an Ottawa committee. The committee is composed of men who are experts in their particular line and who have been good enough to serve on the committee at no cost to the public. I am quite sure that if I were to name the personnel of the committee here, this committee would feel that all the necessary experience was being brought to bear on this question and that farm economics is one of the problems of which they are fully cognizant.

Mr. QUELCH: Would there be any objection to naming them?

The WITNESS: Those names, as they appear, on Page 319 of the Minutes of Proceedings of the Parliamentary Committee, No. 10 of April 4th last, are as follows:—

Walter S. Woods, Esq. (Chairman),
Associate Deputy Minister,
Dept. of Pensions & National Health.
Dr. G. S. H. Barton,
Deputy Minister of Agriculture.
Harry Hereford, Esq.,
Commissioner of Unemployment Relief,
Department of Labour.
W. M. Jones, Esq.,
General Superintendent,
Soldiers' Settlement Board.
Dr. O. A. Lemieux,
Dominion Bureau of Statistics.
T. D'Arcy Leonard, Esq., K.C.,
Dominion Mortgage & Investments Company,
Toronto, Ontario.
J. N. K. Macalister, Esq.,
Chief Commissioner of Immigration & Colonization,
Canadian Pacific Railway,
Montreal, Que.
Dr. W. A. Mackintosh,
Department of Finance.
Dr. J. D. MacLean,
Canada Farm Loan Board.
J. S. McGowan, Esq.,
Director of Colonization & Agriculture,
Canadian National Railways,
Montreal, Que.
J. S. McLean, Esq.,
President, Canada Packers Limited,
Toronto, Ontario.
Gordon Murchison, Esq.,
Director of Soldiers' Settlement Board.
J. A. Proulx, Esq.,
Chief, Publicity Service,
Department of Agriculture,
Quebec, P.Q.

By Mr. Isnor:

Q. You spoke of the advance that a loan company would make of 50 per cent of the value of a farm. That would mean that the settler would have an equity of 50 per cent, and then you spoke of another board?—A. The Canadian farm loan board?

Q. Which would advance 80 per cent?—A. That was not the Canadian Farm Loan Board.

Q. The point I had in mind was that the figures would indicate that they did have an equity, in a sense, of 50 per cent; that is, by the reductions which were made from time to time. Would that be a fair statement; that they really did have an equity, in a sense, of about 50 per cent, judging by the deductions and drawbacks, and so on which took place from year to year?—A. I would prefer that Mr. Murchison answered that question of what the various adjustments and reductions represented.

Q. They are already on record. My point was that you have already had the experience, apparently not a very successful experience, of having advanced, roughly speaking, 50 per cent, and I would judge that the scheme has not been particularly attractive?—A. There is quite a difference in starting a man out with 125 per cent overhead debt. I refer now to the cost of his land and cost of his stock and equipment on top of that and then making reductions from time to time and a rebate of interest and a physical revaluation of the land, and so forth. I am not prepared to say that those various adjustments did represent giving the settler an equity of 50 per cent, because the accumulated interest was also a factor in that. I am not prepared to say that those adjustments did represent giving the settler an equity of 50 per cent of his original deal.

By Mr. Wright:

Q. You might give your settler an equity of 50 per cent to-day and three years from to-day find that that equity is entirely wiped out because of the prices of agricultural products going below what they were when he entered into that scheme. Take my own case, for instance; I bought land under the settlement board at $23 an acre, low land and broken. To-day that land has been cleared at a cost of from $15 to $20 an acre; there have been buildings placed on it worth $5,000 to $6,000, but the land is not worth what was paid for it in the first place. To-day it is worth approximately $15 to $20 an acre. So that you can wipe out your equity of 50 per cent unless you have some tie-in between the price of your agricultural products and the price of your land?—A. So that starting out to-day, Mr. Chairman, if land has depreciated so much, I should think that the proposed scheme would be correspondingly sounder.

Q. It would be provided you have no change in the prices of your agricultural products. But we do not know what they may be ten years from to-day, and we do not know what the price of that land will be three years from now.

The CHAIRMAN: Mr. Woods, the committee is very grateful for your help. You have made a very valuable contribution to the deliberations of this committee.

The WITNESS: Thank you, sir.

Witness retired.

The CHAIRMAN: We would like to hear from Mr. Crawford.

A. W. CRAWFORD, Special Assistant to the Inter-departmental Committee on Labour Co-ordination, called:

The CHAIRMAN: Mr. Crawford is substituting for Mr. Thompson who is absent from Ottawa at the moment on duty. He will tell us something about the youth training work that is being done.

The WITNESS: Gentlemen: The chairman has asked me briefly to describe the system of training in operation under the War Emergency Training Program. The history of the program is that it originated under what was known as the Youth Training Program whereby the Dominion Government voted money on a fifty-fifty basis with the provinces to take care of the young people in Canada who through no fault of their own had been without employment and had been unable to make themselves self-supporting citizens. That program started in 1937 and continued until the outbreak of the war. Under it many thousands of young people were placed in industry and trained in especially organized training centres. These young people were given preliminary training and then placed with employers who undertook to complete their training. It was not a rehabilitation program, it was a habilitation program. At the outbreak of the war it was a very natural development that this program be switched over to

the training of new employees for the war industry. The organization was set up throughout the dominion in co-operation with the provinces and was well equipped to do the work, and that development has taken place. At the present time there are 100 vocational schools and specially organized training centres throughout Canada and there are not less than 11,000 trainees in training at any one time. During the past summer use was made of the vocational school shops and departments to train boys and young men particularly in mechanical trades. About 12,500 received training at that time. Most of them were placed with the war industries in what might be termed semi-skilled operations in connection with the operation of certain specialized machines and in the assembly lines. More recently it was decided that since the armed forces would require more and more of these young men it would be poor policy to continue with the youth-training policy because under this agreement only those between the ages of 19 and 30 were eligible for training. You can understand that many of them would be subject to compulsory service and many would be enlisting and it would be uneconomical to train them at public expense only to have them enlist at the time they finished their training or after they entered employment; so the present policy is to give preference in the following order: first to veterans of the last war and those who have been discharged from the armed forces in this war; then, those young men who have been medically examined and found unfit for service and whose disability would not in any way handicap them as industrial workers; and then we have the older men of 40 years of age and up who are medically fit and who will have a reasonable chance of placement in employment. Then comes the next age group, 25 to 40; and after that the young boys coming from school. An honest effort is made to follow that order of precedence, but naturally conditions vary; and one difficulty is that employers are not yet fully aware of the situation and in many cases refuse to hire a man over 40 years of age. I am glad to say that that attitude is rapidly changing. Another situation, of course, arises from the fact that at the beginning of the war it was generally understood that a man who served in a war industry was serving his country equally as well as if he were in the armed forces. The situation, as you know, has greatly changed, and it is rather difficult now to deal with industries which have been taking in these young men. They are finding it very difficult to adjust themselves to the changing situation and some of them are complaining bitterly about the manner in which the government is robbing them of these young men who have been especially trained for war service and who are now enlisting or in some few cases being drafted for compulsory service. That training program is definitely designed to meet the needs of industry. I think we should bear that in mind, that this effort to look after the welfare of young people who were unable to look after themselves designed by the several governments is now being used to supply the war industry with partially trained workers, those who would be more easily broken in; and the necessity for it arises from the fact that there is a shortage of skilled workers in all branches of the mechanical trades.

By Mr. Isnor:

Q. What way have you of arriving at the requirements of the need of the country in regard to particular trades?—A. Surveys have been made on two or three occasions and from two or three sources to determine just what the labour requirements would be for the war program in operation at a particular time. No one, of course, can anticipate what the program will be in the future. Then, we constantly interview individual contractors and employers with government contracts and ask them to predict as accurately as possible their requirements for the coming months both by way of skilled workers, and semi-skilled and unskilled. That of course is a difficult thing for them to do because they are dependent on orders, and they are not able to anticipate future orders; also,

conditions of war change, programs have to be re-arranged; so it is extremely difficult if not impossible accurately to predict labour requirements in any one field.

By Mr. Green:

Q. Mr. Crawford, have you taken any steps toward the training of young women for work in industry?—A. In a very limited way, in the aircraft industry where a considerable number of women are being employed; and in one case the program did organize specialized training for female workers. Girls and women have, however, been trained only as inspectors, or have been trained at the expense of the industry itself. The government is training female inspectors, not under this particular program but under the inspection service, and we are co-operating with them to a limited extent.

Q. Don't you think the time is coming when it will be advantageous to train young women for war industries?—A. Shall I give my personal opinion?

Hon. Mr. MACKENZIE: Yes.

The WITNESS: That is hardly for me to say, whether the time has come; that is a matter of policy—but my opinion is, yes.

By Mr. Green:

Q. Is it?—A. Yes.

By Mr. Quelch:

Q. How many men have you in training at the present time?—A. 11,000; about 57,000 have been trained under the program during the past year.

By Hon. Mr. Mackenzie:

Q. Are there not others who have been trained by the services themselves? —A. Oh, yes. I intended to add something about that, Mr. Minister. The program is not only for industry; I was speaking only of the industrial phase of it; but in addition to the industrial phase of it we are training approximately 6,000 to 7,000 per year for the Royal Canadian Air Force. These trainees come to us after having been medically examined and approved for enlistment in the R.C.A.F. and after having signified their intention to enlist; they are then given three or four months training as ground workers or as wireless operators, and immediately on completion of the training they are again medically examined and given a trade test. If they successfully pass these two examinations they are then immediately enlisted and sent into the training scheme or elsewhere in the R.C.A.F. as ground crews; that is, with the Royal Canadian Air Force. In addition to that, of course, they have their own training schemes. We merely supplement them.

By Mr. Turgeon:

Q. Have you any idea of what percentage of the men, after receiving training, pass the test?—A. Yes—approximately 80 to 90 per cent in each centre. I would say at least 85 or higher throughout the dominion.

By Mr. Green:

Q. Were those 37,000 that have been trained during this last year, trained for industry?—A. No. They were not. Some were for the R.C.A.F. and some for the army.

Q. How many were for industry?—A. I have the figure; 28,591 until March 31, 1941.

By Mr. Quelch:

Q. To what extent do the training facilities take care of applications? I mean, do you have long waiting lists?—A. Until recently, yes; now, no.

By Mr. Green:

Q. The figure of 37,000 is to March 31st also, is it?—A. Yes. The figures at the 31st March were: total, 37,871, of which 28,591 were trained for industry; 6,093 for the R.C.A.F., and 3,187 for the army.

Q. Of those men who were trained for industry, what proportion would come under the heading of young men who could go into the forces?—A. I could not answer that question exactly. I could give you a break-down by age groups of those now in training, which would be indicative of the proportion. Yes, I think I could give you the figures as from January 1st to March 31st of this year, and if you take the following age groups, you will be able to arrive at an estimate. There were 2,317 between the ages of 16 and 19; 3,122 between the ages of 20 and 29; 1,015 in the age group of 30 to 39; 907, 40 to 49; and 346, 50 years of age and over. It is safe to say that the percentage of young men was greater during the past year than those figures indicate, because the change in policy to train older men was effective only from last December. Before that time it was the youth training program which predominated.

By Mr. Quelch:

Q. At the present time is there any active co-operation between the employment agencies and these training centres? What I have in mind is this. I think all members are receiving letters from men saying that they want work, but that they are referred to employment agencies where they are told that they have not the proper training. Should not these men automatically be referred to training centres for training so that they will be competent to do the work?—A. The instructions are that they should be. I could not see who asked the question just before—whether it was you or not, Mr. Quelch, with regard to waiting lists.

Q. Yes, I asked it.—A. Up until recently I know one school had over 500 on the waiting list.

By Mr. Mackenzie (Neepawa):

Q. That is for entrance?—A. For admission to training, yes. So we were unable to cope with the demand. But recently it has become difficult to get properly qualified applicants for certain types of training.

By Mr. Quelch:

Q. Is that owing to it being speeded up?—A. No. That is not true generally. It is only for specialist types. But the waiting lists are being called out or being picked over very carefully by industry in selecting men for non-skilled trades or non-skilled occupations.

By Mr. Green:

Q. You have not any waiting lists any more?—A. Yes, we have some. We have waiting lists sufficient to take care of our facilities, if I speak in general; but in some schools waiting lists have entirely gone and they have to call on other centres and transfer trainees from other centres into the schools. Then we have sections of the country in which there are huge waiting lists and no ample training facilities.

By Mr. Turgeon:

Q. Whereabouts are those large waiting lists?—A. The waiting lists are generally in the western provinces, the prairies provinces, and the maritime provinces.

By Mr. Quelch:

Q. Can these men not be transferred to the east for training? I mean to say, if the men are needed urgently could that not be done?—A. There again

we enter on a rather difficult question. There is no physical difficulty in doing it, but there are some complications, if you transfer men from western Canada to Ontario or Quebec for training. There is a migration individually, but so far there has been no concerted effort to transfer large numbers of men or women from one part of Canada to another for training. They have been trained locally as much as possible, and then there has been every effort to place the trainees, particularly from the prairie provinces and from the maritimes, in Ontario and Quebec.

By the Chairman:

Q. Do you pay the expenses of transfer?—A. Transportation charges are paid, yes. And in addition, Mr. Chairman, while these people are now in training they receive a living allowance of $7 per week for a single person and $12 per week for married men and those with dependents.

By Mr. Green:

Q. There have been large transfers of trainees, have there not?—A. Yes.
Q. To Ontario and Quebec?—A. Yes.

By Mr. Quelch:

Q. Is there nothing being done, then, to overcome this difficulty of waiting lists in the west, to make it possible for those people to immediately be absorbed in some training plan? Because it seems a terrible thing that at a time such as this, when industry is being impeded on account of a lack of labour, we should have people in western Canada who want to work and cannot get work because they happen to be in the west instead of the east. Why can they not be transferred to the east? What is the difficulty? I take it the main difficulty is a financial one?—A. Of course, we are dealing with untrained workers. We are not dealing with people who are properly trained and ready for work.

Q. That is what I mean. I am speaking of these people in the west who want work and are not trained. I think they should be transferred to the east for training, if you have training facilities in the east or whilst, on the other hand, you have not got them in the west.—A. We have training facilities in the west, but not sufficient to take care of the waiting lists immediately.

Q. That is the reason I cannot understand why these people are not transferred to the east for training.

Mr. CRUICKSHANK: Why not transfer the schools to the west?

Mr. QUELCH: Yes; put more schools in the west.

The WITNESS: We have a demand, Mr. Chairman, from certain sections of the country to establish more training centres; and in Ontario at the moment, certain training centres are being closed up temporarily. If I give you that statement, it looks like—

By the Chairman:

Q. Is that the cause of lack of students?—A. No. It is because of a temporary slowing up in the demand for trainees, which will be accelerated again in the near future. The demand does not come continuously. Certain industries take from 3 months to 12 months to tool up and get ready for production. Our trainees are not very helpful in the tooling-up process, if we can get other better trained men. But the moment they start into production, the demand increases very rapidly until that industry is built up to strength and during that time we do import trainees. But it is difficult—it is impossible, I think, to keep the training program in exact step with the demands of industry because of the fluctuation.

By Mr. Quelch:

Q. We have been told that this year the army and industry will absorb over 300,000 men. Are men to-day being trained at a sufficient rate to take care of that demand?—A. Not in this training program alone, no. But there are more people being trained by the industries themselves than are being trained in our program; and it happens to be my particular job to go out into the industries and encourage and develop training programs within the industries.

The CHAIRMAN: May I interrupt just a minute. Some members of the committee wish to have a recess until 12 o'clock. Is that satisfactory?

Mr. GREEN: Could we come back after orders of the day?

The CHAIRMAN: Yes.

Mr. TURGEON: 12 o'clock.

Mr. GREEN: Do we need to adjourn that long?

The CHAIRMAN: We will take recess until 12 o'clock.

The committee took recess at 11 o'clock.

The Committee resumed at 12 o'clock.

The CHAIRMAN: Gentlemen, before we continue with the witness, I should like to refer to a letter I received this morning—probably other members have received a similar letter—from Mr. Walter H. Callow of Camp Hill hospital, Halifax. I shall not read the letter or put it on the record. The complaint of Mr. Callow has reference to the deduction on his pension of $38 a month during his hospitalization, the deduction leaving him only a small amount which is not adequate for his ordinary needs. I think with your permission this letter should be turned over to Dr. Millar of the department for consideration, unless any member of the committee who received a copy of the letter would like to discuss it further.

Mr. QUELCH: What was the deduction for?

The CHAIRMAN: The case is this: he speaks on behalf of men who had a very minor physical defect which because of aggravation on war service resulted in a grave disability. Now, such a man is not entitled to free hospitalization, so he contends. Then with regard to the men in hospital at the present time, if they have a pension equal to $38 a month, that is taken away from them for board and care and all they are allowed is $3.58 per month, which he says is not adequate.

Mr. GREEN: He is referring to class 4 treatment?

The CHAIRMAN: Various classifications; class 4, yes.

Mr. GREEN: And apparently he gets a pension of $38 a month and they take all of that away when he is in hospital and allow him $3.58?

The CHAIRMAN: Yes, that is it. The difficulty is that if we consider this case at length and the individual cases that are brought before us it will take us a very long time.

Mr. GREEN: He does not write concerning his own case only?

The CHAIRMAN: No, he is representing others, but not officially.

Mr. GREEN: He asks that the whole situation be investigated?

The CHAIRMAN: Yes. With your permission, we can turn this over to Dr. Millar with a recommendation or a request that it be investigated or explored.

Mr. GREEN: I think that should be done. I do not think these men should be penalized in any way for writing in to this committee.

The CHAIRMAN: I should hope not, Mr. Green; I think we should be grateful for having it drawn to our attention.

Mr. GILLIS: It is not a new point; it has been discussed by the veterans' organizations for years. It has to do with veterans' care. But when a man goes into hospital on that basis he goes in voluntarily understanding exactly what the conditions are and he signs papers that change his status to that extent.

The CHAIRMAN: His contention would be that you have to do that or you get no hospitalization at all.

Mr. GREEN: His contention is that these men should get sufficient money to supply their needs while undergoing treatment.

Mr. GILLIS: It is not hospitalization in that category; there is a section in the hospital set to one side for their care. They are not patients in the hospital undergoing treatment.

The CHAIRMAN: Shall we ask the departmental officials to investigate these cases and take appropriate action?

Hon. MEMBERS: Yes.

The CHAIRMAN: Mr. Crawford, will you continue please.

(Mr. Crawford, having been previously called, resumed his evidence.)

The CHAIRMAN: Mr. Crawford, will you please tell us something about the type of training that you provide for the trainees?

The WITNESS: Do you refer, Mr. Chairman, to all branches of the training program or more particularly to the industrial branch?

The CHAIRMAN: Both.

The WITNESS: The war emergency training program may be divided into two main divisions: training in schools and special training centres established by the government; and second, training in industrial plants. The first division provides training under three main subdivisions: training for war industry and latterly for that type of industry connected with the war effort; training for the R.C.A.F.; and training for the army. The army training to date has been provided only for enlisted men; those who wish to serve in the ranks as gunsmiths, artificers, blacksmiths, electricians, carpenters, etc. They receive in these training centres the preliminary training of three months' duration which qualifies them for admission to the army training school in Hamilton, Ontario; or they may return direct to their units if not properly qualified for advanced training. Recently, an experiment is being tried under which young men of 18 and 19 years of age are taken into pre-enlistment classes and given the same type of training in the hope that when they enlist they will be qualified for immediate admission to the advanced training centre in Hamilton. It is being found difficult, however, to get the proper type of men for these classes. I described this morning the training in the R.C.A.F. classes and I do not think it is necessary to give any more on that.

By Mr. Green:

Q. They are not enlisted?—A. No. In the R.C.A.F. none of our trainees are enlisted, but they have all signified their intention of enlisting upon the conclusion of the course, and they are given the course on that understanding.

Q. They are all duly attested?—A. Yes, they have received their medical examination before, but some are rejected on completion of their training after receiving a further medical examination.

Q. The army men are all attested?—A. Yes, they are all enlisted at the moment, but under the new arrangement they will receive a preliminary examination too. So far they have all been enlisted men sent from their units

to the training centres for preliminary trade training, and then they receive the advanced training in Hamilton in the specially organized trade schools for the army.

By Mr. Blanchette:

Q. If the trainees are taken from the R.C.A.F. do you take only men qualified as A-1 or B for their medical examination?—A. I could not answer that question definitely. They are examined. A medical officer representing the R.C.A.F. does give them a preliminary examination before they are admitted, but the terms or qualifications of the examination—

Q. Do they take only A-1 candidates so far as the medical examination is concerned?—A. I do not know. All I know is that they have been passed as fit candidates for admission to the R.C.A.F. ground troops. Whether the ground crew examination is different from that for the air crew I could not tell you. I am not sufficiently familiar to give you the details. I know they are attested as being properly qualified for ground crew work. In the industrial branch of the work we give a variety of courses: first of all there are courses for the older men—refresher courses as we call them—men who have been in skilled occupations for a number of years but who have gone out on a farm or gone into some clerical occupation or some other type of work and have lost their skills or have become a little rusty, and they desire preliminary training before entering employment in industry. Some of them are sent to us and some come voluntarily. Then there is the course—the general mechanical course for men without skills who are given some preliminary examination, either verbal or otherwise, and who wish to be machine operators or to work in the assembly line. These people receive three months extensive training on advanced work in machine operating and are fitted to enter as helpers, machine operators, assemblers and so on. Then there is the specialized training for young men who have completed the technical school courses. We now preferably have older men who have worked for some time in industry and who are fairly competent as machinists and who wish to enter the tool room work, which is a six-month extensive training course in tool room work, intended to qualify them as tool room improvers rather than as mechanics. You cannot make a tool maker in six months or a year, but there is a very strong demand for war workers in the tool rooms. Unfortunately, we have difficulty in getting enrolment because the young men about the time they successfully complete their training will be drafted for army service or may enlist, and the older men are usually working and the employers hesitate to release them for any further training; they claim they are of more value to them on production work than they will be after returning from the tool room work school, and we have to educate the employers to the point where they realize that this sort of thing is worth while. However, the classes are being conducted and the results are fairly satisfactory.

Then we have large sponsored groups: men who are preselected by the industry itself for particular jobs and who are sent to us for training which will fit them for that particular work. In those cases we endeavour to have the superintendent or the foreman come to the school and become well acquainted with the facilities for training and the instructors, and to have the instructors also go to the plants so that they may fully understand the requirements of the jobs and train for specific work. I think, Mr. Chairman, that is about all on the general types.

By the Chairman:

Q. What is the average length of training?—A. The average length of training is three months. It varies from three months to six months. In a few cases we train for as short a period as four weeks on specialized operations.

Q. Are many of the young men who are given the course later found to be incapable of taking it?—A. A number, but that number is decreasing. Until recently I am sorry to say we did practically nothing. At the moment we are co-operating with the employment service of Canada and we are doing all we can to assist them in securing jobs for these people. We have field men who are visiting all of these men at their homes to make sure, if they are still unemployed, that some effort is made to get them a suitable job. We still find a few we trained who showed special aptitude for the work but whom we were not able to place at the time of completion, and we now are making a special effort to get them into proper jobs.

By Mr. Sanderson:

Q. Before the committee adjourned this morning you mentioned there might be two of the training schools in the province of Ontario that would be closed up. Would you say where these schools were or would you rather not?—A. It is not the case of a particular locality. In the first instance it is a case of discontinuing a certain type of work. We had a welding course—

Q. Welland would be one of them.—A. We had a welding course and it was discontinued in a number of schools. I am sorry I have not all the facts before me, therefore I would not want to quote anything without them.

Q. I thought you gave a reason for closing them up to the effect that there was not enough——A. Not enough demand.

Q.—demand——A. Yes. That is particularly true of Welland. Then, we have sheet metal schools. We had a considerable number of schools training sheet metal workers particularly for the aircraft industry. We now have only one school left in Ontario at Galt which is specially equipped to train sheet metal workers for the aircraft industry. We have two, probably three, other schools giving general training in sheet metal work, one here in Ottawa. Some of these trainees go to the aircraft industry, but others go into other types of work. There have been no classes discontinued yet in machine shop classes. Then, there are other specially sponsored classes which have been discontinued. I am sorry I have not all the facts before me, and I am afraid I would give a wrong impression if I answered it without these facts.

By Mr. Cruickshank:

Q. Are there any schools training people for shipbuilding work?—A. Yes. We had great difficulty in persuading the shipbuilding industry that the training program would be valuable to them. A statement was made that all training must be done in shipyards. In general I agree with that. I will give you one example. We went to one yard where there was a shortage of welders, electric arc welders. They had received a few of our trainees and found them unsatisfactory simply because we had no idea in giving training where they were going. We had trained these particular fellows for aircraft welding which is an entirely different thing, uses smaller equipment, smaller torches, different temperatures, different rods and everything else. Naturally they were not competent to do work on shipbuilding; but we persuaded the welding foremen to come into one of our schools and see the equipment we had, personally inspect the type of training being given and demonstrate to our instructor there the type of welding he wanted. He did so, and our instructor also visited the yard in order to make himself thoroughly acquainted with the type of welding done. The result was that firm sponsored a few and now there are three or four other firms who are sponsoring men for welding training in this particular school, and they are proving entirely satisfactory.

Q. Are any of these in British Columbia?—A. No, that is Ontario. In Quebec we have a new experiment which started yesterday under which we will be training riveters, heaters, passers, and all the riveting crew.

Q. Any of them in British Columbia?—A. We are trying to develop as far as possible actual conditions in the school.

Q. Is any of that done in British Columbia?—A. If we can persuade the British Columbia yards that it will be of value. I was out there and they assured me they could be of no service to them, that they could look after their own training. I can assure you of this, if the experiment is as successful as we are hoping I will be back in these yards again trying to persuade these people that we can render some service to them.

Q. What was their objection?—A. They felt we could not train men for that particular type of work in a school.

By Mr. Green:

Q. Can you train men in British Columbia for that work?—A. Certainly.

Q. Have you got proper schools?—A. No, we equip a school at dominion government expense for this particular work. We get our instructors from the industry. We are ready to do everything and anything we can to help the industry. We have no predetermined plan or course that we go and tell the industry they must accept. We study the needs of the industry and endeavour to meet their requirements in the training schools.

Q. Can you not go ahead and set up the school anyway?—A. There is no use setting up a school if the industry will not co-operate to the extent of taking on the trainees when they have completed their course. In the case I referred to we have the support of a superintendent of a shipyard who was a graduate of one of our technical schools. He was very sympathetically inclined towards the school. He has offered his assistance in supervising the courses. He has selected one of his best men as an instructor.

Q. That is in Quebec?—A. In Quebec. We now have the co-operation of three other firms who are sending sponsored men to these classes for training. That started yesterday. I cannot tell you how successful it will be. We are confident we will turn out riveters—not so much highly qualified riveters as crew for the riveters. We will certainly turn out qualified passers and heaters.

Q. Did you try every yard in British Columbia?—A. No, I visited only three yards in British Columbia.

By Mr. Cruickshank:

Q. How many?—A. Three.

By Mr. Green:

Q. Whose yards were they?—A. I prefer not to say.

Q. It is a serious thing.

By Mr. Cruickshank:

Q. If that is true of British Columbia we want to know.—A. My visit to British Columbia took place earlier in the year. It was before the present program was established. The shipyards in British Columbia told me that they were well up to schedule—

By Mr. Green:

Q. On the orders they then had?—A. On the orders they then had; that there was no scarcity of labour; that they could get all the labour they required.

Q. How long ago is that?—A. The beginning of the year.

Q. Since then, of course, there has been a drastic change.—A. That is why I prefer not to mention any names. Conditions are changing. I am quite satisfied their attitude will change when they realize there is a scarcity of skilled labour, and when they realize that we will be able to serve them better. I am very hopeful that will develop within the next two or three months.

Q. It does seem to me, where there has been such a drastic change in the plans for building ships, that the department should get somebody out there right away to take steps to get these schools started this month, as the men will be needed.—A. Our organization is out there. Colonel Fairey, who is in charge of the training program in British Columbia will be delighted to co-operate with the shipbuilders in British Columbia just as soon as they are ready.

By Mr. Cruickshank:

Q. Did the shipyards in British Columbia refuse to co-operate?—A. No, I would not want to be on record as saying that. The last information I had was that they feel that they are quite competent, better able to take care of their own training program than we are and that our program will be of no practical assistance to them. Now, that is their honest opinion and I am not quarrelling with it.

Q. Was there any objection from the unions in British Columbia?—A. Yes, the unions are co-operating with the employers in this training program in British Columbia.

Q. Co-operating with the employers?—A. Yes.

Q. What I am trying to get at is, is there any objection from the unions towards the government setting up these training schools? In other words, are the unions trying to keep a freeze-out and not allow any more men into that particular type of work?—A. That is a rather difficult question, sir.

Q. It is a very vital one.—A. Yes, it is. I would say no. I talked to representatives of the unions and I found no evidence of any desire to freeze-out at all. On the contrary, I found a desire from the unions on their part to take men into the unions from other trades and to go out of their way to develop facilities for training these men as shipbuilders in order that they might continue to supply the employers with adequately trained men.

Q. Is there anywhere in Canada a shortage of skilled shipbuilding labour? —A. In my opinion the shortage is very definite. There is a shortage.

By Mr. Green:

Q. Everywhere?—A. Yes.

By Mr. Cruickshank:

Q. Are there any schools operating in British Columbia?—A. The union is training people out there, the shipyards are training people in their own yards.

Q. There is still a shortage, you said?—A. Yes, that is my opinion, a general shortage. Now, I am not speaking of any particular yard or any particular program. I think these are facts. The present program for the building of approximately a hundred 9,000 ton freighters or cargo vessels will require approximately 15,000 men. There were not 15,000 shipbuilders in Canada or anything like that amount when we started. There are approximately 15,000 already employed in the shipyards, which means almost doubling the number. Now, certainly we are not getting these men or finding these men already qualified as shipbuilders.

By Mr. Green:

Q. You said, as I understood it, the position is that the shipbuilding yards in British Columbia and presumably in other parts of Canada except Quebec feel that you cannot set up a school that will be of any assistance to them.—A. That is correct.

Q. Surely that is a situation that should be remedied right away by the department. Does not that put the onus right on the department to see that it gets proper schools established in which the industry will have confidence?—A. That is what we are endeavouring to do.

By the Chairman:

Q. You do not suggest that situation exists because of your incompetence to produce trained shipbuilders?—A. No, we feel on the contrary that we are able to assist to a limited extent, and we are ready and anxious to assist to that extent.

Q. Would you suggest the onus is not on the department but on the shipbuilders?—A. Definitely so.

By Mr. Green:

Q. I think it can be said that these shipyards are all well run, but apparently they are not yet convinced that the department school or plan of schooling can help them. Now surely it is up to the department to arrange for a type of school that will help them.—A. I endeavoured, Mr. Chairman, to point out that is exactly what we are doing. It was not an easy matter to persuade this one shipyard that we could train welders for them. But when they became satisfied that we could do it their attitude changed.

Q. You sent aircraft welders to a shipbuilding plant?—A. We did not send them, they got there themselves and they gave us a bad reputation. We can only succeed in this training program to the extent in which we receive the co-operation of the industries.

By Hon. Dr. Bruce:

Q. I should like to ask a question. Have you any difficulty in securing practical ship men to instruct in shipbuilding—shipwrights, I think they call them?—A. Yes, sir; we had some difficulty in securing instructors.

Q. I had a communication a few weeks ago from a man in Toronto who has been engaged in this industry in the old country and he told me that he could get three hundred men who had worked in the Clyde yards in Scotland and who had applied to you for work. I think if you were to advertise in the papers you would secure a number of men who are capable of working as instructors for your schools?—A. I think that is probably true. We followed up that statement. We made an investigation in the city of Toronto and we have located a number of men who are well trained as ship builders; that is, platers, loft hands, riveters, frame workers, and so on; who are now working in Toronto at other occupations who are not anxious to leave them but who are willing to do so if a proper arrangement could be made. I have a communication to-day from one of the shipyards asking to be put in touch with some of these men. They say they are unable to take them because the men want higher wages than are being paid, and also a living allowance to compensate for separation from their families. I think in so far as the training schools are concerned we can overcome that difficulty very easily, because we will be prepared to give that compensation; but the demand you see will come later for these schools as we get the co-operation of the shipyards.

By Mr. Green:

Q. It is the Department of Labour that are concerned; you are from the Department of Labour?—A. No, I am attached to the Inter-departmental committee on labour co-ordination.

Q. From the Department of Labour?—A. Well, it is an inter-departmental committee. Representing the department, Dr. Bryce Stewart, Deputy Minister of Labour is chairman; Mr. Chase, represents the Department of Munitions and Supply; Professor MacIntosh represents the Department of Finance, and so on.

Q. But you are from the Department of Labour?—A. I am on loan from the Ontario government to the federal government for the duration of the war, and I have been appointed as special assistant to this inter-departmental committee.

Q. Apparently the policy is then that the department, or the inter-departmental committee, is sitting back on this matter of shipbuilding schools and waiting for the shipbuilding industry to make a move.—A. Not at all. I have spent the greater part of the last two months on ship work, and I have been making a special effort to ascertain their needs, emphasizing the fact that we are anxious to assist them and willing to go out of our way to assist them in obtaining help. They have to be convinced first that we can be of assistance; and it has never been the custom in the past to train shipbuilding workers in a school, these men have received their training on the job, and it is hard to persuade them that a school apart from a yard entirely may produce workers who will be of any particular value to them. Now, in addition to that, my particular job is to persuade them to establish training schemes in their own plants; and I am emphasizing the fact that the responsibility for training rests entirely on their shoulders, not on ours. We stand ready to assist in every way possible, but they must train their own workers.

Q. I doubt very much whether that is the correct policy that that onus rests on the industry which is vital in our whole war effort; and where you state they are going to need 15,000 new men, this industry is very busy building ships and it is hardly fair to say here you have got to train all your new men as well?—A. I think I tried to make clear that we can only train for them a limited number of certain types of workers, it takes years of training and experience to develop competent loftsmen.

Q. Can't the shipbuilding companies be ordered—I cannot see why we cannot go to the shipbuilding companies and say, take so many, establish this school; we will provide the instructors and you run it, whether you like it or not.

Mr. MacKenzie (*Neepawa*): Why not leave it to the companies?

Mr. Cruickshank: They don't want it.

By Mr. Green:

Q. In your opinion is it physically possible for the shipbuilding companies in Canada themselves in their own yards to train sufficient men to handle this program, or do they need help from outside?—A. Well, I would say it is physically possible, but I think they would be making a mistake if they did not take advantage of all the assistance we can give them.

Q. It would greatly facilitate our shipbuilding program, it would probably mean that we could build ships that much faster, if there were outside schools such as yours to help train men; would it not?—A. We think so.

Q. Why don't you set up the schools in the meantime and get them started right away, rather than wait for the industry to ask you to do it?—A. As I said before, we are going into the yards and asking them to let us know what they want, trying to persuade them we can do a job. We have succeeded in a number of cases in changing their viewpoint.

Q. Will you not be more likely to convince them if you have schools in operation?—A. That is exactly what we have in Quebec.

Q. You have no schools in British Columbia at all then?—A. No. When the school in Quebec demonstrates its usefulness it will probably be an easy matter to establish one in British Columbia.

Q. That may be three months or six months, and in that time the war may be lost.—A. I think it will be considerably less than six months. I think we can demonstrate the worth of them in less time than that.

By Mr. Cruickshank:

Q. Why can't we establish a school now?—A. Let me tell you this; during the last war in the United States various methods were tried out in different ways and there is a report which condemns our method and states that the

only effective training in shipbuilding is done in the yards. Now, we are going contrary to the recommendations of that committee.

By Mr. Green:

Q. You say that is from the last war?—A. The last war. Where we set up these schools, they say it is not only—I do not want to give the impression that I am blaming any particular one of the shipyards, this thing has never been done, we are going out and trying an experiment which in the past has proved unsatisfactory, apparently; we are satisfied we can make it a success.

Q. Why don't you start a school in British Columbia without waiting? A. I cannot give you any further explanation than I have.

Q. Is there any reason why you should not do it? A. No, we could start a school in British Columbia the same as we have done in Quebec. I hope to be doing so very shortly.

Q. And you could start a school in the maritimes? A. Yes. I went to one of the shipyards in the maritimes and offered to establish one immediately similar to that now being set up in Quebec. The idea was favorably received by some of the staff but others thought it would be useless, and the result was that no such school was established.

By Mr. Gillis:

Q. Is any instruction being given in Nova Scotia, is anything being done there? A. Yes.

Q. In connection with ship building? A. Oh, yes. Training is being given now at the Halifax Technical College for machinists and other mechanics to be used in the ship yards, both the naval and Halifax ship yard. The Halifax ship yard has trained all its apprentices in the past through this Halifax Technical College, and they are continuing to do so in increasing numbers, and I understand are ready to accept the training program in Nova Scotia exactly in the same manner as elsewhere.

Q. Am I right in assuming that what you are running into in the ship building industry, particularly in British Columbia, is that they have an apprenticeship plan which has been carried on for years in that industry by agreement with the union, and that to adopt your training plan would not be in accordance with their agreement with the union. Under the old system the practice was for a man to get his practical instruction on the work in the plant; and then, you run into the question of wages as they relate to the three months trainee. The industry are expecting to pay him the rate of wages usual to the work but the unions claim that such men are not qualified properly and in accordance with their apprenticeship training plan. A. I would not say that we expected them to pay that. We think it would fit in with their training set-up. It is rather difficult to fit the two together. They do not see themselves how it will fit. That is not as easy as my part of the service. There are arguments on both sides. It is essential if we are going to make any success that we have their co-operation and that we serve them. We feel that it is not for us to dictate to them as to how they should do that training, provided they do the training. My job is to go around and see that they are doing their job to the extent of their ability.

By Mr. Green:

Q. And you realize that you have told us that it is practically impossible for them to train a sufficient number of men in that way, I mean in their own yards, to meet the present situation? A. The effort they make—there is nothing impossible; if they make the necessary effort in training.

Q. But at the rate they are going now you say it is impossible? A. At the rate they are going now, no, they could not; they would have to step up that rate.

By the Chairman:

Q. Mr. Crawford, I am sure you will agree with me when I say that in some industries there are always a certain number of men unreasonably prejudiced towards the products of schools which have not been equipped with the best possible training facilities; that is true, is it not? A. Yes.

Q. And you will find that in the ship building industry; that is why I say the onus is there on them to as great a degree as it is on the department. A. Yes.

Mr. GILLIS: These people will have to be told an emergency exists. I think their own scheme of regular apprenticeship training as carried on in the industry in co-operation with the unions is the most practical thing under ordinary circumstances. It has got to be demonstrated to them that at the present time an emergency exists and it is therefore necessary for them to depart from the established routine, and that they have got to go to work and get the necessary number of men they require.

Mr. CRUICKSHANK: Mr. Crawford says the unions will not co-operate; therefore, I think it is up to the ship builders to tell them that they have got to co-operate.

The WITNESS: I would not like to have it put that way exactly; and it is a matter of conviction and training on the part of these people, as to their backgrounds, their own individual opinions and their own experience. It is not a matter of lack of co-operation.

By Mr. Cruickshank:

Q. As I see it, Mr. Crawford, the unions apparently have agreed to co-operate; and if the shipbuilding companies cannot realize now that there is an emergency on it is time they were told there was an emergency on and that they should take so many whether they like it or not?—A. You will understand that that is not our way of doing it.

Mr. MACKENZIE (*Neepawa*): All this talk about the importance of shipbuilding can't do the job.

Mr. GREEN: Mr. Crawford has told us that it is impossible to meet the present emergency in that way.

The WITNESS: No, sir; if I said that I want that taken off the record. I did not say it was impossible.

Mr. GREEN: You said it would have to be greatly stepped up.

The WITNESS: In my opinion, the extent of the training now being given in ship yards would have to be stepped up.

Mr. MACKENZIE (*Neepawa*): He did not say "greatly" either.

The WITNESS: If we are going to meet demands for the exact program indicated for the future.

The CHAIRMAN: I do not think Mr. Crawford; nor are we, to answer that question.

Mr. CRUICKSHANK: This is a difference of opinion between certain members of the committee and they are the only ones who can decide it.

The CHAIRMAN: We can't decide it.

Mr. CRUICKSHANK: My own interpretation of the remark—and I may have been wrong—as I understand it is that the witness made the statement that in the present emergency there would be a shortage; isn't that correct—that the industry will probably require additional trained personnel.

The WITNESS: There is a shortage of skilled qualified workers in the shipbuilding industry, yes.

By Mr. Cruickshank:

Q. I may be wrong but I understood you to say that the shipbuilding industry—and I am not referring to any particular plant at all—as yet have not enough apprentices available to meet the situation, that it will have to be greatly strengthened?—A. That is my opinion, if we are to meet substantially the immediate requirements of the industry; and, it takes time to develop apprentices and it takes time to make skilled workers.

Mr. CRUICKSHANK: Therefore, it must be greatly stepped up now in order to meet the future need, with respect to which nobody knows what the demand is going to be, naturally.

Mr. MACKENZIE (*Neepawa*): Does it take any more time to train an apprentice in shipbuilding than in any other skilled trade? I know we cannot do a great deal in just two or three months. I know enough about machinists and their work to appreciate that, because I have been in a machine shop myself and my opinion is that the apprentice system is the best system.

Mr. GREEN: Yes, but Hitler is not going to wait three or four years.

Mr. MACKENZIE (*Neepawa*): He doesn't have to.

The WITNESS: If I may, Mr. Chairman, I will try to clear up that situation. There are certain occupations in connection with shipbuilding or any other industry which can only be learned fully on the job. It takes years of experience and a good deal of practice to develop the skills and knowledge required to make a man fully competent. There are other jobs which under emergent conditions can be broken down into parts; a man can be trained in a relatively short time to get a part of that job successfully without having had years of practical experience on the job. We endeavour to find what these jobs are and to give specialized training in the schools which will fit the men to start there; then we leave it to the industry itself to further develop these men and to train their mechanics. We stand aside and say that we will give a part of that training to the full extent of our ability but the responsibility is theirs and we stand by to assist them.

Mr. GREEN: I would suggest that you bring all the influence to bear that you can on the committee to get started in British Columbia without further delay and without waiting for the shipyards to ask for that.

The CHAIRMAN: Would you like to have Mr. Crawford back?

Mr. BLANCHETTE: Yes.

The CHAIRMAN: Then, if it meets with the wishes of the committee we will meet again to-night at 8.30.

The committee adjourned to meet at 8.30 p.m.

EVENING SESSION

The Committee resumed at 8.30 p.m.

The CHAIRMAN: Mr. Crawford, will you continue your statement?

Mr. A. W. CRAWFORD, Recalled

The CHAIRMAN: Are there any questions?

By Mr. Gillis:

Q. I was going to ask a question when we adjourned with respect to training facilities in the province of Nova Scotia. You said they were using there the technical college facilities?—A. Yes.

Q. And that is about all there is in that province by way of a training school, is it not?—A. There are other training centres—there are three or four. I will tell you where they are. There is the Halifax Technical College and there is a training centre in New Glasgow and also one in Trenton where they have taken over part of the machine shop and established a special class. Those are the three industrial training centres in Nova Scotia.

Q. And can a man be trained there for the shipbuilding industry—in those centres you have mentioned, New Glasgow and Trenton?—A. There is no proper equipment at the moment for shipbuilding, but it could easily be put in there.

The CHAIRMAN: You have a centre at Fredericton?

The WITNESS: Yes, there is a centre at Fredericton at the Fredericton high school.

By Mr. Gillis:

Q. What I have in mind is this, that there are, perhaps, twenty shipbuilding plants in that province which are small but there is practically no shipbuilding going on, and my information from people I have discussed the matter with down there is that there are not any men trained in that line of work. I was wondering if the government had any intention of putting any facilities in there for training men for the shipbuilding industry? They say there is no extension in work because it is not possible to get men who are trained.

By Mr. McCuaig:

Q. I think you would have difficulty training men for shipbuilding except in the shipyards themselves. I have in my riding the town of Collingwood, one of the largest shipbuilding centres in the dominion, and I am informed there by the people in charge that you have to work in the shipbuilding business in order to get trained in it; in other words it is practical experience in a shipyard that gives the training for shipbuilding?—A. There are certain occupations in shipbuilding which could not possibly be taught in a school; there are some others where we could be of assistance in teaching a part of the training and in related subjects such as mathematics, blueprint reading and science in the trade itself. There are other occupations such as welding and riveting that we can teach in the schools which can be applied immediately.

Hon. Mr. MACKENZIE: Were you asked any questions about British Columbia?

The WITNESS: Yes.

Mr. GREEN: We asked him quite a few, I am afraid.

Hon. Mr. MACKENZIE: I would think so.

The CHAIRMAN: Are there any more questions the members wish to ask Mr. Crawford?

By Mr. Gillis:

Q. Has the government any intention of probing the possibilities of establishing something by way of a training centre for that classification of work? There are hundreds of boys unemployed down there who would like to get at something. They are clamouring for the shipbuilding industry, and the plants that are there are not extended; there are no men trained, and it is very necessary work at this time?—A. Do you mean in Cape Breton or Nova Scotia?

Q. In Nova Scotia and in Cape Breton particularly.—A. I think it would be a mistake to establish schools to train men for shipbuilding in the hope that the schools would stimulate shipbuilding industry. If the shipbuilding industry can make use of the trainees trained for the work and the two could work together then the schools could function properly.

Q. Are you endeavouring to have men taken into the plants and trained for the job?—A. Very much so.

By Mr. Quelch:

Q. What training centres are there in Alberta? Just the two?—A. No, there are more than that in Alberta; there are five centres in Calgary, three in Edmonton, one in Lethbridge and two in Medicine Hat.

Hon. Mr. MACKENZIE: Alberta is farther ahead than any other province.

The WITNESS: In some respects, yes, but not in others.

By Mr. Green:

Q. Does the province pay any portion of the cost of this training?—A. Yes. When the youth training program was first started it was a straight fifty-fifty proposition. The province paid one-half. But as the work developed into war training the dominion government has assumed an increasing financial responsibility, so that at the moment I would say that approximately 80 per cent of the cost of operating the schools is borne by the dominion government.

Q. Who supervises the schools—the provinces or the Dominion?—A. In the provinces the Dominion has a director who looks after the interests of the Dominion Government; then the province has either a committee or certain departmental officials who are directly in charge of the training program, because education is a provincial matter. We are utilizing provincial and municipal facilities which have been placed at our disposal for training purposes; but the program carried on in these schools is apart from the regular educational program.

By Mr. Quelch:

Q. To whom is application made for training—for admission?—A. Application may be made direct to the training centre, to the provincial committee, or through the employment service of Canada or through any individual who is in contact with the matter.

By Mr. Green:

Q. Had you any tie-up with the committees that are working on the rehabilitation of the discharged soldier?—A. Mr. Thompson who is director of training in the Department of Labour, acts on the committee.

By Mr. Bruce:

Q. Is this simply an extension of the Dominion-provincial youth training plan established some time ago?—A. It is in a way an extension; it is an adaptation I should say of that youth training program to war industries' needs. The war requirements are very much broader than the facilities that youth training could take care of, because the youth training program took care of individuals between the ages of 19 and 20 years, and it was designed to fit those individuals for civilian life as self-supporting individuals. The war emergency training program utilized the same machinery under a somewhat different organization and attempts to serve the needs of the war industry, the army and the air force.

Q. In that way it is an extension of the other scheme?—A. Yes, sir.

By Mr. Green:

Q. In a city, say in Winnipeg or Vancouver, is there any connection between this training work and the committees that are in charge of the rehabilitation of discharged men?—A. No direct connection that I know of, but they are trying to co-operate. That is, they are two separate organizations.

Q. How many discharged men have been given this training, or how many are in the schools now?—A. The figures I have from the period from January to March and the month of April I will table. In the *Labour Gazette* each month is published a summary of the statistics for the whole program. I am quoting now from the May issue of the *Labour Gazette*, table 4 on page 571: The total number of veterans of the 1914-18 war and those discharged from the present war was 821 for the period from January to March 31, and in April it was 277 in training.

Q. That is out of a total of 11,000?—A. Yes, the total at that time was approximately 11,000.

By the Chairman:

Q. On what basis do you establish a school in a particular area? What guides you in making the selection? Mr. Gillis spoke, for example, about Cape Breton being without a school.—A. The chief consideration is the industrial requirements of the particular community.

Q. That requirement would be particularly strong in Cape Breton, I should think, would it not, Mr. Gillis?

Mr. GILLIS: Yes, I think it would be. That is what I say in the house. All of the training facilities in my opinion in Nova Scotia are centered in the wrong end of the province. Most of the industries are in the eastern end and any of the boys who are seeking to get into these training schools must make application to the minister of education in that province. That is in Halifax. And you are obliged to take them approximately 300 miles up to your school. Most of the unemployment is in the other end of the country, most of the men that you should be training, the young men who have never had a job.

The WITNESS: Dr. Sexton is the man in charge of the whole program in the province of Nova Scotia and he has with him the representative of the provincial government, Mr. Bell, and they cover the province.

By Mr. Gillis:

Q. Any time I am down there I have no contract at all with those people; I have made a lot of applications through the minister of education and with very little result. The facilities in the school at Halifax have been there for a great many years. I do not think they have been extended to take care of war-time requirements.—A. We have paid for some new equipment.

Q. I think they are doing the best they can with what they have got, but I think there is a great need down in the other end of the country.—A. It is not for me to predict the future, of course, but if there is evidence of a need for any particular district the program is designed to take care of that need in the best possible way. We do seek the co-operation of industry first and if the industry expresses a particular need, and it is a war-time industry, we will do the best we can to establish training facilities to meet that need, whether those facilities exist at present or not.

Q. You run into the same difficulty down there as you do in British Columbia; you run into an established apprenticeship, the practice both in industry and in the unions of taking men in and training them. The question of wages enters into it.—A. There are some such objections, but in a measure that is being overcome. Under the youth training program, for example, in the province of Nova Scotia, we placed large numbers of young men as apprentices, and that has helped us with the contacts with both the unions and the employers.

Mr. WRIGHT: I was going to remark that I do not think the industrial requirements should be the basis on which these schools are established, because we have two or three of them in Saskatchewan and we have no industries there at all. We are glad to have them there because they are training our young men for jobs and to take positions in other parts of the dominion.

By Mr. Quelch:

Q. You stated that men while attending schools get pay and allowances if they are married?—A. Yes.

Q. Do they get transportation?—A. Yes, where necessary transportation to the job and transportation to and from the training centre, if taken from any distant point.

Q. Does that apply to all the schools or just to certain ones?—A. It applies to the whole scheme.

By Mr. Green:

Q. How are the 11,000 trainees divided by provinces?—A. The figures for April 30th total 10,780. I was a little out with my figure of 11,000. In Nova Scotia there are 323, in New Brunswick 365, in Quebec 1,228, in Ontario 4,948, in Manitoba 662, in Saskatchewan 846, in Alberta 1,224 and in British Columbia 1,184; making a grand total of 10,780.

By the Chairman:

Q. I notice that Prince Edward Island is not included there?—A. There are trainees from Prince Edward Island in both Nova Scotia and New Brunswick.

Q. That is right.

By Mr. Sanderson:

Q. Is there not a training centre at Galt?—A. Yes, a special training centre established under the youth training program which is now taken over.

Q. This morning I asked you, Mr. Crawford, something about the schools in the province of Ontario and I think you told me that there was a possibility of closing the one at Welland. You did not give me the others.—A. No. I made a further statement afterwards. I spoke about the possibility of closing more than two, if you want to say it in that way; but I do not wish to say which schools are being closed or which are not. That is not for me to say. I personally am not in charge of that work.

Q. I realize that and I do not want to embarrass you in any way.—A. The only schools that will be closed, if any are closed, are those from which it has been found impossible for the moment to place the graduates. All such schools will be reopened immediately if the demand increases. We were in the unfortunate position a short time ago of having more graduates than we could successfully place in industry.

Q. That is just the point.—A. That was particularly true of graduates in welding courses. We were overtrained in welders and the result was some schools had to be closed up. Now they may be reopened. We had that same experience with one or two other schools.

Q. My experience with the schools brought this to my mind: it was rather strange that there was any thought of closing any schools in the province of Ontario because for months and months and months we had not been able to get young men in there for the reason that the schools were filled. They had all the students they could handle and when you speak of closing one, two or three in the province of Ontario I should like to know why.—A. I think the only answer I can give at the moment is inability to place immediately the graduates from the schools.

Q. Yes, but my experience is that they have not been able to take care of those who did apply.—A. No; that is true, but the outlet for those training schools is industrial employment, and if the industrial employment is delayed the trainees are very much dissatisfied. So an effort is made to keep the two in step as much as possible. We try to keep ahead of the immediate industrial demand and try to estimate as nearly as we can what that demand will be and train for it. So far it has been impossible. We started in January on the assumption that industry would absorb all we could train, so we fixed an objective of 50,000 trainees for this year, and we organized on that basis. Unfortunately the trainees were all placed in the classes about the same time so they all started to come out in a large group and we had a surplus which we were not able to take care of. Then we had to start staggering and organizing the system to get them into industry. I think the situation has now arisen where we will be fairly well in step and be able better to judge the requirements. There are signs already of an increased demand in certain lines for which we are not prepared, so that means new courses.

By Mr. Winkler:

Q. Are you considering opening new training schools in the prairie provinces?—A. No; we have been urged to do so, but so far we feel that it is not opportune to open more in Western Canada when we have temporarily discontinued some in Ontario where most of the employment is in this province.

Q. The reason I asked that is I see in the list you gave some of the provinces have a very much smaller proportionate representation according to population than others. I wondered, inasmuch as the young people in certain provinces are anxious to get into this sort of thing, why it would not be possible either to open more schools and make access to those that are in existence now more available.—A. That could be done if the need arises; but we have adopted the policy of making use of existing training facilities as much as possible and some provinces have been well equipped with training facilities.

By Mr. Wright:

Q. Have you any figures with regard to the placements by provinces? I have had some complaints—I do not know whether they are justified or not—that trainees from some of the western provinces have not been able to get positions.—A. Quite true, there are quite a number. I have figures here of the number placed in industrial employment, placements, enlistments and withdrawals from industrial and R.C.A.F. classes. The number placed in April, 1941, Nova Scotia 45, New Brunswick 1, Quebec 129, Ontario 908, Manitoba 6, Saskatchewan 64, Alberta 170, British Columbia 43.

Mr. GREEN: How many in Ontario?

By Mr. Wright:

Q. How many came out of the schools during the summer months?—A. The total of 951 completed training.

Q. How are they divided by provinces?—A. New Brunswick 62, Quebec 196, Ontario 403, Saskatchewan 91, Alberta 764, British Columbia 35.

Q. That rather bears out my contention. There were only 64 placed in Saskatchewan and 91 came out who were not placed.—A. That is our difficulty at the moment. That is why we are trying to make a special effort to get these men successfully placed rather than to keep on enlarging our training facilities, because it is a waste of effort to keep on training more until you have placed the ones you have trained.

Q. I realize that but I think there should be some fair division made of the positions as between provinces in proportion to the number coming out of the schools so one part of the dominion will not feel it is being discriminated against.—A. The only answer I can give to that is that so far as the program is concerned we are not taking account of provincial boundaries. In so far as we are concerned we take no account of provincial boundaries at all. That is all I can say in that regard.

By Mr. McCuaig:

Q. Is it not a fact that there are more placed in Ontario because there are more industries to absorb them?—A. Very much so. And remember, most of the placements in some of the other provinces are made in Ontario.

By Hon. Mr. Bruce:

Q. Have you any machinery for placing trainees? Does your department make an effort, in other words, to contact factories in other places in order to provide the opportunity for men you are turning out?—A. Yes. In the province of Ontario we have five field representatives, each of whom has a district. They constantly circulate among the industries and check weekly on the requirements and endeavour to make placements, not only placements of those who have been trained, but get sponsorship for those now in training so we will be able to place them when they have completed their training. In addition to that we have conducted an employment service in Canada and they are making a special effort to place in suitable employment those whom we have trained. In a great many places some are not suitable. There are a few who were not placed because they just did not make good. We are trying to find other suitable work for them; and a special drive is on at the moment to get them placements.

By Mr. Quelch:

Q. There seems to be a certain amount of conflict in the statement you make here. In the first instance we are continually being told by the Minister of Munitions and Supply that we are rapidly reaching the maximum of production chiefly due to difficulty in getting skilled labour. Now we hear from you that there is a difficulty in placing a number of the trainees coming out of these schools and it would not be wise to open more schools in the west because you could not get jobs for them.—A. I would not classify those trainees as skilled labour.

Q. They have to be trained before they can become skilled.—A. Yes.

Q. They will never get skill until you train them.—A. They have to have experience in industry before you can class them as skilled labour.

Q. The first thing is training; what would be the next step?—A. May I illustrate if I may the difference between the production requirements of skilled workers and the placing of those trainees? Take the aircraft industry as an example. There are factories that have reached a certain stage of production. They are filled with people but they have too many trainees. If these same factories could suddenly be supplied with a few highly skilled men their production rate would immediately go up. It takes time to produce those skilled workers. Our trainees, while they are able to enter jobs and start in, are not qualified at the beginning to take charge of production and do the other jobs which are essential in promoting a speed-up production program.

Q. Can you not form some school that will give advanced training?—A. We could give—

Q. I know some boys who went down to school in the States and after a two-year course they came back here and got a job as skilled labour in some of the aircraft factories.—A. There are a few schools in the United States that operate almost the same as aircraft factories. They take in students and give them an extended training of from six months to two years, and after that young man goes through and takes a complete course he has had a training which would fit him to go in immediately and take a responsible position in an aircraft factory; but even he requires a year or two of practical experience in a factory before he can take charge and be responsible for production, because there is a vast difference between learning in the school and then applying in industry what you have learned.

By Mr. Green:

Q. Is there any such school in Canada?—A. No.

Mr. QUELCH: We need one.

By Hon. Mr. Bruce:

Q. If it is a good thing in the States would it not be a good thing here?—A. I assume so. We at the moment are working with a group of aircraft industries in the hope that some better training may be developed.

By Mr. McQuaig:

Q. Are these industries in the United States in which the men are placed for training privately owned?—A. Yes. There is one school I have in mind in California that was established by the industry itself. Three of the leading aircraft engineers and executive sit on the advisory board and they draw up the curricula. They appoint the staff and they have a manager to control the operation of the school, but it is entirely a private venture. They train for the aircraft industry. These men sit on the advisory board and, of course, are in contact with the industry and look after the placement of the trainees.

Q. While in the training are they producing?—A. No, not producing; they are working in a school. The school itself does build equipment and has sold some of the things it produced. They build gliders.

By Hon. Mr. Bruce:

Q. There is no doubt that there is a dearth of trained men in factories. I had a talk with the general manager of a large concern in Toronto over the week-end and he told me it is practically impossible to get trained men for his factory. He said if they lost a man through sickness or death they did not know whether they could replace him and that from time to time they have lost numbers of their employees to new industries that were being established. He said it embarrassed him very much. It seems to me that instead of closing schools, as my friend here said a moment ago, you should keep the one you have established going and perhaps establish others.—A. Well, we would do that gladly if we could produce the type of men that are needed. The only places, sir, where these men can be produced is in industry itself. There is no other way of producing skilled workers except by supplementing the training we are giving them by practical experience on the job and by industry itself speeding up their apprenticeship system and what we call upgrading, and giving these men a better training in whatever the job happens to be. My particular job happens to be to go out and encourage industry to organize their training scheme so as to speed up production of skilled men. We cannot do that in school; we can give basic training in school; we can give supplementary training in school, but we cannot produce skilled mechanics in school.

By Mr. Green:

Q. Would it be— —A. Any more than you can produce a skilled surgeon in a school without allowing him to operate.

Q. You can advance him much farther than you are doing now.—A. We can, yes. We can, and we are glad to do so, and that is why we are urging industry to co-operate with us in this effort. We believe that we can do much more than is now being done. If industry will co-operate with us in that regard then we will get the job done.

Q. Would it be possible to establish schools like the air schools in California?—A. It would be possible, yes. It is a very costly proposition to establish such a school and it would take about two years and we would have to get instructors. If industry wishes us to do so we will be glad to co-operate with them even in that.

By Mr. MacKenzie (Neepawa):

Q. Could Mr. Crawford tell Mr. Green the name of the school in Vancouver doing that work?—A. It is a private school, there are two.

Q. They are manufacturers?—A. Are you referring to the Boeing plant?

Q. Yes.—A. The Boeing plant in Vancouver co-operates with us very extensively. They have appointed a director of training who visits all our training centres throughout British Columbia and direct our instructors as to the type of training they wish given in our schools, and then arrange for the transfers from our schools to the industry.

Mr. MacKenzie (Neepawa): I know about that, I have sent boys out there from Manitoba.

By Mr. Bruce:

Q. What part of the work are you responsible for?—A. I am responsible to a joint committee respresenting some six departments, a sort of inter-departmental committee, the Inter-departmental Labour Co-ordination Committee.

Q. Don't you think some section of the government like pensions——A. It is under the Department of Labour, the Minister of Labour.

Hon. Mr. Mackenzie: It always has been.

The Witness: In our opinion there should not be too much overlapping. This inter-departmental committee works out the details. Mr. Thompson, the Director of Training, is with the Department of Labour. I am on loan from the provincial department in a purely advisory capacity.

By the Chairman:

Q. Mr. Crawford, may it not be that too much may be expected of our schools? You do not profess I suppose to turn out graduates of highly technical attainments?—A. Not at all, we do not attempt to turn out engineering graduates.

Hon. Mr. Mackenzie: They are only semi-skilled.

The Witness: Semi-skilled. We can turn out workers on certain jobs who are able to go right into production but their skill is limited and the nature of the work is relatively simple. We can turn out men who are partly skilled and send the men to a job where they can be developed in a short time into what we term specialists.

By Mr. MacKenzie (Neepawa):

Q. I suppose you develop talents?—A. Yes, we help any of them in that way. We can supplement any training in industry by developing on the work itself much better in our schools than in industry. We can assist in their development but they have to get the practical experience on the job. We are

able to give them technical knowledge and certain skill in our schools; for instance, if you have a young man training six to seven hours a day on a machine he will learn a great deal more in a factory on production. With us, as soon as he masters one operation we start him on another whereas in industry he works on production. He must have had practical experience in industry before he can become a valuable man with any real experience.

By the Chairman:

Q. You perhaps remember the reference made by Dr. Bruce a moment ago to the training of a surgeon or doctor; I suppose the ideal system would be one of close co-operation between yourselves and industry where a man might be put into a sort of a mechanical internship?—A. If we could get that practical co-operation we could make a very much better job than we are doing.

By Mr. Quelch:

Q. In view of the fact that the war may be going on for some time it seems to me a rather terrible thing that we are not putting in certain things because they are costly.—A. Well, it is a fact that you still have to face; you cannot do the impossible, but we can do a great deal more than we are doing.

Q. Yes.—A. I do not care if the war lasts six months or six years, we cannot by some miraculous way turn out skilled men who can walk in and run this industry; there are too many men in industry now who lack the necessary experience. You should visit some of the plants as I have done and you would see the evidence of that.

Q. You say they require more; will they get them?—A. That will depend on the co-operation we get from industry and our ability to work out all the details.

By the Chairman:

Q. Have you found any criticism, or perhaps I should say antagonism, although perhaps that is a rather strong word, towards the schools on account of the fact that you are drawing men away from farm labour?—A. Yes, it is very apparent that during the winter months when things are very slack on the farms a number of people came in for training to get a good berth for the winter. Some of them returned to the farm and that I am afraid accounts for our failure in certain placements, too. Others have gone into industry and are having to be replaced by someone else.

The CHAIRMAN: I know of one province where that criticism was very strong.

By Mr. Green:

Q. Are you drawing many young men from the farms?—A. Not at the moment; we did during the winter months. There was no restriction placed on the training of these men, young men from the farms; we took all who came, examined them and gave them training.

By Mr. MacKenzie (Neepawa):

Q. You say the training given to them now is more or less for war purposes; will that be of any use to them after the war?—A. In some cases, yes.

Q. There is one other point I would like to bring up; in case of accidents in training, is the individual covered by provincial workmen's compensation?—A. Yes, the Dominion Government carries the whole risk—they are treated as employees of the Dominion Government and covered in the same way. I am not positive about the exact final arrangement as to pension. I understand that is now going through.

Mr. QUELCH: You stated that you are not getting many applicants from the farm; I take it that that means the east. In the west I know you have a long waiting list. I know a number of farm boys and older men who have been unable to get on training.

By Mr. Green:

Q. Is a situation developing that it will not be very long before Canada will have to give many men advance training for this kind of work?—A. What do you mean by advanced training?

Q. Give them training similar to that given in that school in California about which you spoke. Are we coming into an era when Canada must train people for work in factories to a far greater degree than we have been able to do so far; are we facing that new problem; is that going to increase?—A. I am afraid that is a matter of opinion. If you ask me to speak only of the war effort, it is a matter of accelerated training; but if you speak of the long term training, I say that has a place in our war effort now; but if you mean post-war training, I don't know.

Q. Isn't it likely that with the industrial development that is taking place we may be faced with the need for longer terms of training?—A. Yes. It is hard for me just to picture what is in your mind, but in my opinion we must concentrate from now on on the more thorough type of training which will produce a more highly skilled worker. We have fairly well taken care of the short intensive course and we are well equipped to do that; that produces the operator but does not produce the mechanic; and I say that industry must co-operate with us in getting these people in training and intensive training in the plants; must co-operate with the schools to give them a thorough training so they can take charge of, direct and supervise industrial production.

By Mr. MacKenzie (Neepawa):

Q. Are you in close touch with the schools that have been established by industry?—A. I am, yes, in a measure; I have not visited all of them but I have visited a number, and I am working in close co-operation with the newer ones to assist them in developing courses in any way we can.

Q. What is your opinion for instance of the one in that big plant in Hamilton?—A. I think Otis-Fensom have done a very good job in training semi-skilled operators.

Q. That was my opinion?—A. Very good.

Q. And I suppose you have visited the Ford school at River Rouge?—A. No, not for some time. I did some years ago work on that when I was on technical education work. I have their books and I am encouraging the use of some of those Ford books as much as possible.

Q. I investigated those about three years ago; in fact, I was in some of those schools, particularly at Dearborn itself?—A. They are very fine, sir.

Q. And I also went to the River Rouge plant, and I think the members of the committee should keep this in mind, that the schools that have been organized under the Youth Training Program and which have been developed from that cannot produce skilled workers and they were never intended to. Take for instance the city of Vancouver—

Mr. GREEN: Perhaps we had better talk about Winnipeg.

Mr. MACKENZIE (*Neepawa*): I am talking about Vancouver because I happen to know something about it—I also know that they are doing very good work in the technical schools in Winnipeg—Mr. Green no doubt remembers the time when one of the members was out there and went around with the superintendent of the schools for several days—he is a mutual friend of both Mr. Green and myself—and I would say that the technical school in Vancou-

ver is about as good as any place of its kind in Canada. They have a working arrangement with their labour people in Vancouver and the superintendent says there is no difficulty at all in working out that scheme. Of course, they come up through the lower grades of the high school and they have manual training in the lower grades and go into the technical schools and the shops in the high schools. It is a very well equipped set of shops in these schools; and they go through and instead of having to put four years in as apprentices to trades they are allowed two years on their apprenticeships when they come from school. Well, I think they are getting a skilled worker when he has an extra year in the trade; but you could not possibly have a skilled worker coming out of a four months' course. It was never intended for that?—A. There is this to be said for the intensive training; the boy taking a course in the technical school also takes English, mathematics, science and all the other related subjects and he really gets a relatively limited time in his shop work, and what he gets he receives in a course ranging over some eight years. It may be that you can do specialized work, you cover in four months as much actual training as such an individual would get in a three year course; but he of course is not the same type of a man as your graduate, he is a specialist.

Q. And the same principle obtains there as obtains in taking a nine months' course in a university or a one month's course in a summer school—what do you know six months afterwards? Except in the one case you make a specialist and you have specialized production.

By Mr. Green:

Q. The technical schools are all inclined to co-operate with you, are they not?—A. Oh, yes.

(Statement made off the record)

Mr. BRUCE: Mr. Chairman, this is exceedingly interesting and I hope it will be recorded; but it seems to me it is not exactly what this committee was intended to sit upon or deal with. It is getting so near the end of the session, if we are going to bring in a report it will be exceedingly difficult; and I am going to suggest that we concentrate on whatever part of that report we can finish and then make our report as a report of progress and ask leave to sit again. There is one subject I am sure we are all interested in and that is the question of widows—perhaps we can dispose of that. It is very awkward at the end of the session when the house is sitting and when there are a lot of estimates under consideration and when some of the members would like to be in there now; some of my farmer friends would like to be in taking part in the discussion, and we are tied up here; it is quite clear to me that we will not finish the various subjects that we have under consideration during these fag ends that are left to us; and I will therefore move, Mr. Chairman, that we consider say one subject and try to reach an agreement on that subject—or two, if you like, if we can be unanimous on two subjects, and that as far as the other subjects are concerned, report progress and ask leave to sit again at the next session.

The CHAIRMAN: There is only one more witness to hear from in the person of Mr. Murchison, who wishes to complete his statement, and that concludes the evidence. I thought if we could hear Mr. Murchison to-night, he will not take very long to complete his statement; and then we could consider certain phases of the report in accordance with your suggestion. Is that satisfactory?

Mr. QUELCH: Can we sit to-morrow?

The CHAIRMAN: Oh yes.

Mr. GREEN: Before Mr. Crawford goes I would like to say a word of thanks to him, I think he has given us some very interesting information.

Hon. Mr. MACKENZIE: Hear, hear; he has given us very interesting material.

The CHAIRMAN: We are very much indebted to you, Mr. Crawford.

The WITNESS: Thank you.

Witness retired.

Mr. G. MURCHISON, Director of Soldier Settlement of Canada, recalled:

Mr. BRUCE: We have had some difficulty in getting a quorum here lately.

The CHAIRMAN: Yes, I realize that.

Mr. MCCUAIG: I think the suggestion made by Dr. Bruce is a good one. I think perhaps the chairman will have a report ready so as to give it to the committee before too late in the session; because day after day it is becoming more difficult for us to get a quorum.

The CHAIRMAN: I think to-morrow we can go on with the report.

Proceed, Mr. Murchison.

The WITNESS: Mr. Chairman, when the committee rose at 1 o'clock on Friday the 30th, I had concluded some figures taken from the balance sheet of soldier settlement as of March 31, 1940, giving the amount of loans in soldier settlement and breakdown of the write-off under the respective amendments to the Soldier Settlement Act and under the provisions of the Farmers' Creditors Arrangement Act; those latter figures were supplied as of March 31, 1941; coupled with a statement of debt adjustment under that Act. I stated that the reductions in one form or another up to the end of the last fiscal year are the rough equivalent of 50 per cent of the original capital advanced under the scheme. I was asked also, Mr. Chairman, to place on the record a statement of the figures I had quoted and I have here a copy of the consolidated balance sheet of the department as of March 31, 1941, and a statement of the legislative reductions as of the same date. I will be glad to place that in the record.

The CHAIRMAN: That will go on the record.

The WITNESS: I presume, Mr. Chairman, the committee would be interested in some information as to what remained of the soldier settlement scheme undertaken at the close of the last war, because it is probably wise to draw some conclusions or deductions from the experience of the last twenty years in arriving at any common-sense approach as to what sort of a scheme might be contemplated at the close of this war. During recent months we have made a very careful analysis of the accounts in soldier settlement. I won't burden the committee with the details as to accounts relating to purchases other than soldier settlers, because it is the evidence of the original settlers that I think we are concerned with here. These figures are as of December 31st last. From an original 25,000 establishment there are still on the land 7,962. That, of course, suggests a very heavy wastage, but it would be wrong to assume that the difference between 7,962 and the original 25,000 represents wastage of the failure type, because we have a large number of settlers who after operating their farms for a number of years sold out, some of them, merely at the indebtedness existing at that time; others had a slight increase over the indebtedness, and quite a number more had a substantial increase over the indebtedness standing in their accounts. Those loans stand on our records as repaid by sale of the land. In addition to that we have records of 2,750 of these men who paid up their loans in cash and have obtained title. The net result, as I said a moment ago, is that we still have 7,962 on the farms at the end of 21- or 22-year periods. Now, it may be of interest to know just how these 7,962 settlers shape up from the standpoint of prospect of success. I have a breakdown here that will give that information. We have them classified in groups where first they were an equity of 40 per cent or more in their farms at the present time; and when I say an equity I am dealing with farm land values as of the present day, which means greatly deflated values as compared with the general concept of values

that prevailed ten years ago. In this upper group of the remaining 7,982 we have 3,004 who have a total indebtedness up to the present time of $2,870,439 as against a present day value of the lands they occupy of $8,423,504. In other words, this group of 3,000 men have an equity at the present time of 65·9 per cent on the average, with the remaining average indebtedness of 955. I think that it is fair to say that these men are in a very sound position.

The next group of 669 covers those who have an equity between 25 and 40 per cent in their farms. These men have an indebtedness of $1,150,282, occupying farms to a value of $1,663,709, an average equity in this group of 30·9 per cent.

The next group of 976 are not quite so fortunately situated. The indebtedness in this group is $1,776,912 against values of $2,116,642, with an average equity of 16 per cent. Now, in the lower brackets we have 3,313 soldier settlers, practically all of whom have had their accounts adjusted under the provisions of the Farmers' Creditors Arrangement Act during the past three or four years. These soldier settlers represent the core of the problem remaining in the Department of Soldier Settlement. The total indebtedness of these men is $7,215,606, and the present day valuation of the lands they occupy is $6,662,887. In this group we have an adverse balance of security as will be seen by the figures I have given. This adverse balance arises from the fact that since the commencement of adjustments under the Farmers' Creditors Arrangement Act in certain parts of Western Canada land values have continued to deteriorate due to the continuance of difficult conditions in certain areas. It was the objective, I think, when they were dealt with under the Act to endeavour to place every one of these men in a position where he was not faced with a debt in excess of present day value of his land. The figures I have given you will indicate just how closely that was followed; but, as I say, those 3,313 settlers represent the remaining core, if I might use that term, of the problem in the administration of the old scheme.

By Mr. Wright:

Q. What price do you value the average farm at in Saskatchewan per acre at the present time?—A. I have not got it broken down to an acreage basis, Mr. Wright; the average value of all the farms we are interested in in soldier accounts in Saskatchewan is $2,335.

Q. What is the average acreage of your farms? Would they be over 160 acres?—A. Yes, if my memory is right, the average is about 240 acres.

By Mr. Quelch:

Q. On most of those farms in what condition is the equipment; is it in a poor condition?—A. I would not say it is in poor condition on the majority of farms.

Q. No, but in this case?—A. Yes, I think it is fair to say that in the average case in that group that there has been serious deterioration in the efficiency of stock and equipment. That has been brought about by difficulty in finding proper replacement during the past ten years when conditions have been particularly difficult.

Q. Did you say all those have gone under the Farmers' Creditors Arrangement Act?—A. Yes, practically all. There is one other observation I should like to make in connection with this group. It should be borne in mind that 70 per cent of the operations carried out under the Act of 1919 were in the provinces of Manitoba, Saskatchewan and Alberta, and approximately 78 per cent of the problem cases remaining to-day are still in those three provinces. In other words, the percentage of difficulty remains in about the same ratio as the settlements that took place.

By Mr. MacKenzie (Neepawa):

Q. Would you care to give the numbers in the provinces?—A. In the province of British Columbia in this low group we have 399, northern Alberta 508, southern Alberta 482, Saskatchewan 1,260, Manitoba 363, Ontario 150, Quebec 12, Maritime Provinces 139. There is one additional observation that I think would be of interest here, Mr. Chairman, on the matter of collections and repayments. It will probably be recalled that this scheme made provision at the outset for a repayment over a 25-year term with interest at 5 per cent amortized. To meet the terms of these contracts, to keep them fully paid up, it requires an annual payment of 7·1 per cent of the total loan each year. That repays principal and interest. Now it may be surprising to know that the fiscal year 1940-41 is the only year since the inception of the scheme 21, 22 years ago, that collections passed 7 per cent of the outstanding loan. Going back to 1925 the return was 3·75; 1926, 5·63; 1927, 5·71; 1928, 6·29. It began to fall off again in 1931 with the advent of bad conditions, dropped to 3·52; in 1932, 2·79; 1933, 2·06. From that point onward it began gradually to improve. In 1939-40 it was 5·9, and during the last fiscal year the returns rose to 7·59. I mention these figures, Mr. Chairman, because I feel they have a very significant bearing on the whole financial set-up of a scheme of this kind. It is true that during exceptionally good years when prices are favourable and production is good the average man has little difficulty meeting 7 per cent principal and interest on quite a substantial debt; but over a long term, having regard to variations in conditions as to production and as to prices, I merely give you this information to show that over a long period of time there has been nothing accomplished under the last scheme in the way of annual collections which would support the financial structure which was incorporated into that scheme at the outset. These are figures which the sub-committee on land settlement feel bound to give some consideration to; that if that is the record over 21-22 years right down until the indebtedness has been reduced to levels that I have just described to you a few moments ago, where settlers have an equity of 65 per cent or 30 per cent or 16 per cent, it is only when you get down to these levels that you begin to collect the amount that bears some fair relationship to business administration. So we conclude that it is unwise to embark on a new scheme of land settlement which contemplates placing the soldier under a load of indebtedness that experience in the last scheme, and the guide that has been set up under business administration of one kind and another in dealing with land credits in this and other countries, indicates is unsound. So that brings us face to face with one of the most serious problems in considering a scheme for the future at the close of this war.

I should like also to make some reference to criticism which is heard from time to time of the acceptance of certain veterans of the last war for soldier settlement by officials who were appointed to deal with their establishment. I do not propose to say, of course, that no mistakes were made, but I think if anyone cares to go into the record he will find that the list of officials concerned in these establishments twenty years ago was a fairly impressive one. Reference to it is found in the annual report of soldier settlement as of March 31, 1921, and consists of names of no less than seventy men who were outstanding loan and land authorities at that time who served on the advisory land committees, and then twenty-seven leading lights in the agricultural industry in the dominion whose services were used on the classification committee set up to pass upon classifications and suitability or adaptability of the veterans who applied for this form of establishment. The fact that over 25,000 establishments took place although there were over 72,000 applications would indicate that the weeding out process was just about as strict as could be observed within reason. So we conclude from that that while undoubtedly mistakes occurred here and there it is hardly fair to

assume that the work has been done carelessly or by people who were irresponsible or people who had no experience in the land and loaning businss or had no experience in agriculture in Canada because that is not in accordance with the record.

I do not know, Mr. Chairman, that there is a great deal more I need to say with regard to the general history of the past scheme any more than to say again that these figures I have quoted to the committee should serve as some guide to what we should consider in the way of a scheme for some future land settlement following this war.

Mr. Woods in giving his statement this morning referred to a report that was filed some time ago containing the minutes of the sub-committee on land settlement up to a certain point. I think the committee however should be made aware of the general considerations which were adopted by the sub-committee at its last meeting so that you might understand just what our approach was to this subject.

I am quoting now from part of the minutes of the last meeting: "The following recommendations with regard to financial arrangements received the unanimous endorsement of the sub-committee. (1) That although agricultural conditions prevailing in Canada at the present time leave a good deal to be desired, it is improbable that secondary industry will be able to absorb all post-war unemployed, and it is equally important that a considerable percentage of the armed forces at present serving derive from agricultural occupations and have expressed the desire to return thereto. Land settlement must therefore be relied upon to some extent to assist the demobilization and rehabilitation program, and to re-establish on the land those whose logical rehabilitation should involve a return to their original occupation and their former rural surroundings. I may say that the committee has taken a strong view on that point and it can see nothing in the picture at the present time that would justify any modification of that stand; that the land must play some part in rehabilitation at the close of this war.

(2) That the great majority of those on whose behalf rehabilitation on the land is to be provided will be people with limited agricultural experience of the type which includes the responsibilities of farm or land proprietorship. Consequently it would be a waste of public funds and of no constructive service to load such individuals with a bewildering enterprise and the debt associated with it.

(3) That it is futile to set up debt structures from which full experienced farmers and land credit agencies would recoil in the normal course of business. A modest financial limitation must presuppose the use of suitable land of modest value, hence not in the general class of farm property which would in the normal course of agricultural credit operations be regarded in the same light as going-concern commercial farms. I think probably a little elaboration on that consideration might be useful. There is no doubt that following this war there will be a number of veterans who are fully experienced farmers and who would desire to become restored as such, and any scheme for their rehabilitation must keep that fact in mind; but we must also keep clearly in mind that we will have, and I believe we can expect to have, a lot of people with very limited agricultural knowledge of the type having to do with land proprietorship, or the assumption of a heavy debt who also will want to be established on the land; and quite frankly we contemplate a rather different concept of land utilization at the close of this war than was the case in connection with the former scheme. That is to say, we feel that small holdings adjacent to industrial centres, small or large, should be used to provide very sound settlement opportunities, for the settler is not expected to derive his whole income from farming; that is, his principal income will be by way of wages earned away from the farm in some industry, either on a full-time or part-time basis, and that his revenue requirements would be on a modest

basis of land, with a modest home, and he would be placed in a much more secure position than would be the case otherwise if he attempted to establish himself within the confines of a city where he would be subject to higher taxes and all that sort of thing. With this thought in mind we feel that a great many more establishments could be placed at a much lower cost than would otherwise be the case if we concentrated on the establishment of men on what could be termed going-concern commercial farm properties.

By Mr. Green:

Q. You have in mind the man making a good portion of his food requirements?—A. Yes.

Mr. BRUCE: Possibly 75 acres would be an extreme.

By Mr. Quelch:

Q. You would not admit that that should be done in the Prairie Provinces? —A. No, to a very limited extent there. It would have more particular application in the maritimes, in the industrial parts of Eastern Canada and on the Pacific coast.

By Mr. Green:

Q. You would not have any number of farms as large as 25 acres?—A. Oh no, it would vary anywhere from 3 acres to 100 acres, depending on the location and the local circumstances.

By Mr. Bruce:

Q. Not on this class of settler?—A. Oh no.

Q. You are speaking now of a man with limited experience in farming?— A. Yes.

Q. It would be nothing but tragedy to put him on a farm.—A. As a farmer.

Q. As a farmer, you would put him on small holdings of say 10 acres?— A. Yes.

By Mr. McCuaig:

Q. But even on the small holdings wouldn't there be danger, because he would have to have employment—it is pretty difficult to run even a small farm? —A. That is true, there must be a skeleton loan for stock and equipment necessary to work it—he could have a small holding where he could keep one cow and have two or three acres of pasture and grow stuff in a garden; that would not require very much of an investment in stock and equipment.

Q. That is not a farm at all?—A. It is not a speculative farm at all, it is merely a home with land supplementary to his job.

Q. I know a certain area where soldiers have been established on farms of five or ten acres. I know of one between Camp Borden and Barrie where I live. I think it would be well for the committee to look into holdings like that. —A. I think I know the settlement you refer to.

Mr. WRIGHT: You see settlements something like that in the coal areas in Iowa in the United States in connection with some of the mines where the men get two or three days work a week, and they have these small holdings; the government build houses and establish these holdings, and they provide certain equipment, I know there is a small engine that works a small plough and can be hooked onto a number of different types of equipment; and I am told it is working out very well.

The WITNESS: We have a very excellent illustration of the way the small holding scheme is working out in times when industry is reasonably prosperous as it is at present say on the Pacific coast, concentrated through the Fraser valley we have a dense settlement between the Gulf of Georgia and Chilliwack, a very dense settlement.

Mr. QUELCH: There is another example in our Edmonton community settlement of about 40 acres. The community there have one tractor, and each individual farmer has some stock. In that way the overhead is kept down. These people were originally on relief. It is a relief scheme and it is working out very satisfactorily.

The WITNESS: Yes, I was just going to mention in respect to the British Columbia situation the success shown by the settlers there. The results during the last fiscal year there have been more or less phenomenal, and it didn't matter whether they had relatively good holdings or cheap ones; a great many of these men have found employment in local industry in the shipyards along the Fraser river, in the aircraft factories and that sort of thing, and the recoveries made in British Columbia last year were exceptionally good, 96 per cent of the settlers in British Columbia made payments on their accounts last year, the total returns were equivalent to 117 per cent of the 1940 maturities. Now, that gives I think quite an illustration that our homes on the land where living costs are relatively low in conjunction with an industry and a reasonable condition of prosperity, makes quite a happy combination.

By Mr. Green:

Q. How about the young farmers who have enlisted; have you any plans for them?—A. I beg your pardon?

Q. How about the young farmers who have enlisted; have you any plans in mind for them; many young men come off farms into the army, and some sort of help would probably enable them to become very very good farmers in a short time?—A. Our thought in that connection is that very many farmers' sons who have enlisted for service when they return will naturally want to become settled in the surroundings of their family; that in quite a number of cases we anticipate that the returned soldier will want to take over his father's farm. And now, that happened after the last war, there was quite a large number of settlers established on their fathers' farms at the close of the last war, and I think there will be the same thing following this war.

The next point I would like to mention is the financial arrangement for the land settlement should not be so attractive as to unduly interest those for whom other forms of rehabilitation would be more suited.

(4) That financial arrangements for land settlement should not be so attractive as to unduly interest those for whom other forms of rehabilitation would be more suitable. Conversely, that arrangements for land settlement should not be so restricted as to unduly militate against a land settlement plan which contemplates a broad interpretation of land utilization.

We realize that we have a new generation growing up, and that there will not be the same demand for land settlement as there was twenty years ago. Sub-committees are studying other forms of rehabilitation, but what we are trying to do is to strike some happy balance in the scheme we develop which will not conflict with departmental plans in other directions.

The next one is important.

(5) That the average soldier applicant will lack the capital ordinarily associated with the acquisition of land and the acquisition of the stock and machinery to work it. Therefore the normal and practical business theories become mostly abstract theories in relation to the practical problems of this type of land settlement. There can be no escape from this important issue.

The alternatives seem to be (*a*) that settlement be delayed until the applicant has acquired a reasonable amount of capital but this would be a negation of the objective in relation to a great national problem: (*b*) that a choice be made between the perils of destruction of morale by direct relief and its accompanying capital costs or that of making up the deficiency in capital to permit settlement to proceed on a basis whereby the settler is enabled to become self-supporting and under obligation to repay an amount which does not exceed the time-tested limits of sound business.

(6) That the financial structure of our country is geared to the cost of money, hence the principle of interest charges must be taken into account.

I say frankly that considering this question there was a lot of discussion on the application of the bonus or an equity. It could be devised under various means such as no interest at all or part of the principle or extremely low rate of interest or less principle or a little more interest and things of that sort, but whichever way we take it we felt that something had to be devised which would overcome the basic weakness inherent in the first scheme; that is the loading of people with debt which parliament itself decided from time to time to rectify. We do not need any argument on our part as to why these amendments were made. They were made by parliament to rectify a bad situation. We try in our consideration of this problem to avoid that by considering the broad scale adjustment at the outset rather than on a piecemeal basis.

(7) That the financial commitments of the dominion during this war—the extent of which cannot be accurately forecast—and the general costs of post-war projects of many kinds, must contemplate a very heavy burden of national debt with consequent taxation for the average Canadian citizen. Rehabilitation measures for veterans which fail to recognize these things would no doubt come under strong public criticism when the long road to post-war recovery begins.

Now, we had the thought in mind there, and it happened occasionally after the last war, that the returned soldiers who had somewhat limited military service, if I may say so, were established on a basis and in districts where they at the start at least were much more handsomely set up in business than people who had been farming in those communities upwards of thirty years. We do not want to make that mistake again. We feel that this proposition can be met more satisfactorily along more modest lines, bearing in mind the burden that the average Canadian citizen will have to bear in not only this but a great many other things having to do with the war effort.

It is only after balancing the above factors one against another and basing estimates on the existing levels of land values in Canada that a scheme of land settlement could be projected which is considered practical, constructive and with financial limitations which on the average are less than the probable financial commitments facing the dominion authority if other industries fail to absorb these people back into civilian life in a manner which provides for reasonable opportunities for home ownership. In this same connection the long-range values of social and economic stability are not overlooked.

I do not think, Mr. Chairman, I need go any further through the minutes of last meeting of the subcommittee than I have gone here. We are awaiting certain data which is necessary before considering any final details of our recommendations as to the extent of the cost of such a scheme. For instance, it is necessary to get the occupational history of the present army, or a good cross-section of it before we will have found data on which to base an estimate of the number of people who will probably be interested in land settlement. Such information as we have up to the present time is not accurate or it does not fully disclose just what the occupational history was. For instance, a

soldier on enlistment gives farming as his occupation. A great many of the boys in the present army lacked steady occupation at the time of enlistment and the definition of farming as an occupation may have referred to a very brief period spent in the employ of a farmer, but with very little actual farming experience.

Mr. WINKLER: Like the remittance men.

The CHAIRMAN: Are there any other questions?

By Mr. Quelch:

Q. I should like to ask more regarding this 3,313, the majority of whom have gone into farming. Quite a large number of them are receiving notice to the effect that they are to lose their farms. I know of several persons in my constituency and I suppose there are some in others; but it is not going to solve the problem to turn these men and their families out on the road. They are getting on in age, they have spent 22 years on the place and have nothing to show for it. Would it not be possible to rehabilitate these men on the basis you are referring to; that is to give them a house and a small allotment near some industry where they can work, rather than turn them adrift?—A. There is quite a practical difficulty there, Mr. Quelch. It is a problem that has given us a great deal of concern. It is somewhat in the same class as was mentioned by Dr. Millar in his evidence here the other day when the question was raised as to why more ex-service doctors and orderlies are not being employed in the public service.

He said that would be perfectly all right if we could put a new set of lungs in them or a new arm on them or something of that sort. Just carrying that thing to the problem you mention, there is nothing we can do to turn back the wheels of time, and these men having reached the age anywhere from 52 to 60 it is a very difficult proposition at that age to move a man to some new location and establish him in a way where he can acquire outside employment of any consequence to compete with people he is living amongst and to make any provision to pay for a new home, starting at that age.

Q. It is then recognized that men in that condition are not capable of taking on employment. Should they not be considered as eligible for the war veterans' allowance?—A. At the present time there are 554 soldier settlers in receipt of war veterans' allowance.

Q. Yes, I know there are quite a number, but you still have a large number not getting war veterans' allowance who, according to yourself, are not suitable for re-establishment.—A. I should not like to leave the impression that all of these 3,313 settlers I mentioned a few moments ago are definitely failures. That is not so. They have had their accounts adjusted under the Farmers Creditors' Arrangement Act down to a decent level and a great many of these men are now making quite satisfactory progress. Time is against them, having regard to their age, but it is not at all true that every one of these men is going to fail.

Q. Can you give us the number of soldier settlers who have been given notice to vacate their farms?—A. During what period?

Q. Those who are under notice at the present time.—A. No, I could not give you that offhand, Mr. Quelch.

Q. Can you give me the approximate number?—A. I would have to answer it over a period.

Q. The majority of these men do not desire to leave these farms?—A. That is quite true. I can tell you this that there have been approximately 600 cancellations of agreement by quit claim deed or notice, but the vast majority of these were men who were not in occupation of their farm. They were

following other occupations. The farm was being worked in some half-hearted manner by a tenant. The men displayed no further interest in the farm in the way of making any contribution towards its upkeep.

Q. I am not worrying about the man who has vacated his farm or rented it to somebody else. What I am thinking about is the people who are trying to carry on with the farm and are not able to meet their payments due to the fact that they are under the Farmers' Creditors Arrangement Act and are not getting as sympathetic a consideration as they would have if they were under the Soldiers' Settlement Act. I have had some people ask me some time ago if it would be wise to go under the Farmers' Creditors Arrangement Act. I told them that they would get a reduction in their indebtedness but that from then on they would have to meet their payments and I did not think they would get as sympathetic consideration in the future as they had received in the past; and that is just how it happened.—A. We have some strange reactions in that regard. We have this sort of situation to deal with, a man who has been in occupation of his farm during the past twelve years and has not paid a cent on it. Now, I am not criticizing that because we were going through bad times, but nevertheless the feeling grew up in his mind that the matter of payments was of very minor importance, and they were just forgotten. Now it takes some rather drastic action to overcome inertia that develops in the mind of a settler. We have quite a few illustrations where following adjustments under the Farmers' Creditors Arrangement Act a man claims he is still unable to pay anything. There is quite a difference between a man who owes you $150 and says, "I can pay you $50 and I will pay it to you," and does, and the man who says, "I owe you $150 and because I cannot pay it I will pay you nothing." We have found it necessary to resort to rather drastic action in some of these cases and it has had a salutary effect when these men discovered there was such a thing as pay day and that they had better start paying something on the homes they had been occupying for ten or twelve years on more or less a free basis.

By Mr. Wright:

Q. You stated the debts of the 3,313 had been placed on a reasonable basis. I think those were your words.—A. Yes.

Q. Yet by your figures they have no equity in the land, that they owed more than the land is worth. Would you call that reasonable?—A. I tried to explain that by saying following the adjustments made in the earlier years under the Farmers' Creditors Arrangement Act conditions continued bad in a large part of Saskatchewan with the result that land values continued to sag and as a result of no payment being made following the adjustment interest accrued and the non-payments pyramided, which balanced the difference between the indebtedness and the present day value of that group of accounts.

Q. Yes, I understand that, but the men who went through that adjustment during that period have no recourse now to any further adjustment even though they are no less dissatisfied.—A. No, the director of the soldier settlement has no statutory authority to make any adjustment.

Q. You might just as well in these cases write them off because it is an impossibility for them, unless conditions change entirely, to meet their obligations.—A. When you say "write them off," quite a difficulty arises there. It is pretty hard to explain satisfactorily to the man who does pay, and who has paid over a great many years, why you should present a farm to a man who has not been able to pay.

Q. I mean write them off to the extent where they can pay.—A. Well, of course, that would be a matter of government policy.

Q. It seems to me there are a great many in the west for which something has to be done in that regard. They are either going to lose their places—I think the board realizes that—or——A. There are certain classes of account

where it is not going to be necessary for these men to lose the homes they have occupied during the past twenty years if they will give us reasonable co-operation. We do not propose as a matter of administrative policy to try and protect the man who is acting dishonestly with us. I do not think anyone would expect us to; nor do we propose to go very much further in dealing with classes of men who are not occupying their farms. We are going to place that property in the hands of someone who will operate it and make a home of it and pay for it; but we have a fair percentage of soldier settlers who are getting up in years, who are past 52. There are some who are 60 and 65. We have them even as old as 82; however, they got into the last war but we have them, and we are studying right now ways and means to make it possible to leave these old men in the possession of their homes for the rest of their lives if they will at least give us some fair co-operation.

By Mr. Green:

Q. Might I ask one question: There have already been 10,000 men or more discharged from the forces; we have been told in this committee that they have been discharged at the rate of 1,800 a month; have you got any plans in operation at the present time for these men?—A. No.

Q. How long will it be before you have some sort of rehabilitation plan available to the men of this war?—A. I can only answer that by saying that we cannot go ahead with a plan until the government decides one way or another on the recommendations of this sub-committee studying the subject.

Q. It seems to me that that is one of the weaknesses in all the rehabilitation plans; sub-committees are busy working things out, but in the meantime these men are being discharged and will lose the benefits of any plans that come into effect one or two years from now?—A. And it constitutes a continuing problem; and if the problem is one which happens to drop on the department in a short time at the conclusion of hostilities you will run into the same situation that we had last time—there will be a great demand for some 25,000 or 30,000 farm properties and that will be bound to have only one effect, up will go the price of land.

By the Chairman:

Q. Has it been considered at all?—A. No so far, sir.

By Mr. Green:

Q. It is still purely in the realm of theory?—A. Yes.

By the Chairman:

Q. Do you know how many of these discharged men were farmers before enlistment?—A. No, we haven't got that information, sir. The only information we have thus far is the cross-section of a few units of the existing forces which shows 10 per cent having agricultural backgrounds; that is, of enlistments, but we have no information as to the occupational background of the people who have been discharged. In any event, we have received no direct inquiries at the department from discharged soldiers for land rehabilitation. It has not developed yet, possibly because there has been no scheme.

By Mr. Gillis:

Q. Before you go: where the Farmers' Creditor Arrangement Act is now functioning a man has a small holding and perhaps has borrowed $800 or $900 and is not able to meet his payments and as a result his debt is mounting up through interest; have you authority to make a settlement with him, say he will

be willing to borrow $500 to settle with the board?—A. No, I have no such authority; that is a debt due to the Crown and it can only be dealt with or modified by Act of Parliament.

Mr. McCUAIG: I would like to thank Mr. Murchison for the very clear exposition he has made of the department's position.

Mr. GREEN: I think we are very fortunate to have in these different departments men who have had long experience with these problems. It is going to make it far easier than it was after the last war.

The CHAIRMAN: Yes, undoubtedly.

Mr. QUELCH: We would like to have a reference to that effect in the record.

The CHAIRMAN: Yes.

Thank you, Mr. Murchison.

Witness retired.

The committee adjourned at 10.40 o'clock p.m. to meet again Thursday, June 5, 1941, at 12 o'clock noon in camera.

APPENDIX "A"

SOLDIER SETTLEMENT OF CANADA

BALANCE SHEET AS AT MARCH 31, 1941

ASSETS

Current Loans—			
Soldier Settlement			
Soldier settlers	$12,462,756.81		
Civilian purchasers	7,690,170.22		
Indian soldier settlement	182,499.73		
		$20,335,426.76	
Less deferred bonus		262,892.82	
			$20,072,533.94
3,000 British Family Scheme			
British families	3,034,362.75		
Canadian civilians	1,089,299.52		
		4,123,662.27	
Less deferred bonus		13,049.24	
			4,110,613.03
New Brunswick 500 British Family Scheme			
British families	203,992.48		
Canadian civilians	70,955.48		
		274,947.96	
Less deferred bonus		2,147.70	
			272,800.26
			24,455,947.23
Security held for Resale—at Book Debt—			
Soldier settlers	3,631,821.44		
Civilian purchasers	1,084,173.73		
British families—Canadian land	1,030,015.24		
		5,746,010.41	
United Kingdom Gov't. loans		242,668.48	
			5,988,678.89
Total			$30,444,626.12

LIABILITIES

Gross Advances for Loans—			
Soldier land settlement	$109,034,331.75		
3,000 British family scheme	12,986,785.44		
N.B. 500 British family scheme	950,275.89		
		$122,971,393.08	
Replacements		2,794,409.93	
Interest charges		38,297,433.42	
			$164,063,236.43
Deduct—			
Repayments			
Soldier land settlement		59,598,813.88	
3,000 British family scheme		3,090,981.49	
N.B. 500 British family scheme		156,312.74	
Replacements		2,794,409.93	
			65,640,518.04
			98,422,718.39
Deduct—			
Legislative Reductions			
Soldier land settlement		47,518,215.78	
3,000 British family scheme		7,638,641.33	
N.B. 500 British family scheme		658,773.89	
			55,815,631.00
			42,607,087.39
Deduct—			
Losses on Security already sold			
Soldier land settlement		23,416,786.05	
3,000 British family scheme		1,807,802.29	
N.B. 500 British family scheme		176,124.97	
		25,400,713.31	
Less F.C.A. Act—amounts charged back to previous settlers and shown in Legislative reductions		2,969,143.17	
			22,431,570.14
			20,175,517.25
Add—			
Interest Exemption Act 1922			
Not charged to settlers			10,269,108.87
Total			$30,444,626.12

Certified Correct
sgd. W. K. RATHWELL,
Acting Chief Treasury Officer

APPENDIX "B"

SOLDIER SETTLEMENT OF CANADA

LEGISLATIVE REDUCTIONS
As at March 31, 1941

Details		Interest	Principal	Total
Interest Exemption	1922	$10,269,108 87		$10,269,108 87
Live Stock Reduction	1925		$ 2,927,809 99	2,927,809 99
Land Revaluation	1927		7,479,344 75	7,479,344 75
30 per cent Reduction	1930	4,258,418 32	10,655,281 33	14,913,699 65
Interest Remission	1933	2,344,307 61		2,344,307 61
Dollar for Dollar Bonus	1933, 1935, 1938	2,395,338 11	2,972,813 61	5,368,151 72
Farmers' Creditors Arrangement Act	1934	5,403,017 98	7,110,190 43	12,513,208 41
Total		$24,670,190 89	$31,145,440 11	$55,815,631 00

Summary

Soldier Settlers	$18,776,593 43	$24,280,774 94	$43,057,368 37
Civilian Purchasers	2,443,493 47	2,299,561 63	4,743,055 10
3,000 British Family Scheme Settlers	3,159,792 14	4,196,641 50	7,356,433 64
N.B. 500 British Family Scheme Settlers	290,311 85	368,462 04	658,773 89
Total	$24,670,190 89	$31,145,440 11	$55,815,631 00

SESSION 1940-41

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON THE

Pension Act

AND THE

War Veterans' Allowance Act

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 22

THURSDAY, JUNE 5, 1941
TUESDAY, JUNE 10, 1941
WEDNESDAY, JUNE 11, 1941

INCLUDING REPORT TO THE HOUSE

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1941

MINUTES OF PROCEEDINGS

June 5, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act met (*in camera*) this day at 12 o'clock, noon. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Bruce, Eudes, Gillis, Green, Macdonald (*Brantford*), MacKenzie (*Neepawa*), Mackenzie (*Vancouver Centre*), MacKinnon (*Kootenay East*), Macmillan, McCuaig, Quelch, Sanderson, Turgeon, Winkler, Wright—15.

The Committee discussed the matters to be included in its Fourth Report, and instructed the Chairman to prepare a draft report for consideration at the next meeting.

The Committee adjourned at 1 p.m., to meet again at the call of the Chair.

June 10, 1941.

The Committee met (*in camera*) this day at 12 o'clock noon. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Blanchette, Bruce, Gillis, Green, Macdonald (*Brantford*), MacKinnon (*Kootenay East*), Macmillan, McLean (*Simcoe East*), Quelch, Ross (*Middlesex East*), Sanderson, Turgeon, Vien, Wright—15.

The Committee considered the draft report prepared by the Chairman, and instructed the Chairman, with the assistance of a small subcommittee to re-draft the report.

The Committee adjourned at 1.10 p.m., to meet again on Wednesday, June 11th, at 10 o'clock, a.m.

June 11, 1941.

10 a.m.

The Committee met (*in camera*) at 10 o'clock, a.m., this day. The Chairman, Hon. Cyrus Macmillan, presided.

The following members were present: Messrs. Abbott, Blanchette, Bruce, Cleaver, Eudes, Gillis, Green, Macdonald (*Brantford*), Macmillan, McLean (*Simcoe East*), Quelch, Ross (*Middlesex East*), Sanderson, Thorson, Turgeon, Wright—16.

The Committee considered its Fourth Report as re-drafted, and adjourned at 11 o'clock, a.m., to meet again this day at 8.30 o'clock, p.m.

June 11, 1941.

8.30 p.m.

The Committee met (*in camera*) at 8.30 p.m. this day. Hon. Cyrus Macmillan, the Chairman, presided.

The following members were present: Messrs. Abbott, Cleaver, Cruickshank, Eudes, Gillis, Green, Macdonald (*Brantford*), MacKinnon (*Kootenay East*), Macmillan, McLean (*Simcoe East*), Quelch, Sanderson, Turgeon, Wright—14.

The Committee further considered, amended and adopted its Fourth Report.

At the suggestion of Mr. Turgeon, seconded by Mr. Green, a vote of thanks was extended to the Chairman for the manner in which he conducted the proceedings of the Committee.

The Chairman suitably acknowledged the vote of thanks and expressed his appreciation of the co-operation accorded him by all the members of the Committee.

The Committee adjourned at 11 o'clock, p.m., to meet again at the call of the Chair.

J. P. DOYLE,
Clerk of the Committee.

THURSDAY, June 12, 1941.

The Special Committee on the Pension Act and the War Veterans' Allowance Act begs leave to present the following as its

FOURTH REPORT

1. Pursuant to Orders of Reference dated March 6th and March 11th, your Committee has considered, amended and reported Bill No. 17, an Act to amend the Pension Act, and have considered numerous matters relating to ex-service men of the last and the present war, including the War Veterans' Allowance Act, provision for medical treatment, grants, gratuities and allowances upon or after discharge, and provision for their rehabilitation.

2. In so doing your Committee held thirty meetings and examined twenty-nine witnesses representing soldier organizations and Government administrative branches as follows:—

The Minister of Pensions and National Health.

Brigadier-General H. F. McDonald, Chairman, Canadian Pension Commission, and Chairman, General Advisory Committee on Demobilization and Rehabilitation.

Mr. Walter S. Woods, Associate Deputy Minister of Pensions and National Health, and Vice-Chairman of the General Advisory Committee on Demobilization and Rehabilitation.

Mr. J. R. Bowler, General Secretary of the Canadian Legion of the British Empire Service League.

Mr. Richard Hale, Tubercular Veterans' Association and Chief Pension Adviser of the Canadian Legion.

Mr. Alex Walker, President of the Canadian Legion.

Lieut.-Col. Sidney E. Lambert, Dominion President, War Amputations of Canada, and Honourary President of the Sir Arthur Pearson Club for Blinded Sailors and Soldiers.

Richard Myers, Esq., Honourary Secretary of the War Amputations of Canada.

Lieut.-Col. Eddie Baker, O.B.E., Managing Director for the Canadian Institute for the Blind, and Secretary-Treasurer for the Sir Arthur Pearson Club for Blinded Sailors and Soldiers, and a Member of the Dominion Executive of the War Amputations of Canada.

Mr. J. G. C. Herwig, Assistant General Secretary, Canadian Legion of the B.E.S.L.

Colonel C. E. Reynolds, President of the Canadian Corps Association.

Dr. W. C. Givens, Secretary, Canadian Corps Association.

Captain George Kermack, Representative Imperial Division, Canadian Legion of the B.E.S.L.

Colonel E. G. Davis, Deputy Director of Medical Services, Department of National Defence.

Dr. Ross Millar, Director of Medical Services, Department of Pensions and National Health.

Mr. C. H. Bland, Chairman, Civil Service Commission.

Mr. A. W. Crawford, Member of the Interdepartmental Committee on Youth Training.

Mr. G. Murchison, Director of Soldier Settlement.

The information given to your Committee by the representatives of veteran organizations, by members of the Government services and by all who presented statements or gave evidence was of great value to your Committee and we wish to record our thanks for their assistance.

3. Your Committee had placed in evidence the minutes, proceedings and recommendations of the General Advisory Committee on Demobilization and Rehabilitation, and noted the Orders in Council which have been passed since the 10th of September, 1939. The following summary indicates the subjects with which the more important Orders in Council relating to this subject deal:—

P.C. 2584—7th of September, 1939, provides for return to public service employment "all civil servants who become members of the naval, military or air forces."

P.C. 3004—5th October, 1939, provides for treatment of members of the forces by Department of Pensions and National Health Hospitals.

P.C. 3005—5th October, 1939, Creation of Class 19 under P.C. 91.

P.C. 4068½—8th December, 1939, constitutes Cabinet Committee on Demobilization and Rehabilitation.

P.C. 5421—8th October, 1940, constitutes General Advisory Committee on Demobilization and Rehabilitation.

P.C. 204/6613—18th November, 1940, provides for remedial treatment after discharge and dependents' allowance while in hospital.

P.C. 6282—27th November, 1940, authorizes the establishment of the Veterans' Welfare Division of the Department of Pensions and National Health.

P.C. 1/7324—11th of December, 1940, amends and clarifies P.C. 204/6613.

P.C. 7521—19th December, 1940, Rehabilitation grant in respect of members of the forces honourably discharged after 183 days service.

P.C. 7520—21st of December, 1940, Constitution of Committee to consider disposition of Canteen Funds.

P.C. 1087—14th February, 1941, Amendment to P.C. 7520.

P.C. 1216—17th February, 1941, Additional term of reference to P.C. 4068½ relative to post-war reconstruction.

P.C. 2763—10th May, 1941, Creation of Class 20 under P.C. 91.

(*a*) It is noted that the above Orders in Council provide machinery for continuous study by the Cabinet Committee and by the Interdepartmental Committee and their subcommittees, of the various problems which will arise in connection with the rehabilitation of discharged and demobilized men of the present war, and that the subcommittees are meeting from time to time to consider such matters as post-discharge pay, employment, vocational training, retraining of special casualties, interrupted education, land settlement, administration of special funds and other aspects of the re-establishment of ex-service men.

(*b*) It is also noted that the administration has been strengthened by the appointment of an Associate Deputy Minister, Mr. Walter S. Woods, charged with the carrying out of the policies which may be adopted from time to time, and with the organization of the Veterans' Welfare Division.

(*c*) The Committee also note the arrangements which are being made to co-ordinate the work of the new Employment Service of Canada under the Unemployment Insurance Commission with that of the Veterans' Welfare Division, and to create a Dominion-wide administration which will be able to give special attention to the civil re-establishment of veterans both of the last and of the present war. We recommend that the Department of Labour instruct and require their placement or employment officers to co-operate with the Veterans' Welfare Division officers and to give preference in employment to ex-service men.

(*d*) The War Emergency Training Programme, operated by the Youth Training administration under the Department of Labour, gives preference to veterans of the last war and of the present war seeking enrolment as students.

(*e*) Orders in Council dealing with rehabilitation grant, Departmental treatment and allowances, and post-discharge active remedial treatment, now provide certain transitional benefits looking towards the physical reconditioning of ex-service men suffering from disease or injury. We recommend that further provision be made for all necessary physical reconditioning of ex-service men either for further service or for re-establishment.

5. It is clear that the above emergency measures which have received the consideration of the General Advisory Committee on Demobilization and Rehabilitation and have been embodied in Orders in Council, in regulations or in administrative arrangements, have in some measure coincided with the exigencies of the developing situation since the outbreak of the war. They do not, however, fully meet the immediate need of rehabilitating in civil life all those who are now being discharged; nor will they meet the larger national need which will arise at the conclusion of hostilities when the demobilization of large numbers of physically fit men will have to be undertaken.

6. The plans now being discussed by the subcommittees of the General Advisory Committee on Demobilization and Rehabilitation to meet the needs of the demobilization period in respect of vocational and technical training, the continuance of interrupted education or professional training, the retraining of special casualties, and land settlement should be brought to completion in definite schemes as soon as possible after the General Advisory Committee has been able to study and evaluate the results of the occupational history survey now being carried out in the armed forces. This statistical analysis will guide the Government in framing the necessary rehabilitation measures. Meanwhile we would emphasize the desirability and the necessity of the closest possible co-operation with industry and with all other classes of employment in order that the ex-service men may be re-instated in the posts from which they withdrew on enlistment or in some other form of gainful occupation.

7. In view of the above, your Committee therefore recommends that:—

(1) The General Advisory Committee on Demobilization and Rehabilitation continue its study of the larger questions involved and that the Government proceed either by Order in Council, in case of emergency, but preferably by legislation, to carry out constructive policies looking towards the civil re-establishment of discharged and demobilized men.

(2) That consideration be given to the retaining in the service for a period not exceeding six months after the date on which they would otherwise be discharged, non-pensionable and non-disability members of the forces with no assurance of immediate post-discharge employment, with the object of enabling such members of the forces to obtain employment and to be re-established in civil life.

(3) That the preference for veterans of the past war now requested by the departments concerned, and generally observed in Government contracts in which the Departments of National Defence, Public Works and Munitions and Supply are interested, be given also to ex-service men of the present war and that it be likewise observed in all Government contracts and all Government employment when additional or replacement employees are required.

(4) That the statutory preference granted to certain categories of ex-service men, under Section 29, subsection 4 of the Civil Service Act (Chapter 22-1927) should be extended to ex-service men of the present war who were resident in Canada prior to such service.

(5) That the consultations which have already commenced with Provincial Governments and local rehabilitation committees be continued with a view to securing the utmost co-operation from all public and private bodies to assist in the civil re-establishment of ex-service men.

8. That the provisions of the Returned Soldiers' Insurance Act be made applicable to men serving in the present war.

9. That the Government should give, at the earliest possible time, consideration to the following:—

(*a*) Provision for the treatment of veterans of the Riel Rebellion in hospitals of the Department of Pensions and National Health, and granting to these veterans the benefits of the War Veterans' Allowance Act.

(*b*) The supplementing of the long service pensions now awarded to a number of former members of the Militia under the Statutes of Canada, 1901, Chapter 17, Section (9).

10. That after further and more complete exploration of the problems involved, consideration be given to the advisability of extending the provisions of the War Veterans' Allowance Act to:—

(*a*) Widows of disability pensioners not now provided for.

(*b*) Widows of deceased recipients of War Veterans' Allowance.

11. That consideration be given to the desirability of extending the provisions of Orders in Council P.C. 3359 and 3492, 10th November, 1939, to Canadians serving on ships of other than Canadian registry operating from Canadian ports during the war with the German Reich.

12. That by appropriate measures, the Government make provision for compensation to the members of the Auxiliary Services who are serving the armed forces in an actual theatre of war, and their dependents, comparable to that provided for members of the armed forces.

13. That the government take appropriate action to provide adequate compensation to Canadian Government employees for disability or death suffered as a result of enemy action, and that such compensation be in addition to any superannuation to which the employee may be entitled by reason of his contributions.

14. That consideration be given to providing medical services for and payment of compensation to Air Raid Precaution personnel, and to other civilians who suffer disability or death by reason of enemy action or as a result of service with such organizations as the A.R.P.

15. That Section 13 of the War Veterans' Allowance Act be amended to give the Board discretion to continue payment of a part of his allowance to a recipient without dependents while undergoing treatment in a hospital.

16. That the amount of War Veterans' Allowance which shall be charged to the accumulated unpaid instalments of retroactive pension shall not exceed the amount of the allowance paid during the period for which the retroactive pension was awarded.

A copy of the evidence taken before your Committee is tabled herewith.

All of which is respectfully submitted.

CYRUS MACMILLAN,
Chairman.

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