

NOTE

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Note for AER Report No. 97 by Mrs. A. Sorby

See CFAO 56-8 Annex A of 22 Apr 66 for Veterans Rehabilitation Act.

See CFAO 56-8 Annex B of 22 Apr 66 for War Service Grants Act.

See CFAO 56-8 Annex C of 22 Apr 66 for Veterans Insurance Act.

See CFAO 56-8 Annex D of 22 Apr 66 for Veterans' Land Act -- Appx 1, Appx 2.

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HISTORICAL SECTION

ARMY HEADQUARTERS

31 May 60

A Study on Demobilization and
Rehabilitation of the Canadian
Armed Forces in the Second
World War, 1939-1945

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31 May 60

A Study on Demobilization and
Rehabilitation of the Canadian
Armed Forces in the Second
World War, 1939-1945

1. This report will describe the forethought and intensive planning undertaken in preparation for the demobilization and rehabilitation of the Canadian Armed Forces during and after the Second World War. It will contain an account of the demobilization procedures of the Navy, Army and Air Force, not including repatriation and occupation policy, which will be the subject of a separate report. Plans had to be made long before the cessation of hostilities, because demobilization in individual cases begins at the commencement of war. Casualties take place in training depots; other reasons such as age, illness and unsuitability lead to discharge. Therefore, in the autumn of 1939, with mobilization just beginning, we find that consideration of its converse has already begun.

2. The report will be organized into sections, commencing with a summary of some of the lessons learned after the First World War. Early organization in 1939, and the policies agreed upon, with a general review of legislation will comprise Sections II and III. The next five sections will deal in some detail with the more important aspects of the rehabilitation and demobilization programme: pensions, treatment services, post-war employment, gratuities, vocational training, university education, land settlement and the actual demobilization machinery of the Armed Forces. Information on the co-operation of community and national organizations will be included. Finally, Canadian benefits will be compared with those of other Commonwealth countries and of the United States.

Section I: Lessons of the First World War

3. There had been a great deal of dissatisfaction after the First World War, and no government, interested even remotely in its political future was going to disregard the lessons of the past. The Winnipeg strike of 1919 was still a vivid memory. None had forgotten the bitter days of depression in the 1930's. Among the

unemployed were large numbers of veterans, about 35,000 in 1936, according to a census taken by the Veterans' Assistance Commission.¹ In fact, for the whole period between the wars, the country had been plagued by unemployment among veterans who had been unsuccessful in re-establishing themselves. In spite of several steps taken, the payment of Unemployment Assistance to augment pensions in 1923, help from the provinces through Unemployment Services and Soldiers' Aid Commissions, the War Veterans' Allowance Act of 1930, and the implementation of some recommendations of The Veterans' Assistance Commission of 1936, it was not until the Second World War that the employment problem settled itself.² With thousands going into the Forces, and a rapidly expanding war-time economy, there was work for all who were able and willing. Many who had been considered unemployable renounced the War Veterans' allowance as they found war work.

4. It was an accepted fact that the pensioner was entitled to treatment and to an allowance based on the amount of disability, but, as far as the able-bodied veteran of the First World War was concerned, the programme was fairly thin. He could buy Returned Soldiers' Insurance which was no particular advantage unless he was a poor risk, and he was given preference in the Civil Service. In addition he was given:

- (a) a clothing allowance of \$35.
- (b) a war service gratuity payable according to length and place of service (a single veteran could receive a maximum of \$420 and a married man \$600).
- (c) financial assistance to settle on the land which was a loan to be repaid and required a deposit of 10 per cent of the purchase price.³

Fewer than five per cent of the veterans of the First World War chose, or were qualified to accept, land settlement, so that 95 per cent of them (not including pensioners) had only their small clothing allowance and modest gratuity to help in their rehabilitation.⁴ It was obvious that a land settlement scheme by itself was not enough and that a hastily improvised programme at war's end would be no answer to re-establishment problems.

5. There were other lessons from the past relating specifically to the actual demobilization machinery. There had been demonstrations by soldiers at various concentration* camps in England. Colonel A. Fortescue

*The use of the word "concentration" in reference to camps had a very different connotation in the Second World War. It referred to concentrations of political prisoners or internees, and was not used to describe a camp for troops.

Duguid, D.S.O., O.B.E., the Director of the Historical Section (General Staff) Department of National Defence, in the second part of a monograph prepared in 1940, on the General Demobilization of the Canadian Expeditionary Force, discussed these disturbances.⁵ While not denying the seriousness of what happened, Colonel Duguid did imply that these disorderly episodes were featured by the British press and that the wide circulation of this kind of news had led to exaggerated rumours. Apparently the troops had not been prepared psychologically to accept the inevitable delays because of lack of shipping, and they suspected that those on the ground at home would be able to grab the best civilian jobs. In connection with the 1918-1919 procedure the Deputy Minister of the Department of Veterans Affairs, Walter S. Woods, C.M.G., said in 1943:

The principal problem at the conclusion of the First World War was in the fact that Canada, with a population of around 8,000,000 at that time, had to fit back into civilian life approximately 423,000 men within less than a year. All wished to return to civilian life as quickly as possible, and demonstrations by serving soldiers compelled the acceleration of the demobilization programme, making absorption into civilian life more difficult. Many disadvantages arose through speedy demobilization. Three principal difficulties were encountered. These were:-

- (1) The wishes of discharged men in the matter of selection of place of discharge were freely acceded to, and warrants were issued to destinations irrespective of place of enlistment or bona fide residence, thus aggravating urban difficulties by concentration of migrant ex-soldiers in these centres.
- (2) 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. [This accentuated further the problems resulting from the concentration of returned service men in urban centres, where there were more opportunities for celebrating than in rural communities].
- (3) Families were re-united and sent back together from overseas, so that they had to find shelter and re-adjust themselves without the heads of the families being given an opportunity in advance to explore the situation and the possibility of employment.
- (4) In five months, from March to July of 1919, in response to the urgent demand of the men, 70 per cent of the overseas force was demobilized in Canada; thus a force which had

taken years to recruit and assemble was returned to civil life in a few months. This led to an immediate heavy burden upon the Department responsible for civil re-establishment and made orderly progress in this work most difficult.⁶

Section II: The Government Starts Organizing

6. Political expediency, however, was not the only motive for the government's concern in making early plans. Throughout the whole story of committees, seemingly endless meetings, investigations, appreciations of situations, and so on, there is always present a genuine heartwarming interest in the welfare of the discharged service men and women. There was never at any time the faintest suggestion from anyone that the veterans were being given too much. Instead there is every evidence that re-establishment measures were considered a solid investment in character and that the nation, which is only as great as its people, would benefit profoundly. The programme was not by any means exclusively a governmental affair. Parliamentary committees and the Civil Service were joined by the Canadian Legion, other veterans' organizations, and ordinary citizens, whose volunteer committees of business and professional men were given the full confidence of the Government.

7. It was in November 1918 that a Repatriation Committee was formed by Order in Council.⁷ This committee, the name of which appears to be somewhat of a misnomer, was charged with dealing with the "the absorption into civil life and occupation of discharged soldiers; and industrial conditions which may arise from industrial dislocation and readjustment". Co-operating with the Repatriation Committee was an Advisory Committee appointed by the Great War Veterans' Association. There is an obvious analogy between these committees and those which will be described as playing such a big part in laying the plans for rehabilitation after the Second World War. The vital point of difference is the date as it relates to the cessation of hostilities. For example, it was only in February 1918 that the Department of Soldiers' Civil Re-establishment was formed by Order in Council.⁸ This department continued until 1928 when it was replaced by the Department of Pensions and National Health.⁹ This was the department which dealt with all matters affecting veterans. Therefore, at the beginning of the Second World War, there was a functioning department of government ready to start on the rehabilitation job; whereas in the First World War it was only a few months before the Armistice that such a department was organized.

8. On 30 October 1939 the Honourable Ian Mackenzie, Minister of Pensions and National Health, wrote to the Prime Minister, The Right Honourable W.L. Mackenzie King, recommending that a committee of Council be formed,

"if you do not consider it premature", to make plans on policy of demobilization and rehabilitation.¹⁰ Mr. King replied two days later, stating that he agreed that the problem required full consideration before a definite policy was decided on, adding, "We cannot begin upon it too soon".¹¹ Thus it happened that an Order in Council (See Appendix "A" to this report) was passed on 8 December 1939, providing for the appointment of a Special Committee of the Cabinet, "to consider the problems arising from the demobilization of members of the Armed Forces". The following were named as members:

Minister of Pensions and National Health,
(to be Convenor)

Minister of National Defence,

Minister of Agriculture,

Minister of Labour,

Minister without Portfolio (Honourable J.A. MacKinnon).

The Order in Council authorized the Cabinet Committee "to appoint Advisory Committees selected from personnel of Government departments" and to consult the provinces and interested Canadian citizens.

9. The first step taken was to set up the General Advisory Committee on Demobilization and Rehabilitation. This was an inter-departmental committee and was made up as follows:

The Chairman of the Canadian Pension Commission, who was appointed Chairman (Brigadier-General H.F. McDonald);

The Chairman of the War Veterans' Allowance Board to be Vice Chairman (Mr. Walter S. Woods, who after General McDonald's death, became Chairman);

The Chairman of the Civil Service Commission (Mr. C.H. Bland);

The Deputy Minister of Labour (Mr. A. McNamara);

The Deputy Minister of Public Works (Mr. Emmett Murphy);

The Deputy Minister of Pensions and National Health (Dr. R.L. Wodehouse);

Representatives of the Departments of National Defence, Finance, Agriculture, and the Dominion Statistician;

An Executive Secretary (Mr. Robert England)¹²

This committee, although hard at work during the early months of 1940, was not officially authorized by Order in Council until October.¹³ At this time its personnel were identified more specifically.* It was given power to appoint sub-committees, which might include recognized experts outside the Government, and also empowered to invite specially qualified persons to appear before committees.

10. The sub-committees were to do outstanding work in examining and analyzing all phases of the rehabilitation problem such as:

- Employment,
- Post-Discharge Pay and War Service Gratuities,
- Preference in the Public Service,
- Interrupted Education,
- Vocational Training,
- Retraining of Special Casualties,
- Administration of Special Funds,
- Land Settlement,
- Women's Rehabilitation,
- Special Problems of Ex-Service Women,
- Demobilization Priorities and Methods,
- Neuropsychiatric Cases,
- Rehabilitation of the Older Veteran,
- Returned Soldiers' Insurance.

Recommendations went from the Advisory Committee to the Cabinet Committee for submission to the Government. In most cases immediate action was obtained by Order in Council under authority of the War Measures Act, until it was possible for Parliament to consider the bills required to make the benefits statutory. Almost without exception, the recommendations of sub-committees, approved by the General Advisory Committee, received the endorsement of the Cabinet Committee and so became part of policy.¹⁴

*For example the Director of Auxiliary Services, Department of National Defence, was nominated as the Army Representative. Navy and Air Force made their own selections.

Section III: Policy and Legislation Generally

11. Policies evolved as discussions took place in the various committees. It was agreed that veterans were entitled to certain minimum benefits, not only as personal compensation but as a contribution toward establishing sound social and economic conditions:

(1) They should be given a clothing allowance in an amount that bore some relation to the cost of the new outfit of clothes they would need.

(2) They should be given a cash grant, if only the equivalent of a few weeks' pay, to give them an opportunity to take a rest with their people while becoming oriented to the future.

(3) They should be paid a war service gratuity based upon the length of service and the zone in which they served.

(4) If they did not take training or avail themselves of land settlement benefits they should be given a credit equivalent to the war service gratuity to assist them in rehabilitating their homes and lives.

(5) They should be given an opportunity to take training at either a trade or professional level; the length of such training to be related to the period of their service.

(6) They should be protected against sickness, accident, or unemployment for the first year after leaving the service, this being the rehabilitation year, or the year of readjustment. Allowances during medical treatment and unemployment benefits should be paid during such periods.

(7) Provision should be made for a system of allowances while awaiting returns to those veterans who engaged in private enterprise including farming, pending such time as they became self-supporting.

(8) Their time on service should be counted as employment under The Unemployment Insurance Act, 1940, which was enacted in many cases during their absence on service, and the Government should pay their premiums for the period of their service.

(9) They should be provided with financial help to settle on the land if experienced in farming; or in the alternative if in permanent employment to acquire a small holding that would augment their livelihood.

- (10) If they left permanent employment to enlist, they should be entitled to reinstatement in their former positions, placing them in the matter of seniority, etc., in no less advantageous position than had they not enlisted.
- (11) They should be given preference in referral to jobs by the offices of the National Employment Service.
- (12) They should be given preference in the Civil Service similar to that extended to veterans of World War I.
- (13) Loans should be provided at a low rate of interest to those who engaged in business or a profession on their own account.
- (14) Special facilities should be set up to find suitable employment for the seriously disabled veterans and also for the older veteran who served in the Veterans Guard and other service establishments where, because of special experience, age was overlooked.
- (15) A Veterans Insurance measure should be provided, similar to the Returned Soldiers' Insurance Act enacted for the veterans of World War I, embodying such changes as experience with the latter would seem to indicate.
- (16) Female veterans should be treated on terms of equality with male veterans in the matter of all benefits and rates of allowances paid thereunder.¹⁵

It was accepted, of course, that the disabled veteran was entitled, in addition, to continuing medical treatment and an adequate pension. Pension legislation will be discussed later in the report but it may be pointed out here that it is one side of the rehabilitation programme which had a head start owing to the sound basis laid during and after the First World War.

12. The committee had no executive function and it was necessary to provide machinery to carry out approved policies. By the autumn of 1940, approximately 13000 men had been discharged as medically unfit.¹⁶ Some had been overseas and were now in difficulty in respect of their re-establishment as civilians. The Minister of Pensions and National Health already had the responsibility for the care, treatment, and re-establishment into civil life of veterans of the First World War.¹⁷ It was obviously necessary for the Governor in Council to assign to the Minister the duty of providing the same care for the new veterans. The proposal to establish a Veterans' Welfare Division of the Department of Pensions and National Health was one of the first recommendations of the General Advisory Committee. An Order in Council¹⁸ authorized this and the Welfare

Division was given authority to establish sub-divisions throughout the country. The personnel were required to be familiar with all regulations and policies which might be of assistance to former members of the Forces; to make contacts with veterans' organizations, and the Department of National Defence; and to maintain good public relations through the medium of the press. Mr. Walter S. Woods, Chairman of the War Veterans' Allowance Board, was appointed Associate Deputy Minister in charge of the new branch.¹⁹

13. A clothing allowance had been given to members of the Forces on discharge in the First World War and it was the first cash benefit granted in the Second World War. It was authorized by separate Orders in Council for Navy, Army, and Air Force, and the rate established at \$35 -- the same as that paid the veterans of the First World War.²⁰ In 1943 the allowance was increased to \$65.²¹ Finally in 1944, a further Order in Council, applying to all three branches of the Services, was passed.²² This increased the clothing allowance to the much more realistic figure of \$100, and extended the benefits to officers. It was not retroactive.

14. In December 1940, the General Advisory Committee recommended that, on discharge, a man be given thirty days' pay of rank plus Dependents' Allowance, if applicable. In order to qualify he must have been on active service for not less than six months. The proposal was introduced by the Minister of National Defence (Colonel J.L. Ralston, C.M.G., D.S.O., E.D.); was authorized by Order in Council (See Appendix "B" to this report); and was subsequently administered by that Department. This benefit, known as the Rehabilitation Grant, along with the clothing allowance, was payable as the veteran left the service. It was, therefore, logical that it should be handled by the Pay Services of the various Forces. The division of responsibility between the two departments, National Defence, and Pensions and National Health, afterwards the Department of Veterans Affairs, was clearly defined. In this connection we find later, that gratuities were paid by the Department of National Defence, but that re-establishment credits were administered by the Department of Veterans Affairs.

15. The most important legislation up to that time was enacted in October 1941 by Order in Council and was known as the Post-Discharge Re-establishment Order. (See Appendix "C" to this report). This was a very significant piece of work, providing for payment of allowances to veterans:

- (a) while unemployed;
- (b) while taking vocational training;
- (c) while resuming higher education;
- (d) while temporarily incapacitated;
- (e) while awaiting returns from private enterprise, such as farming, etc.²³

The Order in Council also provided for counting service in the forces as insurable employment under the Unemployment Insurance Act, 1940, all contributions being made by the state. The insurance feature was one that caused great concern. If the veteran returned to insured employment after the war, it was only fair that he be in the same position under the Unemployment Insurance Act as the civilian. Incidentally, in Great Britain war service was to count for unemployment insurance.²⁴ It was, however, of vital importance, that the financial structure of the Unemployment Insurance Act should not be adversely affected by provisions made for ex-members of the Forces. This danger was obviated by the provision, in Part III of the Order in Council, of a formula, whereby the cost, in respect of insurance credit due to war service, would be borne by the Consolidated Revenue Fund.

16. Three important measures were passed by Parliament in 1942. The Reinstatement in Civil Employment Act gave members of the Forces, who had left private employment to enlist, the right to return to their former jobs, under conditions no less advantageous, than if they had not enlisted.²⁵ The Vocational Training Co-ordination Act gave statutory effect to certain agreements made between the Dominion Government and the provinces; it was a necessary complement to the Unemployment Insurance Act which provided that a person must take a course of training, if directed to do so, in order to qualify for insurance benefits.²⁶ The Veterans' Land Act gave Parliamentary approval to the recommendations of the sub-committee on Land settlement.²⁷ A section of this report will be devoted later to this very important aspect of the rehabilitation programme.

17. By 1944 the work of the committee had advanced to the point where it was possible to translate many recommendations into legislation. The Department of Veterans Affairs was established. (See Appendix "D" to this report). This was the answer to the point of view held by ex-service men's organizations that all administration in connection with veterans should come, if possible, under one Minister.²⁸ At the same session, Parliament passed the Veterans Insurance Act.²⁹ This act was similar to the Returned Soldiers' Insurance Act of 1919, except that the amount of insurance was increased from a former maximum of \$5,000 to \$10,000. The advantage of this type of insurance was, that a veteran, who might not have been able to obtain insurance except at a prohibitive rate, if at all, because of disability, could obtain protection for his family at regular rates, without medical examination. The War Service Grants Act,³⁰ providing for gratuities and re-establishment credits, will be discussed later. (See Section V). The Post-Discharge Re-establishment Order, which had been amended many times, was completely overhauled in 1944;³¹ the well known Order in Council governing pensions³² was repealed and another, much improved, took its place.³³

18. Until 1945, much of the legislation had been authorized by Order in Council. With the end of the war

it became necessary to consolidate the benefits into Acts of Parliament. A Parliamentary Committee on Veterans Affairs, composed entirely of men who had had service in either or both of the First and Second World Wars, was appointed, to make the appropriate recommendations. In 1946 the same Parliamentary Committee was re-appointed to deal with measures not yet covered by Act of Parliament. The Orders in Council were made statutory and many existing Acts were amended.³⁴ The work of the Parliamentary Committee of 1945-1946 was extremely valuable and was the culmination of all that had been done in preparing veterans' legislation since 1939. The names of the members of the Special Committee on Veterans Affairs 1945-1946, are given in Appendix "E" to this report. These men deserve to be remembered, for they were responsible for putting into final form the most ambitious programme of rehabilitation ever undertaken.

19. "The Veterans Charter" was published by the King's Printer in 1947, under the authority of the Minister of Veterans Affairs. It contains, "The Acts of the Canadian Parliament to Assist Canadian Veterans", "The History of Veterans Legislation in Canada", and "A Comparison of the Benefits Provided to assist in the Rehabilitation of Veterans of World War II in the United Kingdom, the United States of America, Australia, New Zealand, the Union of South Africa, Canada." It is the authoritative text book of the Department of Veterans Affairs.

Section IV: Pensions and Treatment Services

20. The Canadian veteran is protected to-day by one of the world's finest pension plans. This plan has developed as a result of experience during and after the First World War. Until 1916 Pension regulations were administered by the Minister of Militia. At that time, however, an Order in Council was enacted vesting the administration in a Board of Pension Commissioners comprising three members.³⁵ The same order also made a very important change in the regulations. Prior to this time, pension was payable only when disability or death was directly caused by the performance of duty during service. Canada now discarded the "due to service" principle and adopted what became generally known as "the insurance principle". This meant that a disability, incurred during service, even if not attributed to military duty, was pensionable. In 1918, another Order in Council directed that the "Commissioners comprising the Pension Board shall devote the whole of their time to the performance of their duties";* it also consolidated all previous pension provisions

*Presumably the Commissioners appointed under the authority of P.C. 1334 of 3 Jun 1916 had not given full time to the job, although there was nothing to indicate that it was to be a part-time job.

for administration by the Board.³⁶ The terms of this Order largely formed the basis of the original pension Act.³⁷

21. Until the First World War, pensions had been paid mainly to those who had completed a contract or ended a term of engagement in the Militia or the Permanent Force. There had been no Canadian pension provision for those who had served in the South African War, 1899-1902. Members of the Canadian South African contingent qualified under British regulations, and pensions for both disability and death were paid by the British Government.³⁸ It was during and after the First World War, that there had been for the first time in Canada, the big problem of deciding pension eligibility, arising from either disability or death, for large numbers of members of the armed forces.

22. During the period from 1919 to 1951, 14 different parliamentary committees were appointed to inquire into pension matters. The Pension Act of 1919, however, with its various amendments, introduced in the light of additional experience, still covers complete legislation for compensation arising from disability or death. Since 1919 these amendments have:

- (1) substantially increased the amounts of pension payable;
- (2) widened the grounds on which pension might be awarded;
- (3) authorized certain additional benefits such as clothing allowances for pensioners compelled to wear artificial appliances, allowances for parents, and special provisions for disability due to tuberculosis;
- (4) introduced the principles of personal appearance and public hearings for applicants;
- (5) with respect to World War II provided that service anywhere outside of Canada should be regarded as service in a theatre of actual war.³⁹

A pension is not affected by the pensioner's financial condition, nor are awards of pension considered as income for Canadian income tax purposes.⁴⁰ The percentage of incapacity to perform work is the only consideration taken into account in estimating the degree of pensionable disability. There will be no attempt to include in this report the provisions of the Pension Act with its scales of payment which are readily available.⁴¹ It is interesting to note that the "insurance principle", mentioned in paragraph 20 above, was restricted, with effect from 21 May 1940, to cases in which disability or death occurred

during service outside of Canada. If service was in Canada only, the death or disability, to be pensionable, must have been directly connected with or caused by the military service. In 1941 the Pension Commission was given power to make discretionary awards under certain conditions, to those whose service had been in Canada only.⁴² This provision became obsolete in 1946 when the "insurance principle" was restored in respect of service in Canada and some 22,000 cases had to be reviewed.⁴³

23. A vital principle of the Pension Act is that the Board of Pension Commissioners has complete authority to adjudicate on pension claims. "The awarding, refusing, increasing or reducing of pension is performed by a judicial body, completely free of Ministerial direction, and as independent as the Supreme Court of Justice".⁴⁴ Pensions are thus divorced from politics and the Minister cannot be importuned on behalf of individuals. The Pension Commission, although autonomous, reports to Parliament through the Minister of Veterans Affairs.⁴⁵ In spite of the fact that the Canadian Pension Commission has sole jurisdiction, the veteran has recourse to the Veterans' Bureau, which has a staff of trained advocates, whose job it is to advise applicants for pension. For the most part, veterans applying for pensions have their cases prepared by the Veterans' Bureau, although they are at liberty to use private solicitors or veterans' organizations, such as the Canadian Legion, to act for them.

24. Just before the Second World War the patient strength of the Department of Pensions and National Health was slightly over 2000, and this number increased to just under 20,000 in the early post-war period.⁴⁶ This was not entirely due to casualties but to the legislation granting one year's free post-discharge treatment to all ex-service personnel.⁴⁷ Treatment was also provided for veterans during any course of training which they might be taking under Governmental auspices, and, in these cases, the entitlement to treatment often extended well beyond the one-year period after discharge. Similarly, personnel, not dentally fit on demobilization, were given free treatment by the Dental Branch of the Department of Veterans Affairs in its own clinics or by private dentists on a departmental fee basis.⁴⁸

25. Full details, regarding treatment regulations, are given in a consolidation of the principal Orders in Council printed in the "Veterans Charter". The Orders enacted after 1944 did not change significantly the content of the regulations but served to clarify some of the classes.⁴⁹ The principal classes of veterans entitled to treatment services are:

- (a) Pensioners, for the pensioned condition.
- (b) Pensioners, for a non-pensioned disability, or any veteran who served in a theatre of war if he is unable to meet the costs of treatment. Such veterans are subject to a means test.

- (c) Recipients of War Veterans' Allowance.
- (d) Those referred to in Class 2, above, who do not require active treatment but require domiciliary care on the grounds of total disability.
- (e) Members of the Armed Forces upon the request of the Department of National Defence.
- (f) Members of the Royal Canadian Mounted Police at the request of that Force.
- (g) A veteran of the British Forces or of any of our Allies. Such treatment is provided upon re-payment by the government concerned.
- (h) Any Canadian veteran who has no entitlement under the departmental Treatment Regulations but who is able to pay for his own hospitalization either personally or through a prepayment medical or hospitalization plan. (This class covers hospitalization only and the patients admitted under it are required to pay for professional services, such payment being a personal matter between the patient and the doctor treating him).⁵⁰

Under the regulations eligible veterans are also supplied at no charge with prostheses and surgical appliances.

26. In addition to the more straight-forward aspects of treatment, there were other points which the General Advisory Committee considered important enough to warrant the attention of special sub-committees. A sub-committee, under the chairmanship of the Director of Medical Services, Department of Pensions and National Health (Dr. Ross Millar), was formed to consider the "Retraining of Special Casualties, "such as the blind, lame, deaf, seriously maimed, etc. It was obvious that there would be veterans, who had suffered casualties, which would preclude them from resuming pre-war occupations, and whose fields of future activity would be restricted. The rehabilitation of this class was considered to be the responsibility of "Treatment Services." Before war's end a Casualty Rehabilitation Section was set up within what was then the Rehabilitation Division, but is now known as the Welfare Services Division of the Department of Veterans Affairs.⁵¹ District casualty officers were appointed in departmental hospitals, and these officers work under the direction of the doctor. The patient has available not only excellent medical and surgical treatment, including orthopaedic appliances, dentures, hearing aids, etc., but, while in hospital, may be given physiotherapy to restore a lost function and occupational therapy in the form of arts and crafts. Training is possible in the vocational field or at University level. The object is to fit the veteran for a job where his disability will not be too much of a handicap; the department even has

refrained from using the word "handicapped." This phase of the rehabilitation programme has been very successful.

27. A sub-committee to consider the "Reconditioning of Neuropsychiatric Cases" was formed under the Chairmanship of Dr. A.T. Mathers, Dean of Medicine, University of Manitoba.⁵² As a result of the deliberations of this committee, steps were taken to prepare facilities for the reconditioning of discharged personnel suffering from psychotic and neuropsychiatric conditions if diagnosis indicated that the condition might be remediable. It has been possible to do a much better job because of the establishment of special institutions where facilities are available for the treatment of mental conditions.

28. In fact the facilities for treatment have been considerably altered since the outbreak of the Second World War. Four main types of accommodation were established: Active Treatment Hospitals, Health and Occupational Centres, Special Institutions and Veterans' Homes.⁵³ The first named are general hospitals which undertake all types of medical and surgical treatment. The larger ones have the approval of the Royal College of Physicians and Surgeons of Canada for advanced post-graduate training. The fact that the Veterans' hospitals have become "teaching hospitals" is one of the factors in ensuring that the treatment given is up to date and under the supervision of highly qualified physicians and surgeons on the staffs of Medical Colleges. The Health and Occupational Centres provide accommodation for convalescent treatment in attractive surroundings. The Special Institutions were available for treatment of specific conditions such as neuropsychiatric cases referred to above, paraplegia, tuberculosis.* The Veterans' Homes provided domiciliary care, when required, for aging veterans.

29. Reference must be made to another problem, arising from the inclusion of women in all three services. It was considered that authority must be given to the Department of Pensions and National Health to provide pre-natal and post-natal care in cases of pregnancy. This condition was not one which the Medical Services were willing to recognize as Category E (lowest medical rating) but it was obviously one requiring discharge. Therefore, an Order in Council (5 Feb 43) was passed authorizing the Department of Pensions and National Health to provide "adequate special medical treatment, hospitalization and care in the case of female ex-members of the naval, military and air forces of Canada, who have been discharged therefrom by reason of having become temporarily unfit for

*The work of The Special Institutions is now (1959) included in Special Centres of the Active Treatment Hospitals.

service according to prevailing medical standards".⁵⁴
The first draft of the Order was not worded in such a delicate way but used the perfectly proper term "pregnancy". The Prime Minister allegedly objected strenuously to the bluntness of this, and so the rather involved language quoted above was substituted.⁵⁵

Section V: Employment and Gratuities

30. Although the General Advisory Committee had assigned different phases of the rehabilitation problem to separate committees, much of the work overlapped. This was particularly so in the case of the committee studying the two basic problems of employment and gratuities; in fact these committees met together frequently. It was considered that a job, guaranteeing the veteran his livelihood, was of paramount importance; that the payment of any kind of grant, post-discharge gratuity, or whatever it might be called, should be for the purpose of bridging the gap between discharge and the acquiring of salary, or income, in a civilian job or business. It was agreed also that the Second World War veteran, with his knowledge of the use of the complicated machinery of modern war, might have acquired skills with some transfer value, unlike the front-line soldiers of France and Flanders, whose skill in trench warfare had little or no relationship to the requirements of civil life. In fact both the Navy and Air Force issued manuals in which they related service skills to peace-time occupations for the benefit of employers.*

31. There seems to have been a fairly widespread feeling among those who had first-hand knowledge of conditions after the First World War, that the gratuity paid at that time was of little real value and contributed nothing to the rehabilitation of the recipient. In November 1939, Brigadier-General H.F. McDonald, Chairman of the Pension Commission and later of the General Advisory Committee on Rehabilitation, in a letter to the Minister of Pensions and National Health, said, referring to the First World War gratuity, "In a great many cases this was of no permanent value to the man. I feel that this [post-war gratuity] should be closely interlocked with the re-establishment of the individual either in employment or in his business."⁵⁶

32. The Private Secretary to the Minister of Pensions and National Health, Mr. C. Norman Senior, had been closely associated with the Department of Soldiers' Civil Re-establishment after the First World War. He

*Naval Rates: Their Meaning for Employers
(n.p., n.d.); Employers' Guide: An Aid for Employing Former Members of the Royal Canadian Air Force (copy unavailable).

expressed his opinion of the gratuity by saying, "The tendency in 1919 was for the discharged man to have a good time on his six months' discharge pay and then to become a charge on the public."⁵⁷ This attitude is, no doubt, the same as that which inspired certain conclusions reached by the sub-committee on "Post-Discharge Pay and War Service Gratuities."

33. This sub-committee, one of the first to be appointed, had three members, Colonel A.F. Duguid, D.S.O., Director, Historical Section, General Staff, Chairman, Colonel A.R. Mortimore, Director of Pay Services, and F.E. Hunter, Esq., from the Department of Finance. The terms of reference, very broad indeed, were: "to prepare a review of the policy and practice following the last war and make suggestions as to future action." The committee submitted its first report of 2 July 1940 in three parts, as follows:

- PART I Review of Policy and Practice following the Great War 1914-1919.
- PART II Recommendations as to Post-Discharge Pay and War Services Gratuity for the War 1939.....
- PART III Suggestions as to Immediate and Future Action towards Re-establishment of Veterans.

34. Part I, primarily historical, was a most comprehensive and detailed report of the procedure after the First World War, and was fully documented. Relevant Orders in Council were quoted in full. Part II comprised recommendations as to Post-discharge pay and War Service Gratuity. These were:

- (i) Provided the financial condition of the country warrants, every member of the service be given (on discharge) one month's leave with pay and dependents' allowance.
- (ii) No war service gratuity to be paid from Federal funds.
- (iii) No Government allowance be made for civilian clothing to veterans except as provided in C.A.S.F. [Canadian Army Service Force] 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 of employment.

- (v) Various means for providing immediate post war employment be developed; such means, calculated to avoid waste of potential energy or expenditures of funds on post-discharge pay or war service gratuity, are examined in part III of this report.

The committee took advantage of its wide terms of reference to go far beyond the problem of post-discharge pay, and in Part III dealt with education, training, retraining, employment, public works and community settlements. It will be readily seen that the committee was stepping into the field of other committees and therefore the sections of the report dealing with these features were referred to the sub-committee concerned.

35. One of the recommendations made by the committee was a most extraordinary plan for the establishment of Voluntary Community Settlements or Villages. It is impossible to give detailed comment on the plan which covered 22 pages but briefly it involved selection of sites for at least 1000 "voluntary community settlements or villages" throughout Canada, each settlement to accommodate 100 to 200 families with an approved establishment. The establishment would include specialists and tradesmen: doctors, nurses, bakers, teachers, painters, plumbers, etc. The Sub-Committee on Land Settlement was asked to examine the plan which they did independently and in committee. They concluded that the idea of settlements conducted on a communal basis was basically unsound (except perhaps in a closely-knit religious group) and particularly for Canadians, who are essentially independent and individualistic.⁵⁹

36. There is no record of any discussion of "Colonel Duguid's Plan" in the General Advisory Committee, the Chairman of which, was opposed to the recommendations.⁶⁰ No doubt, advice was communicated verbally to the author of the plan that it was not acceptable to the Government. In any event, it is common knowledge that the only recommendation, which was adopted, was the first one in sub-paragraph (1) of paragraph 34 above. As a matter of fact the Order in Council authorizing the Rehabilitation Grant was already being drafted on the recommendation of an inter-service committee (see paragraph 14 above). This was the answer to criticism that some discharged service men were already becoming public charges.⁶¹ The recommendation regarding provision for civilian clothing was simply an endorsement of what was in effect.

37. The Sub-Committee on Post-Discharge Pay and War Service Gratuity was asked to review the whole field again⁶² and subsequently produced a second report relating to deferred pay, unemployment insurance and allowances while undergoing training.⁶³ The recommendations that compulsory deferment of pay be made applicable to all ranks, wherever serving, was not implemented. The other two recommendations were vague, but useful, in that they pointed toward the very important legislation concerning training and unemployment insurance, included in the Post-Discharge

Re-establishment Order mentioned briefly in paragraph 15 above. The members of this sub-committee expressed themselves again as being unalterably and unanimously opposed to the payment of any war service gratuity from federal funds. They stated however, that their opinions did not carry "the endorsement of the Department of National Defence (Militia, Naval Service or Air) or of the Department of Finance."

38. The Sub-Committee on Employment, under the Chairmanship of V.C. Phelan, Esq., Chief Employment Officer, Unemployment Insurance Commission, had been busy.* They had pushed the preparation and use of the Occupational History Form (See Appendix "F" to this report). This form was completed in triplicate by every member of the armed forces. One copy was sent to the Department of Pensions and National Health and by then was allocated to their appropriate district office. One copy was forwarded to the Department of Labour for statistical analysis purposes, and one was retained on the man's personal file in the Department of National Defence.

39. In Section III mention was made of the "Reinstatement in Civil Employment Act". This had caused a good deal of controversy before agreement was reached. Originally the Sub-Committee on Employment had taken the stand that obligatory re-instatement might be resented by employers. Everyone favoured the policy but felt that it was a case for public education rather than legislation. Mr. Humphrey Mitchell, Secretary of the Committee on Labour Co-ordination, called the attention of the sub-committee to the fact that a regulation did exist in respect of trainees called up under the Military Service Act [sic] and that his committee was considering similar regulations in respect of men moved from non-essential to war industry. His committee felt that a prerequisite to the making of such a regulation for civilians would be to make the regulation for men in the armed forces. It was noted also that both New Zealand and Australia had made re-employment compulsory and that the Canadian Legion had requested such legislation. The sub-committee then revised its original stand.⁶⁴

40. The rehabilitation programme after the First World War had not included any provision for re-instatement in pre-war employment, and this was one of its weaknesses. An obvious reason for lack of concern was that previous to 1914 jobs had been easy to find and no one feared unemployment after discharge. The soldier of the Second World War, who had grown up during the depression days of the 1930's, was seriously interested in his peace-time employment; and so were the older citizens of Canada. The

*In 1943, Mr. Phelan was replaced as chairman by C.F. Needham, Esq., Associate Director of National Selective Service.

Act remained in force without amendments from August, 1942 until January, 1945. At that time it was necessary to make regulations to carry out the purpose of the Act because of some difficulties which had arisen in interpretation and application. An Order in Council, known as "Reinstatement Regulations", was enacted, and provided for certain contingencies not foreseen in 1942.⁶⁵ For example, time spent in hospital after discharge would count as a period of service. The Act of 1942 was amended further by various Orders in Council until in 1946 it was felt that the Act, and the amending Orders in Council, should be consolidated. The Minister of Labour introduced the Bill in the House of Commons and Royal Assent was given on 31 Aug 1946.⁶⁶ By the end of 1946, only four actions had been taken because of alleged contraventions.⁶⁷

41. The principle of preferential employment for men of both wars was approved. Preference in the Civil Service had been in effect since 1918, and was made applicable to Second World War veterans.⁶⁸ The Committee, aided by inter-departmental co-operation, was responsible for having the following provision included in contract forms of the Department of Munitions and Supply:

In the execution of the work to be performed under this contract, the contractor shall employ reasonable quotas of men who have been demobilized or honourably discharged from the fighting services (Navy, Army and Air Force) of the War of 1914-1918 and the present war, where such men are available and competent.⁶⁹

A label pointing out the necessity of complying fully with the spirit and intent of the above clause was attached to each contract.⁷⁰ While approving in principle that ex-service men, particularly those who had served overseas, should be shown preference in employment, there was considerable disagreement, during discussions, as to method. Again the Sub-Committee on Employment favoured a non-compulsory plan, and their recommendation was followed. The Department of Labour and the National Employment Service met the situation by a preference in "referral", thus giving the veteran all possible advantage short of compulsion.

42. In spite of the precautions being taken to safeguard employment opportunities, it was obvious that provision would have to be made for those who might be unemployed temporarily. The Post-Discharge Re-establishment Order, appearing at Appendix "C" to this report, and described in paragraph 15 above, was the answer. Subsequently this regulation was made statutory by "The Veterans Rehabilitation Act".⁷¹ The extension of Unemployment Insurance to members of the armed forces was a thorny problem. There was really no logical reason for insuring serving personnel who might not, in any event, have been engaged in insurable employment. On the other hand, those who had had insurable employment should enjoy the same benefits as those who remained civilians. There was a difference of opinion as to whether this insurance scheme should be a contributory

or a non-contributory one. The following excerpt from the minutes of a joint meeting of the Sub-Committee on Employment and Post-Discharge Pay and War Service Gratuity⁷² shows that the two committees were agreed on a contributory plan:

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 Government did not favour the making of deductions from the pay of personnel in the forces, and so the total cost was carried out of public funds.⁷³

43. We have seen that strong voices were raised in opposition to the payment of war service gratuities (paragraph 31 above). It appeared, though, that the Government, fully aware of the importance of relating a post-discharge grant to rehabilitation, was also not willing to face the inevitable criticism that would engulf it, if it appeared to do less than was done after the First World War. The scheme of Re-establishment Credit, available to those who did not accept land settlement, or vocational or educational training, was a completely new concept. The writer has been told that this plan of combining gratuities and re-establishment credit was put forward by the Minister of National Defence, Colonel J.L. Ralston, verbally in a meeting, and that it was accepted by his colleagues without demur.⁷⁴ A resolution was presented to the House of Commons by the Prime Minister introducing the War Service Grants Act.⁷⁵ The plan received such a favourable reception that the bill was debated and passed within 24 hours. The Act provided a basic gratuity of \$750 for each 30-day period of service, plus 25 cents for each of those days served outside the Western Hemisphere. In addition there was a supplementary gratuity of seven days' pay and allowances for each six months of service outside the Western Hemisphere and a re-establishment credit equal to the basic gratuity, which the veteran could use for certain purposes, provided he had not chosen the alternative benefits under The Veterans' Land Act, the educational, or the training regulations. The purposes for which the re-establishment credits might be used were as follows:

(1) The acquisition of a home:-

- (i) under the National Housing Act 1944 in an amount not exceeding two-thirds of the difference between the lending value of the home and the amount of the loan made under the Act; or

- (11) not under the National Housing Act 1944, in an amount not exceeding two-thirds of the difference between the appraised value of the home as approved by the Minister or the purchase price, whichever is the lower, and the amount of the encumbrance thereon, assumed or created by the member.
- (2) The repair or modernization of his home.
- (3) The reduction or discharge of indebtedness under any agreement for sale, mortgage, or other encumbrance on his home, in an amount not exceeding twice the amount that the member himself simultaneously contributes to such purpose.
- (4) The purchase of furniture and household equipment for his domestic use in an amount not exceeding ninety per centum of the purchase price of the furniture or household equipment or the payment of the full cost of repair of such articles.
- (5) The provision of working capital for his business.
- (6) The purchase of tools, instruments or equipment for his business or the cost of repair of such articles.
- (7) The purchase of a business by him in an amount not exceeding two-thirds of the difference between the purchase price and any indebtedness incurred for the purpose of the purchase of such business, if the payment of such difference entitles the purchaser to immediate possession.
- (8) The payment of premiums under any insurance scheme established by the Government of Canada, including the payment of the purchase price of annuity purchased by him under the Government Annuities Act.
- (9) Payment of fees and the purchase of special equipment including instruments, books, tools and other equipment required for educational and vocational training other than educational and vocational training provided by the law of Canada for members of the forces; and
- (10) Any other purpose authorized by the Governor in Council.⁷⁶

The gratuity and re-establishment credit became in many cases the down payment on a house or were used for the furnishing of rented quarters. "There is an imposing

amount of evidence to prove how wisely the vast majority employed their service compensation to re-establish themselves."⁷⁷

44. In co-operation with the Chartered Banks, arrangements were made for veterans to obtain long-term loans at reasonable rates, under the "Veterans' Business and Professional Loans Act."⁷⁸ The demand for these loans was not as great as anticipated, and by 31 March 1951, 6,092 loans had been made, of which only 110 were not repaid in full. The guarantee, which was an arrangement between the bank and the Minister of Finance, was invoked to cover a comparatively small loss of approximately 1.4 per cent of all loans.⁷⁹

45. It had not been an easy task to bring all of these plans in connection with employment and gratuities to a satisfactory conclusion, and it represented many years of work. The benefits were made equally applicable to men and women of the Services; wherever the masculine noun or pronoun is used alone for the sake of brevity, it should be understood that the feminine is included. The payment of gratuities for Second World War veterans was discontinued on 31 December 1954, except for those with overseas service, who could satisfy the Minister of Veterans Affairs that there had been special reasons why they could not apply earlier. As of 31 March 1957 the total payment to Second World War veterans was \$470,012,032, and to Special Force* veterans \$6,688,822.80. The cumulative totals at the same date for payments under Re-establishment Credit were: for homes, \$237,984,469; for business, \$55,054,559; miscellaneous, \$9,775,881. There was still, however, the sum of \$21,680,134 which had not been claimed by ex-members of the Services entitled to the benefits.⁸¹ These veterans may claim all or any part of their credit within a period of 15 years from 30 September 1947, or from the date of discharge whichever is the later, under the provisions of an Act of Parliament passed 4 Jun 1959.⁸²

Section VI: Education and Training

46. This Section will deal primarily with the programme of University and Vocational Training provided under the Veterans Rehabilitation Act. It is appropriate here, however, to comment briefly on plans made for educational services to members of the forces, while still serving. These plans made a tremendous contribution towards the success of post-war educational and vocational

*The force raised as the Canadian contribution to the United Nations' action in Korea, 1950-1953.

training. The Canadian Legion Educational Services must be given much credit for providing the facilities for ambitious members of the Services to improve their academic standing or vocational skills, while still in uniform.

47. Very early a group of ex-service men in Winnipeg, under the Chairmanship of Dr. Sidney Smith,* met to consider education for the Forces being mobilized. The committee had the support of military authorities in Military District No. 10. The members of the committee believed that maintenance of "morale" would depend on something more profound than the provision of recreational facilities; that an effort should be made to stimulate the mind. They also believed that a plan of educational training and vocational guidance would greatly facilitate civil rehabilitation whether discharge occurred during the war or on general demobilization. The committee was most interested in providing for overseas personnel: "troops behind the line of fire, on leave, convalescing and prisoners-of-war." They considered that most of the work would be of high school level but that the methods used would be those of adult education. The committee foresaw the need of correlating any scheme of education involving the Department of National Defence with the department handling Re-establishment. This was the beginning of a sound and progressive educational scheme available for personnel while serving. There was close co-operation at all times between the Canadian Legion, which was allotted the duty of providing "non-service" educational facilities,⁸³ and Educational Officers in the Services. An Army Educational Establishment was authorized, effective 1 December 1942.⁸⁴ The purpose as stated in the Routine Order was to provide:

- (a) Academic and Technical courses to improve efficiency in the Service.
- (b) General education for the purpose of keeping men informed, alert and interested, and also to prepare them better for return to civilian life upon discharge.⁸⁵

48. The Canadian Legion Educational Services had a real appreciation of the extent of the rehabilitation problem, and worked hard at promoting an interest in interrupted education, and in keeping the forces informed of conditions in Canada and plans for rehabilitation. They organized correspondence courses, classes, and university leave courses. They also were responsible for operating, in technical schools at Guildford, Croydon and Brighton, practical classes in wood working (including construction), welding, plastering, bricklaying, automotive and diesel engineering, and machine shop and electrical work. When Khaki College** was established the Legion provided libraries

*President, University of Manitoba; later President, University of Toronto; and at the time of his death in 1959, Minister of External Affairs.

**The Khaki University of Canada in the United Kingdom located at Leavesden Hospital, Abbots Langley, was established under authority of Canadian Army Overseas Routine Order 6037, 6 Aug 45. A precedent for this was the Khaki University of Canada which functioned in the First World War

and laboratory equipment, and lecturers from English Universities; they also arranged for examinations. In Army Education's Agricultural School and Hoffmeister Hall (secondary school) in Holland, the Legion contributed material, examination facilities and credits. All correspondence courses and books were turned over to the Department of Veterans Affairs by the Legion, and were available for post-war training.⁸⁶

49: The Sub-Committee on Vocational Training, Chairman, Dr. E.S. Archibald,* and the Sub-Committee on Interrupted Education, Chairman, W.S. Woods, Esq.,** both gave interim reports at a meeting of the General Advisory Committee as early as December 1940.⁸⁷ The Vocational Training Committee listed groups to whom training should be available; recommended the appointment of welfare officers (see paragraph 12 above); suggested using the Youth Training plan; and announced that they were engaged in making surveys of technical courses, agricultural courses, training for public service opportunities, and training allowances. The Committee on Interrupted Education reported that they had reviewed facilities at the conclusion of the First World War; had investigated the work being done by the Canadian Legion; and were then examining the extent of the assistance which the Government might give to personnel who wished to resume University education. The early date of these discussions is significant. By 1941, when the terms of the Post-Discharge Re-establishment Order were being thrashed out in the plenary committee, both of these sub-committees were ready with firm resolutions.

50: The Sub-Committee on Vocational Training, jointly with the Sub-Committee on Retraining of Special Casualties, recommended:

That vocational or technical training be made available, in so far as is consistent with the terms of the proposed post-discharge re-establishment order, to those discharged persons as described in the said order whose age, aptitude and inclination would indicate that they would benefit from such training on the recommendation of competent vocational guidance officers.

51: The Sub-Committee on Interrupted Education put forward their recommendation as follows:

That in the case of men who have served in the Canadian Forces or, having been domiciled in Canada prior to the War, have served in the

*Director of Experimental Farms, Department of Agriculture.

**Vice-Chairman, later Chairman, of the General Advisory Committee.

Empire Forces for a period of not less than six months before being discharged, the Dominion Government 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 or diploma, award to each of them training allowances for the purpose of continuing their education, for a period of time exactly equal to the number of years which such individuals have been on Active Service. No allowances shall be awarded to any men - other than those discharged because of wounds - whose period of Active Service is less than six months.

The Sub-Committee proposes, in addition, that the Minister may, in his discretion, grant allowances to individuals, although not qualified to enter a university at the time of their discharge, who shall have been regularly admitted from one year from the date of such discharge.

The Sub-Committee recommends that allowances shall cease at the end of the month during which the recipient is awarded the degree or diploma for which he is registered, and that these allowances shall be paid only to students in good academic standing, and, further, that any student [who] having failed in two courses or subjects fails to pass the next supplementary examination shall be disqualified for further assistance.

The Sub-Committee also recommends that in the case of a student who throughout his university career has obtained the highest honours available, the Minister may, in his discretion, extend the period for which his service entitles him to receive allowances, for a period sufficiently long to enable such student of outstanding ability to complete the requirement of his degree.

The Sub-Committee recommends that, in addition to the allowances referred to, all students fees should be paid - such fees to include student activity and all athletic fees, where these are separate from the tuition fees. In view of this latter, the Sub-Committee recommends that the training allowances in respect of men completing their interrupted education should be uniform with the allowances paid in respect of men undergoing all forms of vocational training.

These recommendations were accepted and were incorporated into Part II of the Post-Discharge Re-establishment Order (see Appendix "C" to this report). During the years

from 1942-1945 much experience was gained. Early legislation made it possible to rectify mistakes before those responsible for administering the benefits were overwhelmed by the large numbers discharged under general demobilization. The Veterans Rehabilitation Act, in its final form,⁸⁸ was, therefore, based on the sound lessons learned by the trial and error method of earlier cases.

52. The benefits provided by the Veterans Rehabilitation Act were not supposed to be a reward, but a method of promoting re-establishment, as the title of the earlier Order in Council indicated. Special courses in training institutions were set up through the Canadian Vocational Training Branch of the Department of Labour in co-operation with provincial authorities. These were administered by the provinces but costs were paid from federal funds. The Department of Veterans Affairs received applications, and paid the allowances to veterans. There was the closest co-operation between the Department of Veterans Affairs and Canadian Vocational Training officials, who operated usually from the district offices of Veterans Affairs. Prior to completion of the course, the case was referred to the Unemployment Insurance Commission for placement in a job.⁸⁹

53. These courses covered all kinds of instruction, including academic courses below the university level;* trade training in schools and on-the-job; technical courses; and occupational courses in nursing, art, accounting etc.⁹⁰ While the results of the Vocational Training programme have not been as spectacular as those of the University undergraduate and post-graduate training, the plan, none the less, did accomplish what it set out to do. It made it possible for the veteran to attain the status, as a civilian, which he could have reasonably expected to attain, had he not spent time in the armed forces of his country.

54. The Department of Pensions and National Health, later Veterans Affairs, was responsible for all training of veterans; the training of special casualties; the selection and supervision of those qualified for professional and academic courses in Universities; and for the vocational guidance and selection for training of discharged persons with no disability. Just as the Vocational Training programme was undertaken in close association with the Department of Labour and Provincial Governments, the plan for advanced education was carried out in the closest co-operation with administrators from the Universities. The Sub-Committee on Interrupted Education made plans originally, to provide the means for those who left school to enlist, to continue their studies. A curious factor is that the word, "interrupted", used constantly in early discussions,

*Many veterans, who entered Universities, brought their educational standing to the matriculation level in these courses.

at no time appeared in any of the regulations. Service experience had apparently fired thousands with ambitions unrelated to their educational background, and many took the pre-matriculation classes because of determination to attend a university. Post-discharge educational facilities enabled many, who had left school for economic reasons in the thirties, to obtain the education they would not otherwise have had.

55. The educational programme began as soon as the grants were authorized, and by 1942 there were 24 veterans attending university.⁹¹ In 1945 the Government set up an "Advisory Committee on University Training".⁹² The recommendations of this committee, dealing with training generally, could be handled administratively by the Department of Veterans Affairs without reference to the Cabinet.⁹³ There was every reason for the Government to have confidence in this committee, the members of which were:

Mr. S.M.F. Chant, Director General of Rehabilitation, Department of Veterans Affairs;

Rev. Dr. Phillipe Cornellier, Rector, Ottawa University;

Mgr. Cyrille Gagnon, Rector, Laval University;

Dr. Milton F. Gregg, President, University of New Brunswick;

Dr. Cyril F. James, Principal, McGill University;

Mr. H.W. Jamieson, Superintendent of Educational Training, Department of Veterans Affairs;

Dr. Norman A.M. MacKenzie, President, University of British Columbia;

Dr. W.A. Mackintosh, Director General of Economic Research, Department of Reconstruction;

Mgr. J.L. Olivier Maurault, Rector, University of Montreal;

Dr. John E. Robbins, Department of Trade and Commerce;

Dr. Sidney Smith, President-elect, University of Toronto;

Dr. James S. Thomson, President, University of Saskatchewan;

Dr. H.M. Tory, President of Carleton College, Ottawa;

Dr. R.C. Wallace, Principal, Queen's University;

Mr. W.S. Woods, Deputy Minister of Veterans Affairs.

The committee remained substantially the same during the years of its activities, 1945-1951, except for changes necessitated by change of appointment.*

56. The Government had the benefit of the educational and administrative experience of top ranking men in the academic field in Canada and did not hesitate to accept the advice of these wise people when difficulties arose. The following are representative of some of the problems which had to be solved:

- (1) Policy governing post-discharge training outside of Canada;
- (2) Payment of supplementary grants to Universities;
- (3) Limiting of income permissible to student;
- (4) Student-veteran loans;
- (5) Re-instatement after failure;
- (6) Extension beyond period of entitlement;

57. Training outside of Canada was permitted generally speaking, only if not obtainable in Canada. The policy, however, was sufficiently elastic to be easily administered in exceptional cases.⁹⁴

58. The supplementary grant, first authorized as \$150.00 per student, was later based upon the actual expenditures by Canadian Universities in meeting the instructional needs of veterans, not to exceed \$150.00.⁹⁵ For the period from September 1945 to June 1951 the total estimated for the grants was \$17,500,000; according to the report of the Superintendent of Training made to the meeting of the University Committee in 1951.⁹⁶

59. For a time any income a student had, over and above \$75.00 a month, was deducted from his training allowance. Effective 1 June, 1948, the restrictions were removed from a wife's income and also from any casual earnings or income of full-time under-graduates. The \$75.00 limitation remained in effect for part-time demonstrators, internes etc., because of the assumption that a student being paid more than that was using time which he should be devoting to his studies.⁹⁷

60. Unforeseen circumstances, such as family illness arose occasionally. These could have meant that a student-veteran might have had to give up his course. An Order in Council⁹⁸ was passed which authorized the

*Major-General E.L.M. Burns was appointed to the committee in October, 1945, when he became Director General of Rehabilitation.

Dr. Milton F. Gregg, V.C., on his appointment to Cabinet rank in 1947, was replaced by Dr. A.E. Kerr, President of Dalhousie University.

establishment in universities of a Student-Veteran Loan Board. The Government provided money to the universities to grant loans not exceeding \$500.00 to any one student in an academic year and not exceeding a total of \$2000.00. The loan was interest free until 1 January of the year following the end of the training programme. It then bore a rate of five per cent per annum, and not less than \$250.00 of the principal had to be paid yearly. There were very rigid conditions imposed before a veteran might qualify for one of these loans. This was not done in a Governmental penny-pinching attitude, but in order to protect the student-veteran from burdening himself unnecessarily. The District Rehabilitation officers handling these matters, showed understanding and skill, as the following excerpt from a letter will show:*

With regard to the veteran.... He earned extremely high wages during this period but, unfortunately, he has not learned much about budgeting.

My travelling counsellor, Mr Andrews, and Dr. Stewart were able to train Mr. [X] in the proper use of a budget. They obtained money through the R.C.A.F. Benevolent Fund and have found Mr. [X] temporary employment at the university to supplement the income from D.V.A. The result is that Mr. [X] has been able to carry on without saddling himself with the necessity of undertaking a loan. More than that, I hope both he and his wife have learned some of the elementary facts regarding budgets. To me this is a great deal more important than the solving of his temporary difficulties.99

61. The original intention was that if a student failed in his course he would not be eligible for further assistance. It was discovered that in a small number of cases a veteran with long service had not adjusted himself as rapidly to university studies as had been expected. The committee unanimously approved the following resolution, which was put into effect:100

A student-veteran whose assistance in university training has been discontinued because of failure to make the required academic standing, and who thereafter continues at university for one year at his own expense during which time he fulfills the academic requirements, and who is recommended by his faculty, may be re-instated not more than once during his university career under the provisions of Section 8 [of the Veterans Rehabilitation Act].

*District Superintendent of Rehabilitation, Saint John, N.B., to the Department of Veterans Affairs.

The Department of Veterans Affairs required that each case be submitted to Head Office in order that there would be uniformity in the operation of the regulations covering re-instatement.

62. The period of entitlement to training benefits was directly related to the length of service according to the Act. There were 9,000 veterans who commenced training without sufficient service to carry them through to graduation. Of these 66 per cent received extensions on a "Scholarship" basis.¹⁰¹

63. This committee even concerned itself with the educational opportunities for children of men who had died as a result of war service, and passed a resolution that such children "should be eligible for the payment of tuition fees, and such monthly allowances which, with the pension payable on their behalf, would be equivalent to the allowance payable to a single student veteran." This plan was made statutory by "The Children of War Dead (Education Assistance) Act", which came into force 1 July 1953.*

64. From the beginning of the training programme to 31 March 1951, the total cost of vocational training was \$75,260,723.00, and of University training \$137,801,657.00. At this date the total number trained was 133,898 and the cost \$213,062,380.00.¹⁰² As of 31 March 1959, there were still 90 veterans taking advantage of the training scheme; 21 undergoing vocational training, 64 in undergraduate courses in universities, and five doing post-graduate work. Of these, 27 were veterans of Korean service.¹⁰³ The expenditure for the fiscal year ending the same date was \$135,309.63.¹⁰⁴ There were approximately 4000 who took their training in the United States and 852 in the United Kingdom.¹⁰⁵

65. Bare figures cannot paint the picture of the educational programme in its proper perspective. The story of Staff Sergeant Jones (not his right name) is told as an example of what rehabilitation training meant in the life of one Canadian soldier. The information was obtained from the man's personal file in the Department of Veterans Affairs.¹⁰⁶

66. Jones was born in 1917 and completed Grade X in the High School of a small Ontario town at the age of 14. He took a one-year commercial course at the same school and then went to work at the only employment he could get. In the period 1933-1937 he was employed as a labourer on a farm and in a furniture factory. From 1937-1941 he had a job with the Swift Canadian Company as a butter maker, earning \$22.50 a week.

*The writer was told by Mr. Ryan of Training Services, D.V.A., on 22 Mar 60, that recent statistics showed the percentage of children to take advantage of educational benefits provided by this Act was over twice that of the national average of those who went beyond High School.

67. In April 1941 Jones enlisted and after five months service in Canada, and having completed a clerical course, was sent overseas. He served for 52 months in the United Kingdom, Italy and North-West Europe. Until March 1943 he was employed as a clerk, Group "B". For the remainder of the time he was a shorthand writer, Group "B", in the Branch of the Judge Advocate General At Headquarters, 5th Division, and later at Canadian Military Headquarters. Now a Staff Sergeant, Jones married an English girl in January 1946. His wife reached Canada in August of the same year.

68. The Army Counsellor, who interviewed Jones, was happy to hear that the veteran had a job awaiting him with the Prisoners' Rehabilitation Society in Toronto; and recommended that he would be suitably employed as a shorthand writer, and should apply for a small holding when established.

69. Jones, however, influenced by the legal background of his army career, conceived the idea that he would like to qualify as a lawyer; and applied for educational training. During his undergraduate course he changed his mind about studying law and decided to enter the field of Criminology and Penology. The post-war educational history of Jones is spectacular. He obtained his University entrance requirement at the Training Rehabilitation Institute (see paragraphs 52 and 53 above), and entered Queen's University. He graduated with First Class Honours in Psychology; was awarded the Reuben Wells Leonard Resident Fellowship; took his Master's degree at Queens; and was offered a Fellowship worth \$1200.00 to enter the Graduate School of Arts and Sciences of New York University. Jones obtained approval for this two-year course leading to his Doctorate in Philosophy, since advanced training in the field of Penology was not available in Canada.

70. On his return to Canada Jones was appointed Director of Penal Institutions by one of the Provincial Governments. The veteran's own summing up of his case, taken from his "Final Follow-up Report (training)" form, is quoted below:

I cannot give an estimate of the benefit derived except to say that it has changed the whole course of my life. When I came out of Service, I was a person equipped only to do secretarial or labouring work. At the present time, I can be classed as a professional employee. The academic training afforded me by D.V.A. has done this for me. As for your second point, practical application of training, a look at the position I have secured will speak for itself. I shall be given the opportunity to put every bit of training to good use. With regard to D.V.A. Administration, I can only make the statement that it has been without exception, the best contact I have ever had with any form of Government service. Especially I would like to single out Mr. Sparling of the Kingston Branch for his kindly and helpful

assistance. He is one of the finest officials it has been my privilege to meet. The Ottawa Branch with whom I have been dealing for the past two academic years has also been exceptionally good. Summing up, D.V.A. assistance has made it possible for me to improve my standard of living, my education, and my outlook on life. It has equipped me for a position where my training will help correct certain social ills and thus possibly make a larger contribution to the growth and betterment of our country. I recognize my responsibilities and I shall endeavour throughout my career to live up to them. I am proud to call myself a Canadian, and proud and unashamed to say that Canada has made me a better Canadian. My sincere gratitude to all who have been instrumental in helping me achieve this position.

71. It appears that some of the in-service counsellors at the discharge centres lacked perception. Jones' counsellor did not see beyond the good clerical record. The same thing was true in the case of Corporal Doak (alias). Before enlisting this man had been a truck driver with less than grade X education plus one year of night-school tuition in arithmetic and bookkeeping. He had 54 months' service as a driver mechanic and crew commander (tank); was wounded at the Falaise Gap in July 1944; later he returned to his unit and took part in the fighting through Holland and into Germany. The counsellor recommended vocational training in diesel power machinery. Doak, who had always had a keen interest in animals, was more ambitious and applied to D.V.A. for educational benefits, so that he might qualify for admission into the Ontario Veterinary College. On approval of his application this man obtained his Senior Matriculation (Grade XIII standing) in less than a year with extremely high marks. At the end of his undergraduate course Doak was given a staff appointment at O.V.C. and completed his M.V.Sc. Subsequently, with financial aid from the Ontario Government, Doak spent two years at Cambridge University and obtained his Ph.D. At present he is still a member of the staff of the Veterinary College, a specialist in Immunology.¹⁰⁷ This is a very good record for a student whose educational background was meagre; and is a tribute to the excellent programme sponsored by D.V.A.

Section VII: Land Settlement

72. The granting of land to veterans after wars has been a custom in the western world for a very long time. The desire to become a property owner has been an important factor in the economic development of many countries, including Canada. Therefore, after the First World War, the development of the Soldier Settlement Act of 1919 was a logical part of the rehabilitation programme. This Act, with its many revisions, is still in effect.¹⁰⁸ It is a

well known fact that the Soldier Settlement scheme was far from being an unqualified success; and consequently a complete new approach was necessary in order to plan land settlement for Second World War veterans. In point of fact, it may be said that this is one phase of the rehabilitation programme, studied by the General Advisory Committee, where the pitfalls and errors of the past stared committee members in the face.

73. Under the Soldier Settlement Act just over 25,000 settlers were established. By 31 March, 1941, approximately one-third remained on the land, namely 8,118; 2,750 had paid off their loans; 884 had sold out their equities; and the remainder, 13,041, had abandoned the scheme, either voluntarily or by notice. Total recoveries from the original advance of \$109,034,331, were \$65,640,518 and this sum included payments made by purchasers to whom foreclosed properties had been sold. With recoverable value of outstanding loans estimated at not more than \$30,000,000, the estimated capital loss is \$13,393,813. The administrative cost from 1918 to 1941, was \$25,910,495, so that the whole affair was very expensive.¹⁰⁹

74. The Sub-Committee on Land Settlement, under Mr. W.S. Woods, as Chairman, having studied carefully other land settlement schemes, concluded that the chief obstacles to success were as follows:¹¹⁰

- (1) Excessive prices charged the settler for the land sold to him in relation to its fertility and productivity.
- (2) The annual payments demanded from the settler were beyond his ability to repay.
- (3) The inexperience of the settler as a farmer and the unsuitability of himself and his wife for rural life.
- (4) The failure on the part of the administrators of the scheme to ascertain the fertility, etc., of the settlement land before disposing of it to the settlers.
- (5) The failure on the part of the directors of the scheme to appoint a field staff of experienced farmers and trained agriculturists capable of advising the settlers on the best farming methods and on the fundamentals of farm management.

The Minister of Pensions and National Health (the Honourable Ian A. Mackenzie), when introducing the Veterans' Land Act to Parliament in 1942 (see paragraph 16 above) mentioned another reason why many of the First World War veterans had not made a success of the farming venture: there was available, at the time, no staff trained in such an operation.¹¹¹

75. The sub-committee, after making allowances for difficulties which confronted soldier settlers, saw

clearly that the financial structure of the Soldier Settlement Act was at fault. The main lessons learned, which helped in forming the Veterans' Land Act were: firstly, that it was futile to expect a Canadian farmer to repay a debt beyond the sound range proven in land credit operations; secondly, it was not good practice to change the terms of a credit contract by reductions from time to time in an endeavour to correct the inherent weakness. This plan is unsatisfactory on two counts. It weakens the force of the contract, and also does not aid those who fall by the way between adjustments.

76. After months of study, the Sub-Committee on Land Settlement submitted a report to the meeting of the General Advisory Committee in September 1941. The recommendation to endorse a plan of land settlement for the rehabilitation of veterans was based on the following considerations:

1. That an appreciable percentage of those serving in the Forces followed agricultural pursuits prior to their enlistment and in the occupational history forms now being completed are expressing a desire to return thereto. Furthermore, that secondary industry cannot safely be relied upon for permanent post-war employment for all the Military Forces and in addition thereto make provision for the continued employment of those engaged in industry prior to and during the war. Therefore, land utilization should form an important part of a post-war rehabilitation programme.
2. That the majority of those whose rehabilitation should be coupled with the land will be men of limited agricultural experience and assets.
3. That the State (and this is amply born out by operations carried out under the provision of the Soldier Settlement Act of 1919) cannot expect to recover the cost of land, improvements, and chattel equipment, together with interest, from the average settler conducting typical operations in Canadian Agriculture.
4. That it is in the national interest, having regard to the importance of future social stability, to assist the men who have fought for their country in acquiring homes of their own on a basis which may envisage ownership within a reasonable period of time and as a result of reasonable individual effort.
5. That settlement operations should contemplate a broad interpretation of land use which will vary from limited acreage contiguous to employment opportunities where the home, partial subsistence, and employment earnings are the main features to a modest farm holding of a self-sustaining nature.

6. That necessary provision be made for practical training in agriculture prior to the completion of a settlement contract.

7. The settlement contracts should be based on repayment of that part of the cost of establishment not in excess of a total which bears a fair relationship to ability to pay. In the opinion of the Committee this can be accomplished by the adoption of the following formula:-

- (a) That the settler shall make a down payment equivalent in cash or in kind of not less than 10% of the cost of the land and buildings, to be applied on the purchase of the land or of stock and equipment, at the discretion of the settlement authority.
- (b) That advances for stock and equipment shall not ordinarily exceed one-third of the cost of the land and buildings.
- (c) That the debt assumed by the settler shall not exceed two-thirds of the cost of the land and buildings, or one-half the cost of land, buildings, and chattels, whichever is the greater.
- (d) That the rate of interest shall be $3\frac{1}{2}\%$ per annum and the debt payable over a maximum term of twenty-five years, provided that upon resale to other than a settler under the provision of the scheme, the rate of interest shall be not less than the current rate charged by the Canadian Farm Loan Board.
- (e) That the maximum permissible cost of land and buildings shall be \$3500 - on the basis of 10% cash down payment by the settler. Where this cost is exceeded the settler shall pay in cash (in addition to \$350) all such excess cost of the land and buildings at the time of settlement; the same principle shall apply to excess cost of stock and equipment.
- (f) That the settler shall not be permitted to realize upon any equity granted by the State for a period of ten years, during

which prescribed settlement conditions must be met.

[A table of costs and payments included here has not been reproduced.]

8. The Sub-Committee estimates that \$80,000,000 would be required to establish 25,000 settlers, and that the capital loss would total approximately \$34,000,000. These estimates are based on the present values of land and prospective conditions in so far as the latter may be estimated or forecast at this time.

9. The Sub-Committee is of the opinion that if a land settlement plan is to be enacted the time has now arrived for consideration of such matters as approaching the provinces to secure their collaboration, the securing of certain lands at prevailing low prices, the commencing of certain surveys that may be necessary to determine suitable areas and the examination of surveys already made by Dominion and Provincial authorities. Discharged persons are already applying for assistance and wives of men overseas are expressing interest, in addition to which a major military engagement resulting in the return of a large number of men might render action of some kind immediately necessary."¹¹²

77. After a rather stormy debate by Parliament, Bill 65 was passed, on 20 July 42. Much of the criticism of the Bill was based naturally on the "dismal failure" of the Soldier Settlement scheme following the First World War. The position of agriculture in the country's economy was also considered important. One member pointed out the serious risk of increasing the number of agricultural producers if farm products could not be marketed profitably. However, the Veterans' Land Act, given Royal Assent, on 1 Aug 1942, provided one of the most constructive and successful of the rehabilitation measures (see paragraph 16 above). The Act has been amended frequently, and the benefits made more comprehensive. In 1950, a joint assistance building programme on city lots, with Central Mortgage and Housing Corporation, was authorized.¹¹³ In 1953 this was expanded to provide for operation of the programme on city lots not owned previously by the Director, Veterans' Land Act.¹¹⁴

78. During the 1953-1954 session of Parliament, the Veterans' Land Act was amended by the addition of Parts II and III to the original Act, now known as Part I.

Part II provides for technical, supervisory and financial assistance to eligible veterans of World War II and the Special Force considered competent to contract to build their own homes on suitable lots of any size. Construction courses may be provided for prospective veteran contractors who need training before undertaking such a contract. To be eligible, a veteran must have had no

benefits under Part I of the Act nor have received more than nine months of University training. The veteran must also be approved for a loan under the National Housing Act and, as a minimum down payment, must provide the Director with a lot worth at least \$800. or pay the difference between the appraised value and that amount. Maximum assistance of \$8,000 is made available in the form of interest-free advances as the work progresses. Upon completion of construction these advances are consolidated into a 25 year 5½ p.c. mortgage in favour of Central Mortgage and Housing Corporation or an approved lender, the proceeds of which are used to reimburse the VLA Revolving Fund of \$15,000,000 set up to finance operations. Under this Part of the Act, veterans receive no conditional grant, as under Part I, but they retain their right to re-establishment credit. Veterans also receive supervision during construction, free plans and drawings and legal services up to and including the deed and mortgage. Part III provides for fully repayable, 5 p.c. loans up to \$3,000 for full-time farmers already settled or to be settled, or \$1,400 for small holders or commercial fishermen not yet settled, which may be authorized in addition to the assistance available under Part I. The loan may not be amortized over a longer period than the remainder of the veteran's existing contract under Part I. The veteran must contribute an amount equal to one-half of the loan, either in cash or equity in the form of excess payments or improvements to the property. Loans may be used to purchase land, erect buildings or effect improvements that will tend to increase production and promote soil conservation. With provision for these additional loans, maximum expenditures now possible under Parts I and III combined, when the veteran's contributions are included, amount to \$10,500 in the case of full-time farmer and \$8,100 in the case of small holders and commercial fishermen.115

79. Major amendments to the Act were passed recently by the 1959 session of Parliament. These have been summarized by the National Director, Veterans' Land Act Administration (Brigadier T.J. Rutherford, C.B.E.) as follows:

Financial assistance for home construction by Veteran-contractors under Part II has been increased from \$8,000 to \$10,000.

*Now (1960) Chairman Farm Credit Corporation.

Fully repayable 5% loans under Part III available to part time farmers and commercial fishermen at the time of their establishment have been increased from \$1,400 to \$3,000. The amount of contribution required from a veteran for a Part III loan has been reduced from \$700 for a loan of \$1,400 to \$1,000 for a loan of \$3,000. The total available under Parts I and III including the veteran's contribution is now \$10,000 instead of \$8,100.

For acquiring or developing economic family-size farm units, fully repayable 5% loans under Part III to full-time farmer veterans have been increased from \$3,000 to \$20,000 less the total cost outstanding under Part I contract. Loans cannot be made in excess of 75% of the security value of land, building and acceptable chattels.

Part III loans to full-time farmers may now be used to acquire basic livestock, farm equipment, and for the payment of debts reasonably incurred by the veteran for purposes for which a Part III loan can be made.

The repayment period of Part III loans to full-time farmers has been extended from 25 years to 30 years.

There is now a deadline for qualification under the Veterans' Land Act. The cut off date is September 30 1962, or 15 years from the date of discharge, whichever is the later.¹¹⁶

80. In January 1945 the Sub-committee on Land Settlement was reconvened* to make recommendations on the proposals of several provincial Governments for the use of Crown lands in the settlement of veterans.¹¹⁷ British Columbia had offered one million acres in the northern interior, but it was land requiring heavy expenditure to develop.¹¹⁸ Alberta had established a plan whereby homesteading had been abolished and a leasehold formula adopted. Alberta considered that if it provided the land, some other agency should absorb other expenses.¹¹⁹ Most of the provinces were willing to co-operate except Prince Edward Island, the Premier (J. Walter Jones, Esq.) of which, wrote to say that there were no Crown lands in his province which could be of any value; and Manitoba, the Premier (Stuart S. Garson, Esq.) showing definite reluctance to be part of any plan to offer provincial Crown lands free, and so "subsidize the Federal Government in the discharge of its responsibility for rehabilitation".¹²⁰

*The committee had been discharged after the Veterans' Land Act was passed.

81. The Veterans' Land Act administrators have not encouraged settlement on Crown lands. Apparently this attitude has been justified as many of the cases of such settlement have not been too successful.¹²¹ It was, however, considered only proper to investigate fully a plan, which two provinces, notably British Columbia and Alberta, were pushing.

82. After the Sub-committee had agreed on principles, a meeting was held on 29 January 1945, to which came representatives of all the provinces except Prince Edward Island. As a result of the discussions, an Order in Council was passed authorizing the Minister of Veterans Affairs to make arrangements with any province for the settlement of veterans on provincial lands; and authorizing the Director to make grants of up to \$2,320 for certain purposes such as clearing land and buying equipment. This amount conformed to the sum allowed the veteran who was in receipt of assistance under Part I of the Act. Similar grants were made to Indians settling on Reserves, but in the latter case the Minister of Mines and Resources was given the responsibility for administration. A point of interest is, that during these discussions, the Minister of Agriculture (James G. Gardner, Esq.) went on record as strongly opposing the plan. He said, "To suggest to them that they should become part of a colonization scheme, to be carried out upon lands which are in possession of provincial governments because after at least fifty years of solutions already made no one has seen fit to take these lands for nothing, would seem to me to indicate that we are now prepared to find an easier way out for the settlement of men upon the land than we undertook at the beginning."¹²³

83. The term "Land Settlement" usually brings to mind farming as a full-time occupation. The Veterans' Land Act, however, made provision for four groups of veterans. In addition to full-time farming, it provided for those who had other employment but who wished to obtain a small holding; for those whose normal occupation was commercial fishing and who wished to couple that type of work with a small holding; and lastly, for those who wished to resume farming on land they already owned. The small-holding feature of the Act was "unique in the history of state-assisted land settlement".¹²⁴ There is no doubt that this contributed in no small way to alleviation of the very serious problem of post-war housing shortages. Urban housing, as such, was not brought within the scope of the Veterans' Land Act at this time (see paragraphs 77 and 78 above).

84. Originally a ceiling price of \$3,600.00 for the land and \$1,200.00 for stock and equipment were stipulated. The veteran was required to make a cash payment of 10 per cent of the value of land and buildings and to assume the obligation to repay two-thirds of this value with interest at three and one-half per cent, amortized over a maximum of 25 years. The remainder of the equity remained vested in the Director; and if after 10 years the veteran had fulfilled his part of the contract, was granted to him free of cost. Many changes have been made in the

financial structure (see paragraphs 78 and 79 above). The Director is responsible to the Minister of Veterans Affairs and has set up eight districts, which conform, generally, to the boundaries of the provinces (the Atlantic provinces make up one district). The districts are divided into regions, and these again into supervision fields of which there are 230. The administrative personnel in the field are competent, and experienced. The land acquired is carefully appraised. If a veteran should fail, and there are bound to be a few misfits, his contract cannot be cancelled until the case is referred to a Provincial Advisory Board.¹²⁵

85. Early policy was not to attempt any large volume of settlement until the end of the war, principally so that members of the armed forces, who were not discharged until general demobilization, would not be at a disadvantage. The first settlements were confined to disabled veterans, and those confronted with exceptional circumstances. During 1943 and 1944, however, the Director was busy purchasing property, and in 1945 arranged for the construction of 3,000 homes on the small-holding basis in order to have them ready for the expected deluge of applications. This building project, while useful, resulted in a substantial financial loss. Walter S. Woods gives in his book a number of reasons. These are summarized as follows:

- (a) The personnel concerned, while experts in property values, were inexperienced in construction and sub-division development.
- (b) Tenders, submitted at fixed contract prices, were in excess of the financial ceiling of the Act, and so the Administration adopted the cost-plus-fixed-fee basis which proved more costly in the end because of rising prices.
- (c) There was a great deal of defective workmanship, which resulted in extremely bad publicity for the small holding feature of the Veterans' Land Act.
- (d) The Administration issued orders to correct defects "effectively and generously", and as a result the Government eventually had to approve selling prices approximately \$3,000,000 below costs.¹²⁶

86. In view of the very serious difficulties new contracts were let on a firm bid basis rather than on cost plus, but this was not a complete solution. It resulted in fewer houses. In 1946 some veterans, with contracting experience, had been permitted to act as their own contractors. This was so satisfactory that a "Build-Your-Own-Home" plan was developed. Evening construction courses were provided for veterans and their wives in 125 centres during the winter of 1949-1950. These attracted so many student-contractors that the number of houses built in 1950 reached the highest level since the beginning of operations.

87. The best legislation is only successful if administered with intelligence. In the writer's opinion the Veterans' Land Act has been, and still is, handled very wisely indeed. Difficulties have not been evaded but have been faced and conquered. Field staffs are competent to advise and, instead of acting solely as a governmental collection agency, they are encouraging the veterans to take advantage of the most modern methods of farming. This post-war land settlement scheme, unlike the earlier Soldier Settlement plan, has been one which has emphasized the rural home-ownership factor, whether the family's maintenance is derived entirely from a self-supporting farm unit, or whether it is augmented by outside earnings as in the case of small holdings. The excellence of the supervision programme has probably meant the difference between the success and failure of the veteran settler.

88. An interesting development in the Land Settlement programme was the situation where both the man and his wife were veterans. Since one farm was enough, the wife took up land under the Veterans' Land Act and the husband applied for his re-establishment credit. Normally the man would have a longer term of qualifying service, which had a direct bearing on the credit available to him. The woman veteran, with a shorter term of service, as long as she fulfilled the requirement under the Act, was in just as good a position as her husband in relation to the Veterans' Land Act.

89. The following case history has been selected from among thousands of successful ones in the files of the Department of Veterans Affairs.¹²⁷

90. The veteran, whom we shall call Smith, was born in 1918 on a ranch just a few miles from his present holding in Alberta. Smith enlisted in the Royal Canadian Air Force in 1940, and after a period of distinguished service during the Battle of Britain, was shot down over Germany and became a Prisoner of War. After discharge in September, 1945, he returned to farming and ranching and also undertook casual employment with an oil company to build up his finances.

91. Smith's application under the Veterans' Land Act for full-time farming was approved in 1945 but it was not until 1947 that he found a suitable place. He purchased 173 acres by Veterans' Land Act and an additional 165 acres under Agreement for Sale. The buildings were constructed of logs, and old; fencing was poor, and the general condition run down. The potential was there, however, and through good management, under wise supervision, Smith, who had original assets of \$8,000, including 20 head of Hereford range cows, in 1958 had a net worth of over \$48,000.

92. The settlement officer in his 1958 report said:

I consider this case as one of the outstanding success stories in my district. Not only has this veteran met and overcome

financial obstacles but after his long period as a P.O.W. he also had a serious psychological complex to defeat. This couple are thrifty and hardworking. Their farm accounts are nearly perfect. Work is timely, well planned and economically executed. With total assets of almost \$60,000 and liabilities of \$10,000, he is well away to successful establishment.

93. The following figures are impressive. At 30 September 1959 the number of settlers totalled 78,425 of whom 34,089 were full-time farmers, 43,210 "small holders," and 1,126, commercial fishermen. There have been 27,413 houses built under Parts I and II of the Act. The loans at the same date amount to approximately \$408,000,000.¹²⁸

Section VIII: Demobilization Machinery of the Armed Forces

94. Many departments of government were involved in policy planning, but, in the final analysis, it was the Armed Forces which had to undertake the intricate business of getting the sailor, soldier and airman out of uniform. Demobilization, like any large military operation, requires careful planning. It is further complicated by political, economic and social conditions, which cannot always be foreseen. It must have seemed often, to the officers of the armed services working on these plans, a frustrating business to have to think of general demobilization at a time when their chief worry was getting people into the forces. Canada was not unique in early planning for demobilization. By April 1942, the War Office Standing Committee on Demobilization had produced an "Outline Plan for the Demobilization of the Army".¹²⁹

95. In September 1941, the Minister of Pensions and National Health, in his capacity as Chairman of the Cabinet Committee on Demobilization, wrote to the Chairman of the General Advisory Committee suggesting that a sub-committee be formed to study the relationship between demobilization and rehabilitation and to establish priorities and methods.¹³⁰ The Minister sent suggested terms of reference as follows:

To consider and report upon the general question of demobilization of the members of the Armed Forces of Canada at the conclusion of hostilities and to give particular attention to the following points:

- (a) To review the terms of enrollment, enlistment, engagement, appointment or acceptance into the Service with a view to determining demobilization procedure in line with such terms.

- (b) To become familiar with rehabilitation facilities and plans, and in collaboration with rehabilitation officers and planning committees to consider and recommend concerning the establishment of priorities and methods of general demobilization.
- (c) After examination of the occupational history survey and consultation with Chairman of Sub-Committee of the General Advisory Committee, to consider and recommend on the general question of priorities as to such factors as length and character of service, age, locations of discharge, occupation, unit in service, etc.
- (d) To consider and recommend as to what machinery is necessary for ensuring that demobilization can be effected according to any system of priorities recommended, and the steps necessary to ensure that such machinery can be in working order when required.
- (e) To enquire and recommend as to steps necessary to assure co-ordination between the Service demobilization facilities and the rehabilitation facilities.
- (f) To suggest methods directed towards the comfort, welfare, guidance, maintenance of morale of members of the Forces during the period they are awaiting demobilization and to the furnishing to them of complete information as to the demobilization procedure and the rehabilitation facilities awaiting them.
- (g) To report and furnish such information as may be required from time to time to the General Advisory Committee on Demobilization and Rehabilitation.¹³¹

96. The Sub-Committee on Demobilization (Priorities and Methods)* was composed of representatives from the three armed forces, the Departments of Pensions and National Health, Labour, Munitions and Supply, Civil Service Commission, The Dominion Bureau of Statistics, and the Unemployment Insurance Commission.¹³² The committee began by obtaining information as to present procedure, which the three services supplied, with samples of all documents used. From this information a comparative analysis could be made of existing arrangements. One governing

*Chairman: Harry Hereford, Esq., M.B.E. Director of Planning, National Selective Service.

factor appears to have been agreed upon and that is that the machinery of demobilization would necessarily have to be within the jurisdiction of the services themselves; and that there should be a reasonable consistency, keeping in mind service customs and traditions.

97. The discharge certificates of Navy and Air Force gave more information concerning the service record than did that of the Army, and it was a moot point as to which if any, might place the discharged man at a disadvantage in obtaining employment. Arrangements for transportation were similar in the three services. The Air Force representative objected to any policy that would provide for the retention of a uniform because of the difficulty of obtaining "Air Force Blue". This would not apply, of course, at the time of general demobilization.

98. Under paragraph (e) of the terms of reference it was inevitable that the Demobilization Committee would have to give some thought to Rehabilitation. At this point they ran into opposition from the Sub-Committee on Employment, which from the beginning, had opposed any compulsory system for employment of veterans. The complete report was submitted to the General Advisory Committee on 18 June 1943, and was accepted for transmission to the Cabinet Committee, Mr. C.F. Needham, Chairman of the Sub-Committee on Employment, dissenting in respect of 11(e). The following proposals were made: 133

1. That demobilization take place at one centre or agreed centres in each district of the Department of Pensions and National Health, and that as far as possible the three Services should conform to this pattern.
2. That when personnel have been repatriated to Canada and are to be demobilized they should be returned to the district in which they have bona fide residence or from which they enlisted, and that they be given choice of these alternatives.
3. That leave with pay or furlough with pay and transportation to home with return transportation to demobilization centre be granted for the purposes of enabling personnel about to be discharged, to see their families and to orient themselves afresh to new conditions, and that such pre-discharge leave not disqualify for eligibility of the Service man for the payment of rehabilitation grant; that such leave or furlough should be granted up to a maximum of twenty-eight days, and that such pre-discharge leave should be in addition to any other leave to which members of the forces may be entitled.

4. That steps be taken to determine before demobilization the approximate strength of the post-war Permanent Force, Army of Occupation or any interim force maintained for economic maintenance and salvage of equipment or for interim administrative purposes; and that these forces be recruited from personnel of the present armed forces, selection being made and re-attestation taking place so as to ensure continuity of service in these cases.
5. That a new occupational history for demobilization purposes in three sections be compiled on each member of the forces:
(a) to be completed from the man's documents: (b) to be completed on the basis of an interview conducted while still in the services overseas in the case of those serving there; and (c) to be completed by rehabilitation officers at the actual time of discharge. This form and the information derived therefrom are to be used by the rehabilitation administration and to assist their officers in offering vocational guidance to discharged persons.
6. That permission be granted to establish the rehabilitation facilities of the Department of Pensions and National Health in the demobilization centre and the following procedure be adopted.

All personal will be interviewed by competent interviewers as a primary screening and from these interviewers referred to the following sections which will be operated by trained counsellors:-

- (a) Vocational Training Section.
 - (b) Interrupted Education Section for training at University level.
 - (c) Information Officer (Veterans' Land Act).
 - (d) Representative of the Unemployment Insurance Commission for employment.
 - (e) Representative of Pensions and Treatment Branches of the Department of Pensions and National Health.
 - (f) Special consultants if case presents problems deviating from normal.
 - (g) Special counsellor for female members of the forces.
 - (h) Special counsellor for disabled men.
7. That personnel and educational officers in the three branches of the Service, plus the necessary clerical staff drawn from the Services, be given preference in employment in the Rehabilitation Branch of the Department of Pensions and National Health and the administration of the Veteran's Land Act to assist

8. After primary screening and secondary consultation as outlined above, discharged persons will resolve themselves broadly into the following groups:
- (1) Those who have a job to go to or who are engaged in business or professions on their own account; these should be released forthwith after consultation with Pensions and Treatment Officers of the Department of Pensions and National Health.
 - (2) Those who are accepted for vocational training to be released as soon as training course is available.
 - (3) Those who are accepted for resumption of interrupted education of university level to be released as soon as arrangements are made.
 - (4) Those who desire to be released with a view to returning to their own farms and those who desire to make application through the proper procedure for settlement on the land under the Veterans' Land Act* and are able to make provision for themselves until their eligibility is determined.

[The note hereunder is part of the original report]

*Veterans in the following groups comprise the potential material for establishment under the Veterans' Land Act in full-time farming.

- (a) Those who derive from agriculture and who are in a position to return to the agricultural industry, such as single men who wish to return to the home of their parents;
- (b) those who have farms of their own to which they may return;
- (c) those who have definite prospects of employment in agriculture.

Representatives of the Veterans' Land Act administration will advise and direct potentially eligible veterans in these classes as to the procedure to be followed in obtaining qualification certificates and obtaining financial assistance under the Act.

There then remain broadly two groups,-

- (a) Those who are fully competent and skilled and require no training.
 - (b) Unskilled persons lacking the basic education to assimilate the training course; these latter to be referred to officers of the Employment Office of the Unemployment Insurance Commission with a view to placement.
9. That a programme of public works projects be ready and available to afford opportunity for employment of those in these latter groups for whom no employment is available otherwise, this as an alternative to retarded demobilization.
10. That recruits or new entrants and other personnel with short service in Canada if not required by the armed forces, be released immediately through the screening described in 8, and before the return of personnel from overseas.
11. (a) That due weight be given to the record of service training and employment in establishing the qualifications for civil employment.
- (b) That the preference now accorded to veterans in respect of employment originating through Dominion Government contracts should be continued and enlarged for the demobilization period to provide that a preference be given to ex-service men, especially those who have served overseas during the present war, in all projects financed in whole or in part by the Government or assisted by grant, loan or subsidy.
- (c) That preference in employment for veterans on demobilization be developed by the organization of communities, citizens' committees, and employer and trade union groups with a view to the creation of a favourable atmosphere in respect of the employment of ex-service men so that employers will accord willingly a preference to qualified ex-service men.
- (d) That as part of this campaign the Employment Service of Canada, after due weighting for Service and non-Service training and employment, in the assessment of ex-service men's qualifications, should grant to such ex-service men as are qualified for employment vacancies offering, priority in referral to the employers, listing the vacancies concerned with the Employment Service of Canada.

- (e) That on the expiry of the provisions of the National Selective Service Regulations (Order in Council 246, 19th January, 1943) the Dominion Government in consultation with the Provinces give consideration to the enactment of legislation requiring employers to list their vacancies with the Employment Service of Canada (Unemployment Insurance Commission) and to fill such vacancies by candidates submitted to the employers concerned by the Employment Service of Canada.
12. That there be established a priority in repatriation and demobilization for trained teachers, vocational instructors and guidance personnel in order to meet the requirements of the training programme.
13. That those having been resident in Canada at the time of enlistment who may elect to be discharged overseas should receive such discharge only when circumstances warrant and subject to conditions as may be determined or prescribed as to eligibility for rehabilitation benefits.
14. That consideration be given by the Services to the provision of record of skills acquired and courses taken relating to civil life by Service men during their period of service, and that the information contained on the discharge certificate be studied in relation to this.

99. Mr. Needham stated that 11(e) was in conflict with the voluntary plan of labour replacement favoured by his committee. It was pointed out to him that 11(e) did not recommend that steps should be taken to compel employers to list vacancies with the Employment Service of Canada and to fill such vacancies with names submitted by the Employment Service, but **simply that** the Government should consult with the Provinces and give consideration to this proposal in the event of the expiry of the provisions of the National Selective Service Regulations. Mr. Hereford, the Chairman of the Demobilization Sub-Committee, pointed out that his committee had, at the request of the General Advisory Committee, reconsidered their original proposals for compulsion but that they had done so reluctantly.¹³⁴

100. The Chairman of the Cabinet Committee, in presenting the report to his colleagues, called attention to the fact that demobilization arrangements would rest with the services, and that the process would be related to civil re-establishment opportunities, which would be in the hands of other Departments of the Government. He went on to explain that the policy concerned demobilization in Canada and should not be confused with repatriation which would be subject to the exigencies of the situation based on criteria of a military character. Thus a definite distinction was drawn between repatriation of units to Canada and

the procedure and machinery of demobilization within the borders of Canada. The report was accepted as the basis for Departmental heads concerned to proceed with planning.¹³⁵

101. In addition to the work of the Governmental committees just described, the Services were doing some investigation and planning on their own account. At National Defence Headquarters some preliminary work in Army planning had been done in 1941 and 1942. In January 1943 a Demobilization Planning Section was established under the Deputy Adjutant-General (D).¹³⁶ This section had no administrative function but maintained a study of all Acts and Regulations, documents, publications and articles referring directly or indirectly to demobilization and rehabilitation problems. Studies were made of proposals and plans in the United Kingdom, in the other Dominions, and in the United States. Close liaison was maintained with the Secretary of the Demobilization Committee at Canadian Military Headquarters, which had been set up in 1942; with other departments of government; with the Navy and the Air Force; and with various directorates in National Defence Headquarters.

102. It was evident that discharge procedure required revision to bring it into line with Governmental policy. There had been a number of complaints concerning handling of personnel; most of these seemed to be related to liaison with the Department of Pensions and National Health at time of discharge. On 2 July 1943, the Minister of National Defence wrote:¹³⁷

I have stressed again and again this matter of liaison between Army and Pensions and National Health in the matter of discharges. My view, as already expressed, is that the Army should if necessary, almost lap over into the territory of Pensions and National Health to be sure that the man arrives very promptly and that in the transition period there is an unbroken chain of attention to him. Similarly, Pensions and National Health should lap over into Army so as to double the precautions necessary to guarantee that at no time is the man left on his own to guess at what the procedure is or where his rights and privileges are. The tendency was to give the man a slip and set him adrift to find Pensions and National Health. This is not good enough.

Mr. Ralston went on to say that it was not enough to amend orders, but that there must be a definite responsibility to see that orders were carried out and personal contact maintained.

103. As a result, in June 1943 a liaison officer was appointed between the Department of Defence, and Pensions and National Health. This officer had no executive function in either department but assisted greatly in watching for ineffective or incorrect procedure from which complaints might arise. Liaison personnel were also

established in hospitals; a small Army Staff of one officer and three or four other ranks under the Officer Commanding the District Depot exercised general supervision over Army personnel in hospital.¹³⁸

104. Discharge procedure was completely changed so that all discharges were carried out by the District Depots instead of by units. Personnel then could be actually turned over to the rehabilitation officials of the Department of Pensions and National Health, whose district offices were located in the same cities as the depots.¹³⁹

105. In January 1944, an Inter-Service Demobilization Committee composed of two officers from each of the Services and an observer from the Department of Pensions and National Health, was formed. The terms of reference of this working committee were to investigate all phases of demobilization at the direction of the Personnel heads, to whom it reported.¹⁴⁰

106. In February of the same year Demobilization Directorates were set up in each of the three Services.¹⁴¹ Among other things, attention was given to the provision of a number of pamphlets and handbooks on rehabilitation and re-establishment. This task must sometimes have seemed a thankless one because of the necessity of frequent revision, as changes were made and new benefits authorized.

107. The Navy's Directorate of Rehabilitation was set up at Naval Service Headquarters, and was in close liaison with the Department of Veterans Affairs. This provided a consultation service, competent to advise and safeguard the interests of Naval personnel being discharged.¹⁴²

108. The Army changed the name of its Demobilization Directorate to Army Adviser Discharge Affairs and the terms of reference were extended to include liaison with the Department of Veterans Affairs and Labour. By November 1944 all the Services had undertaken responsibility for rehabilitation counselling on an in-service basis. Toward the end of March 1945 the demobilization plan for the Canadian Army was completed. Subject to service requirements, personnel with the longest service were to be given the first chance of returning to civilian life. Individual priority scores were calculated on the basis of two points for all or part of any month of service in Canada and three points for overseas. There was then added 20 per cent to the scores for personnel who were married or who were widowers or divorcees with dependent children.¹⁴³

109. The Air Force, like the Army, appointed a liaison officer to the department of Pensions and National Health (later the Department of Veterans Affairs). They undertook responsibility for a "personnel counselling" programme and organized release centres in eight cities across Canada. On the termination of the British Commonwealth Air Training Plan, surplus personnel were released as quickly as possible, and close liaison maintained with the Department of Labour.¹⁴⁴ As a matter of fact, until VE Day (8 May 1945) the Royal Canadian Air Force, releasing surplus, used a policy of "last in, first out". They then

reverted to the "first in, first out" scheme to conform to inter-service policy.¹⁴⁵

110. In connection with the counselling programme a new form¹⁴⁶ was prepared by a committee of officers of the three Services in conjunction with Pensions and National Health officials. Before the soldier was discharged all pertinent military information and facts as to education, training and similar matters were set out on this form. Remarks and recommendations by the Army Examiner, who completed three parts of the form, were included. Part IV was completed by the Veterans' Welfare Officer, who indicated the rehabilitation measure considered suitable, and so informed the soldier.

111. During the early days of the war there had been talk of combining discharge facilities for the three services. In May 1944 an Inter-Service Advisory Board on this and related subjects was established.¹⁴⁷ The members were the three Directors of Demobilization, and an additional officer from each service, together with the Chief Staff Officer Reserves, the Adjutant General, and the Air Member for Personnel. The duty of this Board was to advise on all matters relating to demobilization policy as it affected the three Services as a whole, making recommendations to the War Committee of the Cabinet and keeping each Service informed as to the plans of the other two. The Advisory Board was responsible to the Minister of National Defence. The idea of one demobilization machine was abandoned, one reason being the fear of the difficulty of enforcing discipline. The Naval directorate had opposed the idea of amalgamation from the beginning.¹⁴⁸ It seems to be in the very nature of the Services that tradition is a powerful motivating force, and it may be that this is even more true of the Navy than of the others.

112. All plans for actual demobilization depended on Canada's contribution to the Pacific Force and to the Occupational Forces in Europe. Furthermore, repatriation had to come before demobilization for most; repatriation depended primarily on the availability of shipping; shipping depended on the requirements for the Pacific. Any plan had to be flexible. On 28 March 1945, the Minister of National Defence submitted to the Cabinet War Committee a joint Service memorandum concerning re-allocation, repatriation, demobilization (release), and re-establishment of the Armed Forces on the termination of European hostilities.¹⁴⁹ The memorandum was revised in accordance with subsequently approved Governmental policy and a copy of the revised memorandum in its final approved form was issued by the Privy Council Office on 19 April 1945. (See Appendix "G" to this Report).

113. In September 1945 a booklet entitled Machinery of Re-establishment (King's Printer, Ottawa)* was issued by the Rehabilitation Information Committee and the Wartime

*This booklet, with its complete set of charts covering rehabilitation benefits in addition to discharge procedure, has been reproduced by photostat and is available in the D.N.D. Library and in the Historical Section.

Information Board with designs by the National Film Board. This gives the complete diagrammatic story of the release procedures of the Navy, Army and Air Force exactly as they were carried out. The relevant charts appear as Appendix "H" to this Report.

114. It will not be any surprise that there were differences of opinion, when one considers that plans were being made to ensure reasonable consistency in procedure by the three Services, and that all had to dovetail with policy laid down by the Government. One of the most ticklish matters to arise was the method to be used in informing serving personnel of rehabilitation plans. This is the place where the Services and the Department of Pensions and National Health disagreed. The latter department was convinced that the administration, charged with the responsibility for civil re-establishment, should also be charged with framing the information. The problem of getting the information to the members of the forces, however, was one for service administration.

115. A card, outlining rehabilitation benefits, had been printed in 1942 but, on 26 August of that year, W.S. Woods, Associate Deputy Minister, wrote to his Minister that the card had produced much favourable comment but that it was not reaching the troops as it should. He suggested sending a representative from the Rehabilitation Division overseas.¹⁵⁰ When the suggestion was referred to Mr Ralston, the latter tactfully admitted that there might be certain advantages to this, but he made it clear that he preferred the distribution of a pamphlet.¹⁵¹ Overseas authorities concurred.¹⁵²

116. The Department of Pensions and National Health had strong evidence in support of their contention. Mr. Leonard W. Brookington, K.C.,* who was with the British Ministry of Information, in a letter to Robert England, Secretary of the General Advisory Committee, wrote, "They should be told forthwith what is proposed for their settlement, reinstatement and education."¹⁵³ Colonel H.E. Macintyre, General Manager of the Canadian Legion War Services, on his return from a trip overseas, claimed that thoughts of rehabilitation were uppermost in the minds of members of the Services.¹⁵⁴ Mr. Ralston always expressed the opinion that information was important, but his frame of mind was shown by the following remark in a letter written to his colleague, Mr. Mackenzie, in April 1943: "While I do not want Army personnel to become demobilization-minded before the present job is done...."¹⁵⁵ About a month later, the Minister of National Defence for Air (Charles J. Power, Esq.), wrote:

*Mr. Brookington, a distinguished Canadian lawyer, was at one time Chairman of the Canadian Broadcasting Corporation and later a confidential adviser to the Prime Minister, Mr. Mackenzie King. In 1942 he accepted an invitation to become adviser to the Empire Division of the Ministry of Information in London.

"It will be necessary for the Air Force to make its own decision as to the best method of disseminating the information to personnel overseas and the use to be made there of the proposed pamphlets."¹⁵⁶ It was appreciated that the Air Force had a special problem of distribution owing to the way in which their personnel overseas were distributed.

117. Finally the High Commissioner for Canada in the United Kingdom (The Right Honourable Vincent Massey, C.H.) wrote to the Secretary of State for External Affairs in June 1943 and said that he did not believe adequate steps were being taken to make the available information known to members of the Forces serving overseas, or to Canadian Prisoners of War. Mr Massey listed the kind of questions he was asked frequently in informal conversations with troops these all seemed to hinge on post-war planning.¹⁵⁷

118. In the spring of 1944, Colonel G.W. Beecroft was seconded to the Department of Pensions and National Health, on loan from the Army, to be Overseas Rehabilitation Officer.¹⁵⁸ At the same time an Air Force officer (Squadron Leader J.A. Sutherland) was loaned to operate in liaison between the Overseas Rehabilitation Officer and the R.C.A.F. Colonel Beecroft's duties were to inform service personnel overseas of the Canadian rehabilitation programme; to keep close contact with those overseas who were "en route" to Canada for discharge; and to maintain liaison with overseas headquarters of the three armed services. Colonel Beecroft also was to initiate educational work among British brides of Canadian service personnel overseas in preparation for their lives in Canada.¹⁵⁹ This particular part of the programme for war brides was a very worthwhile contribution towards rehabilitation of those members of the forces who married while overseas.

119. In 1944 also, an Interdepartmental Committee was formed to "co-ordinate the information activities of governmental departments connected with demobilization, rehabilitation, readjustment to civil life, and related matters, and to institute information programmes where necessary."¹⁶⁰ This committee was composed of members appointed by the following:

- Wartime Information Board (Chairman);
- Minister of National Defence;
- Minister of National Defence for Naval Services;
- Minister of National Defence for Air;
- Minister of Veterans Affairs;
- Minister of Labour;
- Minister of Reconstruction.

The National Film Board and the Canadian Broadcasting Corporation co-operated closely with the Committee, which

compiled and published in May 1945 the Handbook on Rehabilitation (Ottawa), a one-volume survey of legislation on demobilization and rehabilitation. This brochure contained a summary of each important piece of legislation and was intended primarily for the use of service demobilization and rehabilitation officers.¹⁶¹

120. In 1944, C.N. Senior, who had succeeded Robert England* as Secretary of the General Advisory Committee wrote a short book entitled, When the Boys Come Home: Their Post-War Opportunities in Canada (Wm. Collins Sons & Co., Canada, Ltd., Toronto) Mr. Senior's purpose was to explain in simple language the benefits available. He began his book by saying, "Somehow I cannot bring myself to believe the story I hear from a variety of anxious sources to the effect that the boys overseas are spending their time asking each other":

"What is going to become of me after the war?"

"What is the Government going to do for me?"

"Will I get my old job back?" etc. etc.

Mr. Senior was undoubtedly right in suggesting that the seriousness of the problem was exaggerated; it was true, however, that it was difficult to do a competent job of providing information. One could not assume that all members of the forces read carefully, and understood, what appeared in orders. Nor, of course, did they read other published material in pamphlets, brochures, etc., especially those containing legislation in parliamentary language. It would appear that booklets were useful if employed as a text by competent officers who could use them as a basis for discussion, and then answer questions. It was important also to strike a happy medium between giving adequate information and not painting too rosy a picture. The Naval Historian said that some naval men came back with the erroneous ideas that the best of everything was going to be handed to them; and so hopes were unduly raised.¹⁶²

121. It was inevitable that key personnel would be needed by industry and by educational institutions in the post-war reconstruction period. These needs could not be met if the "first in - first out" policy was strictly observed. On 1 June 1945, the Prime Minister, in a statement to the press announced that machinery had been set up to effect the release from the armed forces of key personnel urgently required.¹⁶³ The Department of Labour, after consultation with the services, established an Industrial Selection and Release Board with local committees in the various Districts, to receive applications for priority release. An Order in Council¹⁶⁴ made it mandatory for the Services to release personnel recommended by this Board, subject to exigencies of the Service, and the willingness of the individual concerned to accept the employment.

122. It will not be out of place to mention here the very fine educational programme provided in the army

*Mr. England resigned from the committee in October

overseas for those awaiting repatriation, since it was geared to rehabilitation. The plan was ready in time and was set up to prepare troops both practically and psychologically for sound re-establishment. A handbook, outlining the plan for Education and Welfare for First Canadian Army, was published by direction of the General Officer Commanding-in-Chief (General H.D.G. Crerar, C.B., D.S.O.) in April 1945.¹⁶⁵ A routine order was promulgated on 12 May 1945 giving instructions for troops in the United Kingdom.¹⁶⁶ The first paragraph read:

"As soon as practicable following the cessation of hostilities, all formations of Cdn Army Overseas will provide instruction to prepare personnel for return to civilian life. So far as operational commitments allow, the maximum time and effort possible will be devoted to implementing this programme. The instruction will be flexible enough to meet the great variety of circumstances and provided for the needs of the individuals, men and women, officers and other ranks."

123. In the first week after the cessation of hostilities, all ranks of the Canadian Army Overseas were made familiar with the Government's plans regarding their future. The pamphlet, "After Victory in Europe", received wide circulation and was reproduced in the service newspaper.¹⁶⁷ The Minister of Veterans Affairs, and that department's liaison officer overseas, both commented most favourably on how well informed the troops really were in the summer of 1945.¹⁶⁸ This was significant, because it was in this particular field that the two departments, Veterans Affairs and National Defence, had for a long time been at loggerheads.

Section IX: Co-operation of Provinces and National and Local Organizations

124. It was the policy of the Federal Government to secure the co-operation of the provincial governments and of the public. The importance of this was recognized when the original Order in Council was enacted (See appendix "A" to this report), making provision for consultation with provincial and municipal governments, service organizations and Canadian citizens. The Chairman of the Cabinet Committee sent a summary of the interim report prepared by the Advisory Committee in April 1941 to each Provincial Premier. The replies indicated their willingness to co-operate in giving preference in employment, and in planning rehabilitation measures in the provincial field.¹⁶⁹

125. Co-operation between Ottawa and the provinces was well exemplified in the operation of the Vocational Training Co-ordination Act, referred to in paragraph 16. Certain agreements, covering adult education in the vocational field, had been made during the economic depression of

the 1930's when there had been mass unemployment. The Dominion and the provinces shared the cost, and the provinces because of their jurisdiction over education, supplied the facilities. The same formula had been used to train industrial workers for war industry. This machinery was available for the training of war veterans with the Dominion Government paying the whole cost.

126. By the middle of 1943 all the provinces had taken steps to set up committees to deal with the rehabilitation problem. Alberta's Post-War Reconstruction Act¹⁷⁰ provided for the establishment of a committee with terms of reference relating to re-establishment and social welfare. British Columbia passed its Post-War Rehabilitation Act to provide for a Rehabilitation Council of not more than 12 persons and the assistance of four advisory sub-committees.¹⁷¹ Premier Garson of Manitoba set up a Cabinet Committee with himself as Chairman and an inter-departmental committee under the chairmanship of the provincial treasurer. New Brunswick appointed a Special Committee on Reconstruction with the President of the University of New Brunswick as chairman. Nova Scotia had a Rehabilitation Committee, appointed by Order in Council, which consisted of Ministers. The Social Security and Rehabilitation Act of Ontario¹⁷² authorized the formation of a committee with wide powers to prepare plans for the post-war period. Several of the terms of reference pointed to vocational training, education, civil employment and land settlement. Inter-departmental committees on Conservation, Rehabilitation and Agricultural policy were formed. The Soldiers' Aid Commission, which had been concerned with assisting First World War veterans, extended its activities to include the new veterans. The Premier of Prince Edward Island was the Chairman of that province's Post-War Reconstruction Committee. In Quebec, an Act¹⁷³ was passed to provide for the establishment of an Economic Advisory Council of not more than 15 members with the duty of investigating the agricultural, forest, mineral and industrial resources of the province, and to suggest as complete use as possible with particular attention to the needs of farmers, fishermen, artisans and small industrialists. The Council was charged with the duty of drawing up a plan for the employment of labour in the post-war period. Saskatchewan set up a Reconstruction Council¹⁷⁴ with the duty of studying and investigating conditions and problems likely to arise during and after the war. It was also to recommend plans and policies, and to confer with federal, and municipal authorities, and with other public and private bodies.

127. By the end of the war all the provinces were taking steps to supplement the Dominion programme for rehabilitation. Plans were made to encourage post-war employment which would utilize natural resources, and various measures in the field of re-construction were underway.¹⁷⁵

128. Among national organizations, which co-operated with the government, the Canadian Legion must be ranked first. Reference has already been made to their fine educational programme (paragraphs 47 and 48 above) which with its concentration on remedial education, made an enormous contribution to the post-war training programme. In

addition, the Legion, experienced in dealing with veterans between the wars, was able to offer sound advice when legislation was being considered. Representatives of the Legion appeared before the various Parliamentary Committees, and along with other Veterans' organizations, notably the National Council of Veterans' Associations in Canada,* presented briefs which were moderate in language, and offered only constructive criticism.¹⁷⁶ The Canadian Legion Poppy Fund is well known, and has a two fold purpose. It provides work for disabled veterans, who make the poppies and wreaths; and it earns money which is used to alleviate distress among veterans and their families.¹⁷⁷ The Canadian Legion Service Bureau, which gets a grant from the Government of \$9000 per annum, helps veterans prepare claims for disability pensions.¹⁷⁸

129. The Department of Veterans Affairs has supported the view that, where there are special facilities in existence, these should be available to the veterans. In other words the veterans should not be set apart as a different species for whom the Government must inaugurate overlapping arrangements. Therefore, the Canadian National Institute for the Blind has undertaken the rehabilitation of blinded war veterans.¹⁷⁹

130. Similarly there are arrangements with the National Society of the Deaf and Hard of Hearing and with the Canadian Paraplegic Association. In both of these cases, and also with the blind, the important service is counselling and vocational guidance, with help in finding suitable employment.¹⁸⁰

131. The Canadian Red Cross Society has developed a continuing programme for veterans as follows:

- (1) Blood is provided from the Society's National Blood Transfusion Service, free of cost for patients in departmental hospitals (3194 bottles furnished during 1950).
- (2) A hospital visiting service to patients in departmental hospitals during which such comforts as cigarettes, tobacco, chocolates, chewing gum, toilet articles, playing cards, writing paper, games, books, magazines and Christmas trees and gifts are dispensed. Shopping is done for patients as well as letters written to their next-of-kin if required.
- (3) Eight Red Cross Lodges are maintained and operated by the Society at the largest of the department's hospitals, the functions of which are stated above.

*The Council included: War Amputations of Canada, Army, Navy and Air Veterans Associations, Canadian Corps Association, Sir Arthur Pearson Association of War Blinded, and Canadian Pensioners Association.

- (4) A welfare service to veterans and their dependents is provided by the Society, to bring relief in cases of distress or emergency where assistance is not available from any other source.
- (5) A moving picture film service is provided by the Society to all departmental hospitals. Many of the films shown appear concurrently at local theatres. 6500 shows were provided during 1950.
- (6) An Arts and Crafts Service is provided by the Society to departmental hospitals under an agreement whereby the Society provides free material and trained Supervisors for instruction. The Department makes a grant to the Society to be applied towards the salaries of instructors.¹⁸¹

132. The formation of committees of private citizens in local communities must have been a somewhat unusual experiment in the relationship of government and people. These committees (there were eventually over 700 of them throughout Canada) were composed of volunteers of business and professional men, and they worked hard on the local aspect of rehabilitation measures.¹⁸² The members of these community committees were familiar with local conditions and in many cases with the personnel themselves, and their histories.

133. Early in 1944 representatives of those committees, from Victoria to Sydney, were called to Ottawa for a conference. Each committee, of course, was autonomous but it was thought that it would be well to have some kind of uniform policy. It was agreed that the committees should remain as volunteer organizations financed by their communities, and that all sections of the population should be represented on them.¹⁸³ Employment was of prime concern and particular attention was given to finding positions for those with a physical disability. As a country-wide project the Kiwanis Club undertook to help in finding suitable employment for the disabled.¹⁸⁴

134. The different committees carried out their functions in a variety of ways. A full year before the war's end the Sault Ste. Marie committee had written to every man and woman from their city on active service. The letter explained what they were trying to do and included a questionnaire as to marital status, housing needs, post-war plans, and so forth.¹⁸⁵

135. The city of Montreal had an excellent committee which concentrated on employment, and was fortunate in having two retired business executives who were happy to put in all their time on rehabilitation for veterans.¹⁸⁶

136. In addition to the Citizens' Committees described above, the Department of Veterans Affairs established local Re-establishment Credit Advisory Committees.

These were composed of business and professional men representing broadly almost all trades, professions and businesses. The Minister was authorized by the Act to pay to each member of the Committee an honorarium of 10 dollars per day; however, unless a member had to travel, the honorarium was not generally collected. The attitude of citizens was that it was a duty to give this service and they were pleased to do so without pay.¹⁸⁷ The job of these committees was to ensure that the veteran, who wished to start a business of his own, had good advice as to whether his proposed venture could be established on a sound financial basis.

137. The Prime Minister, in a press release of 1 June 1945, described the local committees sponsored by the Department of Veterans Affairs, and commented on the broad representation included in their membership. There were representatives of municipal councils, churches, women's organizations, veterans' groups, employers, labour unions, service clubs and fraternal organizations.¹⁸⁸

138. There appears to be no doubt that ex-service men and women returned to normal civilian life without any serious detrimental effects on the country's economy. The smoothness of the operation was due to the fact that everyone was involved and all co-operated wholeheartedly. The local committees were invaluable, not only for the good work they did, but for publicity value and for promoting "morale".

Section X: Comparison of Benefits with those of the United Kingdom, the United States, and other Commonwealth Countries

139. Newspapers were critical from time to time of official policies. For example, when it appeared that the principle of "first in, first-out" was being by-passed, there was loud denunciation in the press. This matter, with its arguments pro and con, belongs primarily to the repatriation phase and as such is not a subject for this report. It is mentioned to show that the newspapers did not hold their fire if they felt that the Government deserved chastisement.

140. The fact that Canadian newspapers generally were complimentary regarding rehabilitation planning, is as good a criterion as any of the kind of job the planners were doing. For example the editor of a Winnipeg paper said, "Canada has made greater progress in legislation in this field than any of the other English speaking countries, and there is no country that is making better provision for its returned men."¹⁸⁹

141. The American press and magazines held up Canada as an example. "Demobilization is not an unmentionable word in Canada", was the statement made in a well known magazine in an article entitled, "Soldiers, Jobs, and the Peace",¹⁹⁰ The Milwaukee Journal published a small, glossy magazine composed of selected articles on rehabilitation plans.¹⁹¹ A number of these paid tribute to Canada's programme under such titles as, "Generous Practical Help to

Veterans, Canada Plan", "Canada's War Pensions, World's Most Bountiful", "Canada Helping Veterans Return to Farm or Shop." When the President of the United States made a national radio broadcast on 28 July 1943, he urged the United States Congress to enact legislation under a six-point plan of benefits for veterans. All these benefits had already been provided for in Canada, and President Roosevelt's proposals were based on information about them.¹⁹

142. The statement has been made frequently that Canada's legislation for the provision of benefits for veterans was the best of any country. Therefore, it is appropriate to make a comparison. The following information was compiled by the Department of Veterans Affairs,¹⁹³ and at the time (1947) was submitted to the countries concerned for confirmation. It is therefore authoritative. It is possible that some amendments have been made over the years, as in Canada, but it is unlikely that there have been any basic changes.

143. Benefits quoted were not applicable to the Maoris of New Zealand nor to natives of South Africa. There were special rates for these veterans, which have not been included.

144. The benefits provided have been arranged under appropriate headings. To avoid repetition, in the case of Canada, the reader is referred to the section or paragraph in the preceding text where the benefit is described. In all cases, although there were minor variations, benefits were available only to those with honourable discharges.

145. Clothing Allowances

United Kingdom

For veterans with six month's service: Men, a complete outfit valued at £60; women, cash grant and coupons.

United States

No provision.

Australia

Minimum service, three months: men £11, women, £ 6.

New Zealand

For six months service, £10, increasing by £2.10.0 per month for each additional month to a maximum of £25.

South Africa

Minimum service, three months, a grant of £30.

*Clothing coupons were required in the United Kingdom from June 1941 until March 1949.

Canada

Allowance of \$100.

146.

Cash Grant (Other than Gratuity) or
Leave at Time of Discharge

United Kingdom

Class A (normal), eight weeks' leave on full pay and allowances.

Class B (accelerated release for employment), three weeks' leave with full pay and allowances; for overseas service in excess of six months, one day's leave for each overseas month on full pay and allowances.

United States

No provision.

Australia

Maximum service six months, 15 days' leave on full pay and allowances; minimum service six months, 30 days' leave on full pay and allowances.

New Zealand

Home service only, 14 days' leave with full pay and allowances; overseas service, two days' leave for each month overseas with a minimum of 28 days and a maximum of 91 days.

South Africa

Veterans could receive full pay and allowances in lieu of leave earned in the last annual leave cycle, but not taken, up to a maximum of 30 days for other ranks and 38 days for officers.

Canada

Full pay and allowances for any current but unexpended leave and Rehabilitation Grant (see paragraph 14).

147.

Transportation

United Kingdom

Free transportation from discharge centre to home.

United States

Free transportation from separation centre to home.

Australia

Free transportation home but if veteran moved to take up land, establish a business, or enter employment, he might receive free transportation for self and family, and freight charges up to £15 for household effects.

New Zealand

Free transportation to home and free rail pass for leave period for use within a year after discharge.

South Africa

Free transportation home. If employment could not be found at pre-enlistment domicile but was found elsewhere, free transportation for self and family plus 14,000 lbs. of household effects.

Canada

Free transportation to place of enlistment or any other place in Canada which did not cost more.

148.

Gratuities

United Kingdom

Minimum service six months: for each month on full rates of pay, other ranks 10s to £1.0.0, dependent upon rank; officer £1.5.0 to £3.15.0, dependent upon rank.

United States

Mustering Out Payment Act of 1944, as amended, provided (there were certain groups excluded): \$100 to veterans with less than 60 days' service; \$200 to those with 60 days' service or more but not outside the continental limits of the United States or Alaska; \$300 to those who had at least 60 days overseas.

Australia

For overseas service (subject to 90 days qualifying period) £3.15.0 per month with minimum payment of 12 months. Any period not exceeding 90 days after return to Australia considered overseas service; hospitalization period was added to the 90 days. Home service rate (qualifying period six months) 15 shillings per month. Gratuities were paid into the estates of deceased personnel and gratuity was payable five and a half years after cessation of hostilities and earned three and one quarter per cent interest during waiting period.

New Zealand

For each 30 days of overseas service £3.15.0 per month and for home service £1.0.0 monthly. Disability pensioners received a gratuity based on (a) length of service or (b) proportion of £200 bond or percentage of assessed disability whichever was greater. If pensioner had 100 per cent disability pension and his gratuity was less than £200 he received the greater amount. Payment was made into Post

Office Savings Bank Account, and during first three years a bonus of five per cent was compounded annually for all gratuity remaining in the account.

South Africa

Minimum service six months, or less if injured in training or having service outside the Union; for each month of service, men £1.10.0 and women 15 shillings per month.

Canada

Section V, paragraph 43.

149. Re-establishment Credits

United Kingdom

For other ranks only: 6d per day (£9 per annum) for men and 4d per day (£6 per annum) for women, for each day of paid service after 1 January 1942. Officers received credit for any time spent in the ranks after the qualifying date. No limitation on use.

United States

No provision.

Australia

No provision.

New Zealand

No provision.

South Africa

Veterans might apply for grants and/or loans under the Financial Assistance Scheme, which authorized a grant up to £250 or loan up to £1,250 - combination of grant and loan, total not to exceed £1,250 - at four per cent interest after five years and repayable within 15 years.

Canada

Section V, paragraph 43.

150. Reinstatement in Civil Employment and Preference in Placement

United Kingdom

Veteran was entitled to reinstatement in pre-war job under conditions as favourable as pre-war terms, if reasonable and practicable. Application might be kept alive by quarterly renewal if reinstatement was impracticable at time of first application.

Preference was given in Civil Service; in other employment preference was urged but left to discretion of employer.

United States

Veterans were entitled to be restored to former jobs or to jobs or positions of like seniority, status and pay.

Preference was granted in Civil Service to those with service-connected disability, and preference in referral to vacancies registered with public employment offices .

Australia

A veteran, employed for 28 days of the 56 immediately preceding enlistment, was entitled to reinstatement.

Preference in all employment was granted to veterans, this provision to last for seven years after war's end.

New Zealand

If veteran had been employed in his job for a minimum of four weeks immediately prior to enlistment, he was entitled to reinstatement.

Preference in employment was urged but was not compulsory.

South Africa

Veteran was guaranteed reinstatement under conditions no less favourable than pre-war job.

Veterans had complete preference for all jobs and in the Civil Service credit for entire periods of service was given in calculating pay, promotions, pensions, etc.

Canada

Section V, paragraph 41.

151.

Unemployment Benefits

United Kingdom

No special legislation except that the Government paid the contributions for the period of service to the Unemployment Insurance Fund.

United States

Out of work allowances granted to those with at least 90 days' service.

Australia

Allowances granted with minimum requirement of six months' service.

New Zealand

Unemployment allowances for a maximum of 17 weeks.

South Africa

Veterans were retained in the Service at full pay and allowances until suitable employment was available. If veteran refused a job considered suitable he was allowed a reduced rate for a maximum of four months.

Canada

Paragraph 15 and Appendix "C" to this report.
152. Vocational Training

United Kingdom

Training was available in schools and on-the-job, with tax free allowances.

United States

Vocational Training with allowances to enable veteran to overcome disability handicap for which compensation was payable.

Australia

Minimum requirement six months' service for certain categories, i.e. under 21 at enlistment, showing evidence of skill and suitability for type of training which would offer good prospects for earning livelihood.

New Zealand

For veterans who needed training to obtain employment with preference to those who had served overseas.

South Africa

For veterans with minimum of six months' service or service outside the Union and for certain special cases at the discretion of the Government.

Canada

Section VI and Appendix "C" to this report.
153. Educational Training

United Kingdom

For veterans unable to start educational training or who had their education interrupted, tuition fees and books were provided; maintenance grants depended upon the financial resources of the individual.

United States

Government paid for tuition and books and provided subsistence allowance. The duration of course depended upon length of war service; but the veteran could have amount per year increased with period of eligibility reduced accordingly.

Australia

Eligibility and allowances were the same as for Vocational training.

New Zealand

Information presently not available.

South Africa

Provision was made primarily for those whose education was interrupted by service, or who enlisted instead of going to a University. Each application was considered on its own merits.

Canada

See Section VI and Appendix "C" to this report.

154.

Land Settlement

United Kingdom

No provision.

United States

Loans were authorized with limitations on suitability of property, terms of mortgage payments, and purchase price. Loans were repayable in 40 years. The Government could guarantee up to 50 per cent of loans made to purchase a farm, equipment, supplies and working capital. The maximum guarantee was \$4000 and interest could not exceed four per cent. An amount equivalent to four per cent of the amount originally guaranteed would be paid to the lender by the Veterans Administration to be credited upon the loan.

Australia

For suitable applicants a loan not exceeding £1000 was authorized with living allowance for period up to one year.

New Zealand

For suitable veterans loans up to 100 per cent of productive value of farm were authorized; furthermore the Government developed and stocked farm before handing it over to the settler. Maximum amount of loans varied for different type of farms with a time limit of 45 years for repayment and interest rates of two per cent for first year

and three per cent thereafter. Loans for stock and chattels bore a slightly higher rate of interest. Loans could also be increased with a higher rate in special cases. Training on approved farms was arranged so that an inexperienced veteran might qualify for the Land Settlement Scheme.

South Africa

No special legislation for veterans.

Canada

See Section VII.

155. The United States and all the Commonwealth countries made provisions for disability pensions, widows' pensions and medical care, including prosthetic appliances if necessary. The complicated details of the various pension schemes are not included here. It is interesting to note, however, that the United States basic compensation rate for total disability was considerably higher than Canada's, \$138.00 per month compared with \$900.00 per annum for all Canadian ranks under that of Captain. Compensation at this rate in the U.S.A., however, was granted only for injury and disease incurred or aggravated in the line of duty. A very much smaller rate, \$60 a month (increased to \$72 after continuous receipt for 10 years or at the age of 65), was payable for non-service-connected permanent total disability, and this was governed by a means test. The insurance principle in effect in Canada meant that pension was available if the injury or disease occurred during service; it was not necessarily attributable to military duty.

156. Of those countries under review only Canada and the United States had a personal insurance scheme. The United States and South Africa were the only ones under discussion which made no provision for the education of soldiers' children. All except the United States allowed income tax exemptions.

157. The comparison does not include all of the ramifications surrounding post-discharge benefits in the countries concerned but it is considered complete enough to indicate Canada's high standards. No other English-speaking country has surpassed Canada in this respect. For complete details the reader may consult "The Veterans Charter".

Conclusion

158. It seems safe to conclude that the programme planned for the demobilization and rehabilitation of Canada's Armed Forces after the Second World War was a good one. There has been surprisingly little criticism from the veterans themselves or from others.

159. The value of early planning has been proved, and credit must be given to those who managed to keep their sights on the target at a time when there were very demanding factors making for delay. It is well to remember that

there was an election in March 1940 with the usual disruptions; that the military situation had deteriorated to the extent that France fell in June of that year; and that attention was focussed on the evacuation of the British Army at Dunkirk. The public and all departments of the Government had to concentrate on the extremely serious issue of the defence of the country. It is to their great credit that there were people far-sighted enough to realize that one had to "win the peace", when the time came, after winning the victory.

160. The planners had an important asset in the experience which had been gained through years of critical observation of the effectiveness, or otherwise, of the legislation and administrative arrangements undertaken on behalf of the veterans of the First World War. It would appear also that the country was fortunate, indeed, in the kind of people who were responsible for making the plans. The telegram quoted hereunder is an example of constructive and intelligent thinking. It was sent during the long and sometimes acrimonious discussions, preceding the enactment of the Post-Discharge Re-establishment Order, by the Chairman of the Advisory Committee to the Secretary of the Committee. It is quoted in full as a tribute to Brigadier-General H.F. McDonald, its author, who died suddenly in 1943.

Am very apprehensive of any policies or administrative arrangements that will segregate or separate exservice men from general structure of post war labour and employment measures stop twenty five years trial has proven that such differentiation results too often in pauperization of individual on one hand and an antagonistic or quote let the government do it unquote attitude on the other as well as encouragement of group sentiment dangerous to public good and social stability generally stop our whole proposals are based upon re-absorption of discharged men into civilian attitude of mind as expeditiously as possible and on handling of this vital problem of post discharge employment benefits whole structure stands or falls so it is eminently desirable that all Department of Government whose functions in any way impinge upon any phase of work should assume their share cheerfully rather than having one department create new and overlapping administration machinery stop strongly feel that decision should be based on broad principles of sound economic and social policy rather than questions of administrative convenience or departmental timidity.194

161. Throughout the whole story no plan was set aside on the grounds that it might cause administrative complications. Nor were the veterans themselves the kind to be deterred by difficulties. They represented a generation, the majority Canadian-born, which had grown up between the wars and which had at least seen severe hardships if they had not actually suffered them. They were eager to take advantage of plans which offered opportunities undreamed of in 1939. Walter S. Wood, Deputy Minister of Veterans Affairs, now retired, used the term, "Combined

Operation". These words describe aptly the rehabilitation programme, which was the epilogue to the war histories of the Naval, Military and Air Services of Canada.

162.

This Report was written by Alice Sorby.

for Alice Sorby
(G/WL Nicholson) Colonel
Director Historical Section

P.C. 4068 $\frac{1}{2}$

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 the 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
(Convener),
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 Department 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 Government in meeting the problems of rehabilitation and reestablishment;
- (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.
- (h) See P.C. 1218 of 17 Feb. 41.

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.

N.M. LOTHROP,

Asst. Clerk of the Privy Council.

P.C. 7521

AT THE GOVERNMENT HOUSE AT OTTAWA

Thursday, the 19th day of December, 1940

Present:

His Excellency

The Governor General in Council:

Whereas the Associate Minister of National Defence reports that, with respect to members of the Naval, Military and Air Forces of Canada who, having served on active service therein, are retired or discharged therefrom, or who have ceased to serve on active service, consideration has been given to the question of affording them some assistance towards their rehabilitation in civil occupation;

That, for this purpose, a joint Committee of the Three Services was established which, in the course of its deliberations consulted the Chairman of the Demobilization and Rehabilitation Sub-Committee on post discharge pay, the Chairman of the War Veterans Allowance Board, and the Assistant Deputy Minister of Pensions and National Health;

That the said Committee unanimously agreed that immediate action was necessary to bridge the gap between the time at which a member of the Forces was retired or discharged therefrom, and that by which he might reasonably be expected to rehabilitate himself in civil life and obtain gainful employment;

That the Committee was of the opinion that this assistance could most readily and effectively be furnished by way of a monetary grant payable under the conditions generally as set out in the Regulations herein contained,

Now, therefore, His Excellency the Governor General in Council, on the recommendation of the Associate Minister of National Defence and under and by virtue of the War Measures Act, Chapter 206 Revised Statutes of Canada, 1927, and notwithstanding the provisions of any other law or regulations, is pleased to make the following regulations and they are hereby made and established accordingly:-

REGULATIONS

1.(a) Every member of the Naval, Military or Air forces of Canada who has served continuously on active service therein during the present War, for a period of not less than One Hundred and Eighty-three (183) days, shall, on his retirement or discharge from any of said Forces, or upon his ceasing to serve on active service, be granted an amount equal to Thirty days' pay of the rank held in any of said Forces at the date of his retirement or discharge therefrom, or of his ceasing to serve on active service, as the case may be.

(b) There shall also be granted in respect of such member of the Forces Marriage and/or Dependents' Allowance for a period of Thirty days, or for a period of one month if said Allowance is payable on a monthly basis. Said Marriage Allowance or Dependents' Allowance together with the portion of the pay referred to in clause (a) of this Regulation equal to the last monthly amount of pay assigned by the officer or man during his service, shall be paid to the beneficiary entitled thereto.

(c) The pay and Marriage and/or Dependents' Allowance authorized to be paid under this Regulation shall be designated "The Rehabilitation Grant".

(d) If, at the time of his retirement or discharge or on ceasing to serve on active service, a member of the said Forces is receiving Institutional treatment under the Department of Pensions and National Health, all of the said Rehabilitation Grant shall be paid to that Department for administration of behalf of the said member of the Forces.

(e) For the purpose of these Regulations "Pay" shall mean:-

- (i) With respect to a member of the Naval Forces full pay, excluding all allowances except Marriage and/or Dependents' Allowances, and excluding in the case of an officer, Specialists' pay and in the case of a rating, pay for non-substantive rank.
- (ii) With respect to a member of the Military Forces pay of rank, excluding tradesmen's pay, and all other additional pay and allowances other than Dependents' Allowance.
- (iii) With respect to a member of the Air Force pay of his rank and group, excluding all other additional pay and allowances, except Dependents' Allowance.

2. The Rehabilitation Grant shall be issuable in respect of all officers and men who have served in the said Forces since August 26th, 1939, and who have fulfilled the aforesaid conditions, and are not otherwise disqualified, provided that, in respect of any member of the Forces who, immediately prior to his retirement or discharge therefrom, or to his having ceased to serve on active service, was granted leave of absence with pay and allowances, the amount of such pay and allowances issued to or in respect of him during said period of leave of absence shall be deducted from the amount of the said Rehabilitation Grant otherwise payable.

3. The Rehabilitation Grant shall not be payable to or in respect of any such member of the Naval, Military or Air Forces of Canada who has been retired or discharged therefrom, or has ceased to serve on active service therein by reason of:-

- (a) Having made a false answer on enrolment or attestation.
- (b) At his own request.
- (c) A sentence of a Court-Martial or a disciplinary Court, or, in the case of the Naval Forces, a punishment of dismissal forming part of a summary award.
- (d) A Conviction by the civil power involving a sentence of imprisonment.

4. The Minister of National Defence may issue such Orders and Regulations, not inconsistent with these Regulations, as are necessary or desirable to give effect thereto, and to carry out the spirit and intent thereof.

His Excellency in Council, on the same recommendation is hereby further pleased to order that these Regulations shall be published in the Canada Gazette, and shall be deemed to have come into force and operation as of and from the 26th day of August, 1939.

(sgd.) A.D.P. HEENEY,

Clerk of the Privy Council

P.C. 7633

AT THE GOVERNMENT HOUSE AT OTTAWA /

Wednesday, the 1st day of October, 1941.

Present:

His Excellency
The Governor General in Council:

Whereas the Minister of Pensions and National Health reports that it is advisable that provision should be made to facilitate the orderly re-establishment in civil life of persons who may be discharged from the Naval, Military or Air Forces of Canada after serving in the present war;

That, as The Unemployment Insurance Act, 1940, came into active operation on July 1, 1941, persons who may be employed in insured industry during the war period will enjoy protection under that Act based on their employment during that period;

That it is advisable that, as nearly as may be, parity should be established between discharged persons who may return to insurable employment, whether in insurable employment before enlistment or not, and those in insurable employment during the war period, and that substantially the same standard of protection as under The Unemployment Insurance Act should be afforded to discharged persons until they become re-established in civil life, whether in insurable employment or otherwise;

That, as unemployment insurance benefits are payable out of the Unemployment Insurance Fund, it is advisable that contributions should be made to that Fund on behalf of discharged persons who return to insurable employment to the end that time served by persons in the Naval, Military or Air Forces in Canada subsequent to July 1, 1941, may count as employment in insurable employment under The Unemployment Insurance Act, 1940;

That it is advisable that persons now in the said forces should know as soon as possible, and that persons who enlist in the future should know when they enlist, the further provision hereinafter proposed for their orderly re-establishment in civil life on discharge in completion of the programme already established for that purpose, namely,

- (i) clothing allowance,
- (ii) transportation to place of enlistment or home,
- (iii) rehabilitation grant,
- (iv) remedial medical treatment,
- (v) vocational training facilities,
- (vi) re-instatement of preference in employment and placement and guidance service, and

- (vii) pension for disabilities, with ancillary hospital treatment, in order that such persons may effectively plan for their re-establishment in advance of discharge;

That, pursuant to the provisions of section 2 of The War Appropriation Act, 1941, chapter 11 of the Statutes of Canada, 1941, the Governor in Council may authorize expenditures during the year ending the 31st day of March, 1942, for the carrying out of any measure deemed advisable in consequence of the existence of the state of war; and

That, pursuant to the provisions of the War Measures Act, chapter 206 of the Revised Statutes of Canada, 1927, the Governor in Council may make such orders and regulations as may, by reason of the existence of real or apprehended war be deemed necessary or advisable for the security, defence, peace, order and welfare of Canada:

Therefore His Excellency the Governor General in Council, on the recommendation of the Minister of Pensions and National Health and under and pursuant to the provisions of The War Appropriation Act, 1941, chapter 11 of the Statutes of Canada, 1941, and the War Measures Act, chapter 206 of the Revised Statutes of Canada, 1927, is pleased to make the following order and it hereby made and established accordingly:-

PART I

1. This order may be referred to as "The Post-Discharge Re-Establishment Order."

2. In this order, unless the context otherwise requires:

"discharge" means discharge or retirement from, or ceasing to serve on active service in, the Naval, Military or Air Forces of Canada subsequent to July 1, 1941;

"discharged person" means any person who, having been in receipt of either active service rates of pay or of Permanent Force rates of pay while serving in the Naval, Military or Air Forces of Canada during the present war, subsequent to July 1, 1941, is discharged or retired from, or ceases to serve on active service in, the said forces;

"enlistment" means enlistment or enrolment in, or appointment to a commission in, the Naval Military or Air Forces of Canada;

"married person" means-

- (i) a man whose wife is being maintained wholly or mainly by him, or
- (ii) a married woman who has a husband dependent on her, or

- (iii) a married person, widow or widower, who maintains wholly or mainly one or more children under the age of 16 years;

and for the purpose of this definition "child" includes any child of the discharged person, a stepchild, adopted child, or illegitimate child;

"Minister" means the Minister of Pensions and National Health;

"non-pensionable disability" means a disability in respect of which no pension has been granted under The Pension Act;

"pension" means a pension under The Pension Act;

"rehabilitation grant" means a grant made pursuant to the provisions of Order-in-Council P.C. 7521 dated December 19, 1940, as amended;

"service" means service in the Naval, Military or Air Forces of Canada during the present war; and

"university" means a Canadian University or College, of educational standards approved by the Minister.

3. The Minister may make regulations which, in his opinion, are necessary or advisable for carrying out the provisions of Parts II and III of this order.

4. This order shall come into force on the first day of October, 1941.

PART II

5.(1) The Minister may, subject to the provisions of paragraph 10 hereof, order that a discharged person be paid an out-of-work benefit at the rate of \$13.00 per week if he is a married person, and at the rate of \$9.00 per week if he is not a married person, for any week or part thereof during which he

- (i) is capable of and available for work but unable to obtain suitable employment, and
- (ii) follows such course of training or instruction, if any, as the Minister may have prescribed, to fit him or to keep him fit for employment or for re-employment.

(2) A deduction shall be made from the out-of-work benefit of a discharged person for any period equal to the amount of the benefit, if any, which he is qualified or able to qualify to receive for the period under The Unemployment Insurance Act, 1940.

(3) A discharged person shall not be deemed to be disqualified for out-of-work benefit by reason only that he has declined an offer of employment under conditions as described in paragraph (b) of Section 31 of the Unemployment Insurance Act, 1940, or by reason of his refusal of employment the acceptance of which would involve the consequences described in Section 32 of the said Act, and he shall not be deemed to be unemployed for any period or day as described in Section 33 of the said Act, but he shall be disqualified for out-of-work benefit in the circumstances defined in Section 43 of the said Act.

6.(1) The Minister may, subject to the provisions of paragraph 10 hereof, order the payment of a grant to a discharged person at a rate not exceeding \$13.00 per week if he is a married person and \$9.00 per week if he is not a married person, if

- (i) such person is pursuing vocational, technical or other educational training;
- (ii) the Minister approves such training as being training which will fit him or keep him fit for employment or re-employment or will enable him to obtain better or more suitable employment, and
- (iii) he makes progress in such training to the satisfaction of the Minister.

(2) The Minister may diminish the grant aforesaid in any case by such amount as to him seems right by reason of any pension, wages, salary, or other income such person may have received or may be entitled to receive for such period, and in no case shall the amount of the grant, together with his income from all sources, including any pension, exceed the rate of training allowance under Clause 20, of Order in Council P.C. 91, dated January 16, 1936, as amended.

7. The Minister may, subject to the provisions of paragraph 10 hereof, order that a discharged person be paid a grant for any week or part thereof during which

- (i) He engages in agricultural or other enterprise on his own account and is awaiting returns from such enterprise, or he is temporarily incapacitated from accepting work or from taking training by reason of a non-pensionable disability, and
- (ii) the Minister is of the opinion that, having regard to the special circumstances of the case, the grant will prove effective in re-establishing him,

at a rate not exceeding \$13.00 per week if he is a married person and \$9.00 per week if he is not a married person, diminished by such amount, on account of any pension, wages, salary or other income such discharged person may have received or be entitled to receive in respect of such period, as to the Minister seems right.

8. In case any discharged person

- (a) has been regularly admitted to a university before his discharge, or is regularly admitted to a university either within
 - (i) one year from his discharge, or
 - (ii) one year from the commencement of the university year, or of the course which he is pursuing, next following his discharge, if such discharge preceded such commencement by not more than three months,

- and
- (b) resumes a course academic or professional, interrupted by his service or commences any such course, in such university, within one year and three months after his discharge or within such longer period as may be necessary to enable him to complete his university matriculation or as may arise on account of his ill-health or on account of other good cause shown to the satisfaction of the Minister,

the Minister may, subject to the provisions of paragraph 10 hereof, order that he be paid a grant for any week or part thereof during which he pursues such course, at a rate not exceeding \$13.00 per week if he is a married person and \$9.00 per week if he is not a married person, diminished by such amount, on account of any pension, wages, salary, or other income such person may have received or be entitled to receive in respect of such period, as to the Minister seems right, but the grant shall not be continued to any such person who fails in more than two classes or subjects in any academic year, nor to any such person who having failed in either one or two classes or subjects also fails in either or both supplementary examinations next offered by the university in such classes or subjects.

9. In case any discharged person

- (a) has entered upon a post-graduate course, either academic or professional, in a university before enlistment, or was about to do so at the time of his enlistment, or, having completed his undergraduate course in a university after his discharge, enters upon a post-graduate course as aforesaid, and
- (b) resumes or commences such post-graduate course within
 - (i) one year from his discharge, or
 - (ii) one year from the commencement, next following his discharge, of such course in such university, if his discharge precedes such commencement by not more than three months, or

- (iii) in the case of a discharged person who completes his undergraduate course after his discharge, as soon as may be after such completion,

if the Minister, having considered such person's attainments and his course, deems it in the public interest that he should continue such course, the Minister may, subject to the provisions of paragraph 10 hereof, order that he be paid a grant for any week or part thereof during which he continues such course at a rate not exceeding \$13.00 per week if he is a married person and \$9.00 per week if he is not a married person, diminished by such amount, on account of any pension, wages, salary or other income such person may have received or be entitled to receive in respect of such period, as to the Minister seems right.

10.(1) No person shall be paid out-of-work benefit under paragraph 5 hereof for his first nine days of unemployment whether continuous or not, after any period for which he may have been paid a rehabilitation grant.

(2) No grant shall be paid to any discharged person under paragraphs 5, 6 and 7 hereof for any period or periods

- (i) for which he may have been paid a rehabilitation grant, or

- (ii) more than 18 months, after his discharge,

and the total period for which he may receive out-of-work benefit or grants hereunder, together with any period for which he may have received or be entitled to receive, unemployment insurance benefit under The Unemployment Insurance Act, 1940, within the said period of 18 months, shall not exceed his period of service nor shall it in any case exceed fifty-two weeks.

(3) No grant shall be paid to any discharged person under paragraphs 8 and 9 hereof for any period or periods for which he may have been paid a rehabilitation grant, nor shall be paid any grant under the said paragraphs if the total period for which he has received out-of-work benefit or grants hereunder, or unemployment insurance benefit under the Unemployment Insurance Act, 1940, exceeds in all his period of service, unless

- (1) in the case of a person who has been in receipt of a grant under paragraph 8 hereof, his progress and attainments in his course are such that the Minister deems it in his interest and in the public interest that the grant should be continued, and

- (ii) in the case of a person in receipt of a grant under paragraph 9 hereof, his progress and achievements are so outstanding that, in the Minister's opinion, it is important in the public interest that the grant should be continued.

11. Where a grant is being paid to a discharged person under the provisions of paragraph 6, 8 and 9 hereof, the Minister may order that a payment be made on his behalf not exceeding the tuition fees, students' fees and athletic fees or other charges and costs of his course.

12. Not more than one grant may be paid to any person under this Part for any period, nor shall any grant be paid to any person for any period for which he is paid out-of-work benefit hereunder or unemployment insurance benefit under The Unemployment Insurance Act, 1940.

13. Any payment under this Part during the year ending March 31, 1942, shall be made from and out of the War Appropriation of the Consolidated Revenue Fund, and any such payment thereafter shall be made out of moneys provided for the purpose.

14. (1) Notwithstanding anything in this Part contained, the Minister may, for any reason which he deems sufficient refrain from ordering that any payment be made under this Part.

(2) On new facts being brought to his attention, the Minister may make an Order under this Part in a case where he has previously refused to do so, or he may rescind or amend any order which he has made under this Part. Otherwise, his decision shall be final.

PART III

15. Any discharged person who completes fifteen weeks in insurable employment under The Unemployment Insurance Act, 1940, within any period of twelve months, whether continuous employment or not, shall, for the purpose of the said Act, be deemed

- (a) to have received unemployment insurance benefit under the said Act for a continuous period (hereinafter in this paragraph referred to as "benefit period") immediately prior to the commencement of such fifteen weeks, equal to the period, if any, for which he received out-of-work benefit under Part II hereof, together with the proportion of any period for which he received a grant under Part II hereof which the amount of such grant per week bears to \$13.00 if he was a married person and \$9.00 per week if he was not a married person, but not exceeding in total in any case three-fifths of his period of service after July 1, 1941, and
- (b) to have been in insurable employment immediately prior to the commencement of the said benefit period for a period equal to his service after July 1, 1941,

and the said insurable employment shall be deemed to have been continuous as nearly as may be without being contemporaneous with any period during which the said person actually was in insurable employment under the said Act prior to the said benefit period.

16. As soon as may be, after The Unemployment Insurance Commission ascertains that a discharged person has completed fifteen weeks in insurable employment as aforesaid, there shall be credited to the Unemployment Insurance Fund out of the War Appropriation of The Consolidated Revenue Fund if such credit is made during the year ending March 31, 1942, and out of money appropriated for the purpose if such credit is made thereafter, the amount of the combined employer's and employed person's contribution under the Unemployment Insurance Act, 1940, for a period equal to the difference between his period of service after July 1, 1941, and one and two-thirds of the period for which, under sub-paragraph (a) of Paragraph 15 hereof, he is deemed to have been in receipt of unemployment insurance benefit, and the rate of the said combined contribution shall be the average of the contributions shown by such person's unemployment book to have been paid by him and on his behalf for the said fifteen weeks; and for the purpose of the said Act, the said discharged person shall be deemed to have been bona fide employed in insurable employment during the said period of service and all contributions shall be deemed to have been paid under the said Act in respect of the said discharged person during the said period of service.

17. If on making any report on the financial condition of the Unemployment Insurance Fund the Unemployment Insurance Advisory Committee finds that the said Fund has been adversely affected by reason of the provisions of paragraphs 15 and 16 hereof, the Committee shall in its statutory report state the amount and the manner in which the said Fund has been adversely affected as aforesaid, and the Governor-in-Council may on receipt of said report take into consideration immediate measures to remedy any depletion of the said Fund due to the operation of this Order which depletion shall have been established by the aforesaid report of the Unemployment Insurance Advisory Committee.

(sgd) A.D.P. HEENEY,

Clerk of the Privy Council.

8 GEORGE VI.

Chap. 19

An Act to establish a Department of Veterans Affairs.

Assented to 30th June, 1944.

His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. This Act may be cited as The Department of Veterans Affairs Act. Short Title

2. In this Act, unless the context otherwise requires, Definitions

(a) "Department" means the Department of Veterans Affairs; "Department"

(b) "Minister" means the Minister of Veterans Affairs; "Minister"

(c) "Deputy Minister" means the Deputy Minister of Veterans Affairs. "Deputy Minister"

3. (1) There shall be a department of the Government of Canada which shall be called the Department of Veterans Affairs over which the Minister of Veterans Affairs for the time being appointed by commission under the Great Seal of Canada shall preside. Establishment of Department

(2) The Minister shall have the management and direction of the Department and shall hold office during pleasure. Management

4. (1) The Governor in Council may appoint an officer who shall be called the Deputy Minister of Veterans Affairs who shall be the deputy head of the Department and who shall hold office during pleasure. Deputy Minister

(2) Such other officers, clerks and employees as are necessary for the proper conduct of the business of the Department shall be appointed or employed in the manner authorized by law. Officers and other employees

(3) Notwithstanding anything contained in the immediately preceding subsection of this section, the Governor in Council may, by order, designate persons who, prior to the commencement of this Act, were members of the staff of the Department of Pensions and National Health, to be members of the staff of the Department, and, upon such designation, such members shall be deemed to have been transferred to the Department on the date of the commencement of this Act, but no person shall by reason of such designation be eligible to be certified as permanent by the Civil Service Commission. Transfer of members of staff

5. The duties, powers and functions of the Minister shall extend and apply to the administration of statutes enacted by the Parliament of Canada, and of orders of the Governor in Council, as are not by law assigned to any other Department of the Government of Canada or any Minister thereof, relating to care, treatment, training, or re-establishment in civil life, of any person who served in the naval, military or air forces of His Majesty, any person who has otherwise engaged in pursuits relating to war, and of any other person designated by the Governor in Council, and to the care of the dependents of any such person, and shall extend and apply as well to all such other matters and such boards and other public bodies, subjects, services and properties of the Crown as may be designated, or assigned to the Minister by the Governor in Council.

Duties,
Powers and
functions of
Minister

6.(1) Subject to the approval of the Governor in Council, the Minister may make such regulations, from time to time, as he may deem necessary and advisable,-

Power to make
regulations

(a) for the control and management of any hospital, workshop, home, school, or other institutions, owned, acquired or used by His Majesty for the care, treatment or training of persons who served with the naval, military or air forces of His Majesty or any of His Majesty's allies and of the persons undergoing care, treatment or training therein, or who receive any benefit administered by the Minister;

For Control
of hospital
workshops and
other institu-
tions.

(b) respecting the care, treatment or training to be furnished in any hospital, workshop, home, school or elsewhere, and providing for the care, treatment or training therein of persons entitled thereto under any statute or order of the Governor in Council administered by the Ministers;

Respecting
care,
treatment and
training.

(c) for the marking or stamping of artificial limbs or appliances issued from the Department, and to prevent the removal or defacement of such stamps or mark or the use of any counterfeit thereof, and to prevent the purchase, sale, receiving or other disposal of such artificial limbs or appliances without the authority of the Minister; to forbid any false statements, suggestion or representation with respect to any artificial limbs, appliances or other goods manufactured in or for or issued from the Department;

Respecting
artificial
limbs and
appliances.

- (d) for the receipt and retention of any properties or moneys held or payable by the Crown or any other authority, person or persons on behalf of any persons or their dependents whenever such persons are being or have been cared for under the provisions of this Act, either by medical treatment, training or otherwise, and for giving therefore a valid receipt; and in the case of insane persons who are being or have been so cared for under this Act, the assumption or authorization of guardianship in whole or in part in respect of such properties or moneys and for the disposal of such properties or moneys to such persons or their dependents, or as may be deemed expedient or the disposal thereof to the estates of such persons if deceased; For retention of properties or moneys and receipts therefore.
- (e) for prescribing the payments, grants or allowances, if any, to be made to persons or their dependents whenever such persons are being cared for under the provisions of this Act either by medical treatment, training or otherwise; Prescribing payments, grants or allowances
- (f) with respect to reciprocal or other arrangements with the governments of any country for the treatment, care and training and the issue of payments, grants or allowances to persons who have served in the naval, military or air forces of any such government when cared for under the provision of this Act, either by medical treatment, training or otherwise, or to their dependents; and the assumption or authorization of guardianship in respect of property or moneys of such persons or of any persons who may be the beneficiaries of any of the said governments and for the disposal of such properties or moneys to such persons or their dependents or the disposal thereof to the estates of such persons if deceased; Respecting reciprocal or other arrangements with governments
- (g) for the sheltered employment of former members of the naval, military or air forces of His Majesty's allies, including after-care of the tuberculous, for the granting of free transportation in Canada to any former member of such forces who has been pensioned for total blindness or for a disability which necessitates an escort when Respecting sheltered employment, transportation, burial expenses, treatment of chronic cases in industrial accidents.

travelling; for providing burial expenses for former members of such forces who are in destitute circumstances; for the treatment of former members of such forces who die in destitute circumstances; for the treatment of former members of such forces classified as wholly incurable or chronically recurrent cases needing institutional care; for the provision of measures of unemployment relief to former members of such forces and their dependents; and for the payment of compensation in respect of industrial accidents; the whole subject to such appropriations as Parliament may provide;

- (h) for the administration and disposal of canteen funds; Respecting Administration of canteen funds.
- (i) for imposing penalties for violation of any such regulation by way of fine not exceeding two hundred dollars or imprisonment for a term not exceeding three months enforceable upon a summary conviction; Penalties
- (j) for the purpose of carrying out the provisions of this Act with respect to any matter placed under the control and management of the Minister. Generally.

(2) Such regulation shall forthwith after approval by the Governor in Council be published in the Canada Gazette and laid before Parliament within fifteen days after they are made if Parliament is then sitting, and, if not, then within fifteen days after the commencement of the next ensuing session thereof.

Regulations to be laid before Parliament.

7. The Minister shall have power to appoint a person or persons to hear and receive evidence with respect to any matter pertaining to the Department of the procedure of the Department under this Act, and such person or persons shall have authority to administer oaths and to hear and receive evidence under oath and to take affidavits in any part of Canada.

Power to take evidence on oath.

8.(1) Wherever the Department of Pensions and National Health, the Minister of Pensions and National Health or the Deputy Minister of Pensions and National Health is mentioned or referred to in the Pension Act, The War Veterans' Allowance Act, or The Veterans' Assistance Commission Act, 1936, or in any order or regulations made under any of the said Acts, and wherever the Department of

Substitution of Department, Minister, and Deputy Minister in certain other Acts.

Mines and Resources, the Minister of Mines and Resources or the Deputy Minister of Mines and Resources is mentioned or referred to in The Veterans Land Act, 1942, or in any order or regulation made thereunder, there shall in each and every such case be substituted the Department of Veterans Affairs, the Minister of Veterans Affairs and the Deputy Minister of Veterans Affairs respectively.

(2) Notwithstanding section nine of The Department of Mines and Resources Act, whenever in the Soldier Settlement Act or in any order or regulation made thereunder, the Department of Interior, the Minister of Interior or the Deputy Minister of Interior is mentioned or referred to there shall in each and every such case be substituted the Department of Veterans Affairs, The Minister of Veterans Affairs and the Deputy Minister of Veterans Affairs respectively.

RS., C. 157
1930, C. 48
1936, C. 47
1942, C. 33
1936, C. 33

(3) Wherever in any Act of the Parliament of Canada, or in any regulation or order made thereunder, the Department of Soldiers' Civil Re-establishment, the Minister of Soldiers' Civil Re-establishment or the Deputy Minister of Soldiers' Civil Re-establishment is mentioned or referred to, there shall in each and every such case be substituted the Department of Veterans Affairs, the Minister of Veterans Affairs and the Deputy Minister of Veterans Affairs respectively.

Department of
Soldiers' Civil
Re-establish-
ment.

9. The provisions made by an Appropriation Act for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-five, based on Estimates 1944-45 to defray expenses of the public service of Canada within the Department of Pensions and National Health, shall apply to such similar or other as well as like classifications of the public service within the Department of Veterans Affairs as the Governor in Council may determine.

Appropriation
based on
1944-45
Estimates.

10. The Minister shall annually lay before Parliament, within fifteen days after the meeting thereof, a report and statement of the transactions and affairs of the Department during the year then next preceding.

Report to
be laid before
Parliament.

11. Part I of The Department of Pensions and National Health Act; chapter thirty-nine of the statutes of 1928, is repealed.

Repeal.

12. This Act shall come into force on Coming into Force.
a date fixed by proclamation of the Governor
in Council.

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MEMBERS OF

THE SPECIAL COMMITTEE ON VETERANS AFFAIRS

1945 - 1946

W. A. Tucker, K.C., Chairman

Hon. D.C. Abbot, P.C., K.C.	G.B. Isnor
A.R. Adamson	R. Jutras
H.C. Archibald	T.A. Kidd, V.D.
P.H. Ashby	J.G.L. Langlois
L.E. Baker, M.C.	H. Lapointe
G. Belzile	F.E. Lennard
W.M. Benidiokson	Right Hon. Ian A. Mackenzie,
T.J. Bentley, D.C.M.	P.C., K.C.
W.G. Blair, V.D.	J.A. Marshall
J.A. Blanchette	W.C. Macdonald, K.C.
Hon. H.F.G. Bridges, K.C.	J.W. MacNaught, K.C.
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Hon. H.A. Bruce	C.C.I. Merrit, V.C., E.D.
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D.A. Croll, K.C.	D.S.O., M.C.
G.A. Cruickshank, M.C.	Hon. C.G. Power, K.C., M.C.
J.A. Dion, K.C.	J.O. Probe
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E.D. Fulton	J. Sinclair
P. Gauthier	L.W. Skey, D.F.C.
Hon. C.W.G. Gibson, K.C., M.C.	L.D.S. Tremblay
V.D.	F. Viau
C. Gillis	G.S. White, M.M.
H.C. Green, K.C.	F.P. Whitman
M. Halle	H.W. Winkler
D.S. Harkness, G.M., E.D.	R.H. Winters
W.E. Harris	P.E. Wright
H.W. Herridge.	

Official in attendance:

W.S. Woods, C.M.G., Deputy Minister, Department of Veterans Affairs
J.L. Melville, C.B.E., M.C., E.D., Chairman, Canadian Pension Commission
F.J.G. Garneau, O.B.E., E.D., Chairman, War Veterans Allowance Board
G. Murchison, Director, Soldier Settlement and Veterans Land Act
E.L.M. Burns, D.S.O., O.B.E., M.C., Director-General of Rehabilitation
W.G. Gunn, Director, Legal Division, Department of Veterans Affairs

Clerk of Committee

A.L. Burgess.

OCCUPATIONAL HISTORY FORM

THIS FORM IS TO BE COMPLETED FOR EACH MEMBER OF THE ARMED FORCES. THE INFORMATION SOUGHT IS FOR THE USE OF GENERAL ADVISORY COMMITTEE ON DEMOBILIZATION AND REHABILITATION, A COMMITTEE SET UP BY THE GOVERNMENT OF CANADA TO STUDY PLANS FOR ESTABLISHING IN INDUSTRIAL LIFE THE MEMBERS OF THE ARMED FORCES, AFTER DISCHARGE. ACCURACY AND COMPLETENESS IN ANSWERING WILL BE OF MUCH HELP TO THE COMMITTEE.

PLEASE READ CAREFULLY THE INSTRUCTIONS GIVEN ON THE INSIDE OF COVER BEFORE COMPLETING FORM

Section A—GENERAL INFORMATION

PLEASE LEAVE BLANK

- 1. (a) Print name in full..... (b) Reg'l. No.....
- 2. (a) Arm of service..... (b) Unit..... (c) Rank.....
- 3. (a) Date of birth..... (b) Have you any dependents?..... (c) Place of residence at time of enlistment.....
- 4. (a) Place of enlistment..... (b) Date of enlistment.....

Section B—EDUCATION AND TRAINING

- 5. (a) State age on finally leaving school..... (b) Were you attending school or college up to the time of enlistment?.....
- 6. State definitely highest standing reached at public, technical or high school (for instance—"4 years, Public School", "two years, High School", "Junior Matriculation", or "4 years technical course in printing", etc.).....
- 7. If you attended a university, give name of university and standing or degree secured.....
- 8. (a) Did you ever enter upon a trade apprenticeship?..... (b) If so, for what occupation?..... (c) Did you finish it?..... (d) If you did not finish it, how long did you serve at it?.....
- 9. (a) What languages do you speak fluently?..... (b) What languages do you read well?.....

Section C—EMPLOYMENT CONDITION AT TIME OF ENLISTMENT

- 10. (a) State whether you were WORKING or NOT WORKING at time of enlistment. (Enter here only "Working" or "Not Working", as case may be; particulars are asked for below)..... (b) At time of enlistment of what trade union or professional society were you a member?.....

Section D—PARTICULARS CONCERNING THOSE WHO WERE UNEMPLOYED AT TIME OF ENLISTMENT

QUESTIONS 11 TO 17 REFER ONLY TO THOSE WHO ANSWER "NOT WORKING" IN QUESTION 10 (a)

- 11. Had you ever been employed fairly regularly since leaving school?.....
- 12. (a) If answer to 11 be "Yes", state exact trade or occupation at which you actually worked..... (b) State how long you had worked at this trade or occupation.....
- 13. If answer to 11 be "No", state exact trade or occupation for which you feel qualified.....
- 14. If you had been employed after leaving school, state when you last worked fairly regularly before enlistment.....
- 15. Give details of last employer, if any: Name..... Address.....
- 16. Nature of employer's business (for instance, "farmer", or "building contractor", or "boot factory", or "iron foundry", or "retail store", etc.).....
- 17. (a) If your last employment was in a business of your own, state nature and address of business..... (b) Date of discontinuing it.....

Section E—PARTICULARS CONCERNING THOSE WHO WERE EMPLOYED AT TIME OF ENLISTMENT

QUESTIONS 18 TO 23 REFER ONLY TO THOSE WHO ANSWER "WORKING" IN QUESTION 10 (a). PLEASE READ THESE QUESTIONS AND REPLY TO THOSE APPLYING TO YOU AT TIME OF ENLISTMENT

IF YOU WERE AN EMPLOYEE WORKING FOR AN EMPLOYER UP TO THE TIME OF ENLISTMENT, PLEASE ANSWER QUESTIONS 18 TO 21

- 18. Name of employer..... Address.....
- 19. Nature of employer's business (for instance, "farmer", or "building contractor", or "boot factory", or "iron foundry", or "retail store", etc.).....
- 20. (a) Your specific occupation..... (b) Number of years' experience at this occupation with any employer.....
- 21. (a) Did your employer promise definitely to give you employment on discharge?..... (b) Did your employer refuse to promise you employment on discharge?..... (c) Do you wish to return to your former employment?.....

IF YOU WERE WORKING ON YOUR OWN UP TO THE TIME OF ENLISTMENT, THAT IS TO SAY, OPERATING A FARM, A STORE, AN AGENCY, OR IN PROFESSIONAL PRACTICE, OR AS A PARTNER IN ANY SUCH LINE, PLEASE ANSWER QUESTIONS 22 AND 23

- 22. (a) State nature of business, or professional practice..... (b) Where was it located?.....
- 23. (a) Number of years engaged in this business..... (b) Have you made, or will you make plans to return to the same or a similar business on discharge?.....

Section F—PARTICULARS OF FARMING EXPERIENCE

- 24. (a) Do you wish to engage in farming after the war?..... (b) Do you feel competent to operate a farm?..... (c) If so, in what kind of farming?.....
- 25. (a) Were you born on a farm?..... (b) How many years' actual farming experience have you had?..... (c) In what provinces did you have experience?.....

Section G—MISCELLANEOUS

- 26. Have you made any arrangements other than indicated above, for re-establishment in civil life after discharge?.....
- 27. If so, state nature of your plans (for example, do you plan to return to school, or have you been assured of a job, etc.).....
- 28. State any employment preference or ambition you may have, other than indicated elsewhere in this form.....

THIS DOCUMENT IS THE PROPERTY OF THE GOVERNMENT OF CANADA

PRIVY COUNCIL OFFICE

Armed Forces; re-allocation, repatriation
and demobilization after European War.

On March 28th the Minister of National Defence submitted to the Cabinet War Committee a joint Service Memorandum respecting re-allocation, repatriation, demobilization (release) and re-establishment of the Armed Forces on the termination of European hostilities.

This memorandum has now been revised to accord with subsequently approved government policy and a copy of the revised memorandum in its final approved form is attached hereto.

A.D.P. HEENEY,
Secretary to the Cabinet,

Privy Council Office,
April 19th, 1945.

Approved Final, April 19, 1945.

MEMORADUM FOR CABINET WAR COMMITTEE

1. As indicated at the War Committee meeting of January 24th, the Defence Departments have had under review Service plans and procedures for the re-allocation, repatriation, demobilization (release) and re-establishment of the Armed Forces, on termination of European hostilities, and the following joint memorandum is submitted.

I - Introduction

2. The defeat of Germany will not mark the end of the war or the beginning of general demobilization. It will mean however the beginning of a period of re-allocation of manpower which will result in certain personnel becoming surplus to requirements. While re-allocation will begin as soon as possible after the defeat of Germany, the limitations of available world shipping will impose considerable delay in the movement of personnel being repatriated.

3. Operational requirements must over-ride other considerations and while it is impossible to determine these precisely at the present time, commitments for the following purposes are visualized:

- (a) European occupation
- (b) Pacific War
- (c) Western Hemisphere operational and administrative requirements
- (d) Training stream and reinforcements for (a) (b) and (c). (Air Force: including continued R.A.F. training in Canada.)

This group of commitments is hereinafter referred to as Phase II.

II - Re-allocation - selection of continuing Forces

Pacific Theatre

4. (a) It has been stated by the Prime Minister in the House of Commons that personnel to make up Navy, Army and Air Force contingents "will be chosen from those who elect to serve in the Pacific theatre".

(b) Accordingly, the continuing forces for the Pacific war will be made up as follows:

- (i) Navy those who meet the requirements will be retained in the numbers needed, from those who elect to serve,

- (ii) Army those who meet the requirements will be retained in the numbers needed, from those who elect to serve, priority being given to specially qualified personnel and to personnel who have not had an opportunity of serving overseas,
- (iii) Air Force Units will be designated, but personnel involved who do not elect to serve in the Pacific theatre will be exempted.

European Occupation: Western Hemisphere operational and administrative requirements

5. At the end of hostilities in Europe a very substantial number of personnel will become surplus to requirements. Those will be repatriated and demobilized as rapidly as possible in accordance with the priorities specified in Part III. The continuing force for the European occupation and Western Hemisphere operational and administrative requirements will be made up from those of lower priority, subject to the retention of specially qualified personnel in the numbers required and to preference being given to those who specifically request they be retained.

6. It is intended, in implementing the programme outlined above, that

- (a) so far as possible individual preference as to service in a particular theatre will be granted.
- (b) Army: so far as possible single personnel only will be selected for European occupation and service in the Pacific will be restricted to other rank personnel under 35 years of age.

7. As an encouragement to service in Phase II certain conditions of service for those serving outside of Canada are regarded as important:

- (a) continuation into Phase II of income tax exemption as now provided,
- (b) continuation into Phase II of all post-discharge benefits under War Service Grants Act, 1944,
- (c) continuation into Phase II of all other benefits made available to personnel being discharged during or on termination of Phase I

- (d) grant to Army and Air Force Personnel serving overseas at conclusion of European hostilities of 30 clear days leave at home prior to commencement of training for service in the Pacific, (Prime Minister - Hansard, April 4, 1945)
- (e) grant of 30 clear days leave at home for Army and Air Force personnel of the European occupation at the earliest possible date, (the shortage of shipping is likely to delay this for some time)
- (f) Navy. in lieu of (d) and (e) Naval personnel remaining in the Service for Phase II will be granted as much leave at home as possible. Up to 30 days leave in addition to normal leave will be granted to personnel proceeding to the Far East provided the Exigencies of the Service permit, (Prime Minister - Hansard, April 4, 1945)
- (g) personnel selected for service in Phase II; (i) to retain their acting or confirmed rank to the extent war establishments permit, but may volunteer to serve in a lower rank, and (ii) if in receipt of trades or non substantive pay, to continue to receive such pay in accordance with existing regulations for the respective Services.

III - Repatriation and demobilization (release),
priorities and procedures

8. The requirements for Phase II having been filled in the manner previously outlined, the surplus personnel to be discharged at the end of Phase I, will be released on the general principle that those with the longest and hardest service shall be given the first opportunity to return to civil life (Prime Minister - 8 Nov. 1944 - Broadcasting to the Nation).

9. The Navy, because of the rotation of personnel between shore and sea duties, propose to adhere strictly to the first in first out principle, subject to 10 (a) (c) and (d) below.

10. The Army and Air Force propose to score all personnel on the basis of a certain number points for each month of service, plus an allowance for each month of service overseas, subject to the following:

- (a) "home drafts" to be allocated to ships for return to Canada, in accordance with their priority rating,

- (b) on arrival in Canada, personnel with overseas service to receive priority in discharge over all home categories, relative priority rating notwithstanding (Army: regardless of score, N.R.M.A. personnel with home service only, to yield precedence in the discharge stream),
- (c) married women to enjoy special priority, similarly compassionate grounds (including marital status and dependents) to be a basis for hastened discharge,
- (d) satisfaction of critical manpower shortages in industry and the professions also be grounds for hastened discharge.

11. To ensure an equitable distribution of shipping, it is proposed to allocate available space - proportionate to the numbers to be returned - in such a manner as to ensure simultaneous return of those of equal length of service. This is subject to special consideration being given to R.C.A.F. aircrew who have been continuously employed on operations and to R.D.F. operators employed outside of the United Kingdom.

IV - Government demobilization (release) policy

12. The Cabinet War Committee have already given consideration to certain aspects of demobilization policy and have reached the following decision:

Discharge priorities:

13. On September 23rd, 1944 (before the extension of compulsory service beyond the Western Hemisphere) it was agreed that:

- (a) as the military situation permitted, personnel would be discharged in the following order, as they became available for discharge in Canada: first, overseas personnel, second, other general service personnel; and third N.R.M.A. personnel;
- (b) as the military situation permitted, and to meet the urgent needs of the national economy, N.R.M.A. personnel might be given leave and directed to civilian employment, pending discharge. In connection with direction to employment on discharge of N.R.M.A. personnel, measures would be adopted to avoid prejudicing the rights of general service personnel under existing law or their prompt employment as and when discharged; and
- (c) the above would not, of course, interfere with the granting of leave to general service personnel to take civilian employment pending discharge.

14. Subsequent to the War Committee's decision of September 23rd, 1944, as set out in paragraph 14 hereof, the terms of service of N.R.M.A. personnel were extended beyond the limits of the Western Hemisphere. By the time hostilities end in Europe there may be substantial numbers of such personnel with overseas service. It is proposed that such personnel should be treated for purposes of repatriation and demobilization similarly to other overseas personnel, subject to the priorities stated above.

15. It is therefore necessary to amend the decision set out in sub-paragraph (a) of paragraph 13 above to read as follows:

as the military situation permitted, personnel would be discharged in the following order, as they become available for discharge in Canada; first, overseas personnel, second, other general service personnel, and third, N.R.M.A. personnel with home service only;

Otherwise the decision in paragraph 13 should stand.

Rate of demobilization (release)

16. On December 11th, 1944, it was agreed that:

The Services should proceed on the basis of demobilization of personnel at the maximum rate possible, having regard to operational requirements,

17. This continues to be a guiding principle.

18. As of September 30th, 1945, the planning date for the termination of European hostilities, it is calculated that the disposition of forces will be approximately as follows:

	<u>Canada</u>	<u>ex Canada</u>	<u>Total</u>
Navy	49,000	44,000	93,000
Army	195,000	280,000	475,000
Air Force	90,000	58,000	148,000

19. On the basis of calculated manpower requirements for Phase II it is estimated that the numbers who will become available for demobilization over the course of the 12 months following VE day will be:

	<u>Maximum</u>	<u>Minimum</u>
Navy	56,800	-
Army	275,000	240,000
Air Force	59,000	32,000

20. The shipping problem is receiving attention and will be the subject of further reports.

21. Demobilization machinery will be capable of discharging personnel at the rate of: Navy 3,500 per month, 42,000 per annum; Army 25,000 per month, 300,000 per annum; Air Force 10,000 per month, 120,000 per annum.

22. The greatest possible emphasis is placed on flexibility of arrangements so that personnel, particularly those returning from overseas, may have an opportunity of renewing their civil relationship as quickly as possible. To this end it is proposed that where rehabilitation would be assisted by immediate discharge or discharge before the expiry of the pre-discharge leave of 30 days (Navy: or any accumulated leave), which it is the practice to give, a grant in lieu of leave may be made, equivalent to pay and allowances for the unexpired portion of such leave.

V - Joint Service use of facilities

23. The Services do not consider that it would be feasible to share buildings and other facilities; the possibility will, however, be kept under review.

24. There is close consultation to obtain the maximum uniformity in procedures and exchange of ideas looking towards efficiency and acceleration of repatriation and demobilization (release).

VI - Relation of demobilization (release) to rehabilitation, re-establishment and reconstruction.

25. By arrangement with the Department of Veterans Affairs, in normal cases the Services medical Board is utilized by the Department for their purposes, simplifying the process of medical documentation. Close liaison in other matters is maintained with the Department of Veterans Affairs, Reconstruction and Labour, particularly in relation to educational and rehabilitation programmes.

26. It is intended to provide the Department of Reconstruction with a periodic forecast of the numbers to be demobilized, so far as practicable by occupational groups and regions.

VII - Kit

27. All surplus items of clothing, equipment, arms, etc. will be turned in before entering the demobilization stream, and there will be no accounting for deficiencies at the time of final discharge. Personnel will retain the entire personal kit notwithstanding from them before they arrive at demobilization centres. It is understood that this is acceptable to the surplus war assets authorities.

VIII - Discharge outside Canada

28. Uniform policies to govern discharge outside of Canada are being formulated by the three Services.

IX - Conclusion

29. The Service Departments recommend acceptance of this memorandum as a basis for Service action.

April 19th, 1945.

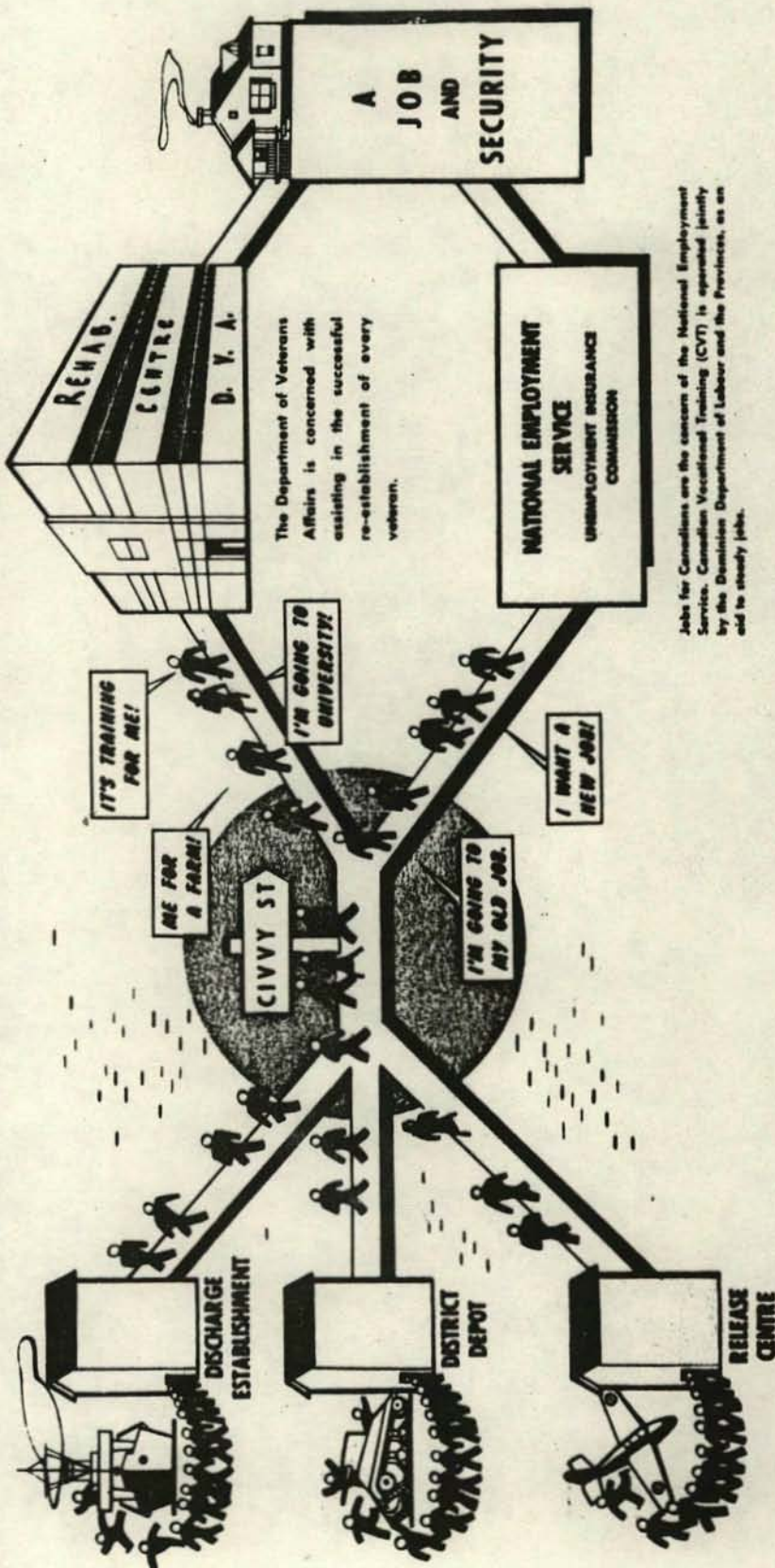
The Machinery of Re-establishment

Charts 1, 2, 3 and 4.

Published by the Rehabilitation Committee,
Wartime Information Board, Ottawa.

Chart No. 1

THE WHOLE PICTURE



The Department of Veterans Affairs is concerned with assisting in the successful re-establishment of every veteran.

Jobs for Canadians are the concern of the National Employment Service. Canadian Vocational Training (CVT) is operated jointly by the Dominion Department of Labour and the Provinces, as an aid to steady jobs.

NAVAL DISCHARGE PROCEDURE

Chart No 2



1
DRAFTED
TO DISCHARGE TRANSIT CENTRE

2 COMPLETE PHYSICAL EXAMINATION

MEDICAL
DENTAL



X-RAY
BLOOD TEST

3 REHABILITATION LECTURE
AND GROUP DISCUSSION



(Officers and Wrens will be counselled at the Transit Centre. Officers proceed directly on leave and on completion report to the Final Discharge Establishment.)



4
DRAFTED TO FINAL DISCHARGE
ESTABLISHMENT
NEAREST HOME

Halifax, N.S.
Saint John, N.B.
Charlottetown, P.E.I.
Quebec, P.Q.
Montreal, P.Q.
Ottawa, Ontario
Kingston, Ontario
Toronto, Ontario
Hamilton, Ontario

London, Ontario
Windsor, Ontario
Port Arthur, Ontario
Winnipeg, Manitoba
Regina, Sask.
Saskatoon, Sask.
Calgary, Alta.
Edmonton, Alta.
Vancouver, B.C.
Esquimalt, B.C.



5
If entitled,
PROCEEDS ON
LEAVE

RETURNS TO
FINAL DISCHARGE
ESTABLISHMENT



FINAL DISCHARGE
ESTABLISHMENT



6
FINAL
MEDICAL
EXAMINATION



7 COUNSELLING



8
Pay
Clothing Allowance
Rehabilitation Grant
Application for Gratuity

9 Original Service Certificate and
History Sheets.
Discharge Certificates.
Document describing civilian and
Service training and experience.
Priority Salt Purchase Certificate and
Application for Civilian Food Ration
Book.
War Service Badge.
Thanked for services.
Transportation Warrant.



10

Chart No. 3

ARMY DISCHARGE PROCEDURE



1 ARRIVAL IN CANADA.
2 DISPERSAL POINT: Leave Form (30 days)
 Travel Warrant
 Ration Card
 Pay

Report to

3 DISTRICT
 DEPOT

nearest home

- London, Ontario
- Toronto, Ontario
- Kingston, Ontario
- Ottawa, Ontario
- Montreal South, P.Q.
- Leaven, P.Q.
- Halifax, N.S.
- Fredericton, N.B.
- Winnipeg, Man.
- Vancouver, B.C.
- Regina, Sask.
- Calgary, Alts.



4 MEDICAL AND
 DENTAL
 EXAMINATIONS



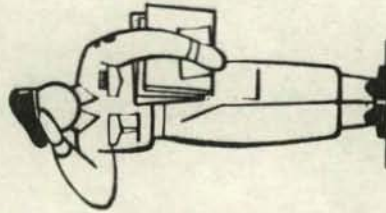
5 COUNSELLING:
 POST-DISCHARGE
 PLANS

Form WD. 12
 completed

6

7 FINAL DOCUMENTATION
 AND PAY PARADE:

- "Priority Suit Purchase Certificate" and "Application for Civilian Ration Book."
- Deferred and Back Pay.
- Clothing Allowance.
- Rehab. Grant.
- Application for war service gratuity.
- Transportation Warrant.
- Turn in Identification Card (MFM 182).
- National Registration Card — (Official of Dept. of Labour) etc.



8 DISCHARGE CERTIFICATE
 WAR SERVICE BUTTON
 (AND CERTIFICATE)



9 THANKED FOR SERVICE



TRANSPORTATION WARRANT

Chart No 4

AIR FORCE DISCHARGE PROCEDURE



1 DISCHARGE APPROVED

D.R.O.

2 AT PARENT UNIT



- declaration of intended residence.
- clothing adjusted.
- documents checked.
- getting to Release Centre nearest place of intended residence.

3 Report to RELEASE CENTRE

nearest home

- Halifax, N.S.
- Lechin, P.Q.
- Ottawa, Ontario
- Toronto, Ontario
- Winnipeg, Man.
- Regina, Sask.
- Calgary, Alta.
- Vancouver, B.C.

MEDICAL EXAM, DENTAL EXAM AND X-RAY

RELEASE CENTRE



(Treatment if required may be in Air Force before final discharge, or by SVA after discharge.)

PERSONNEL COUNSELLOR



- explains rehabilitation provisions.
- fills out W-12.

REPRESENTATIVE OF NATIONAL EMPLOYMENT SERVICE



- temporary National Registration Card.
- Unemployment insurance card.
- directs dischargee to local office of National Employment Service if seeking a job.

7 ROUTINE CLEARANCE FROM STATION

(Interview with Padre)



PAY PARADE

pay up to date of discharge; rehabilitation grant. \$100. clothing allowance; application for WS Gratuity.



DISCHARGE CERTIFICATE



WAR SERVICE BADGE



PRIORITY SUIT PURCHASE AND CIVILIAN FOOD RATION BOOK



TRANSPORTATION WARRANT

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