

The conclusion we have come to is that the best results can be obtained, and the interests of the soldiers and their dependants in general best served, by making the considerable increases we consider should be made by way of supplementary pensions on an economic basis, having regard to the total income of pensioners.

We recommend, therefore, that the present scale of pensions in the three schedules of the 1917 Act, together with the permanent pensions for other than scheduled injuries granted under subsection (3), section 5, of the 1915 Act, be regarded as the basis of compensation for physical injury, and be taken as the irreducible minimum and not liable to alteration.

We shall for convenience hereafter refer to these pensions as "compensation," and to the supplementary grants as "economic" pensions.

We now proceed to a consideration of the specific claims.

R.S.A. CLAIM 1.—*That an increase of 75 per cent., subject to the necessary cost-of-living adjustment, should be granted in respect of the present basic pension.*

#### (a.) TOTAL DISABLEMENT CASES.

Total disablement under the Act is not necessarily total incapacity: e.g., a T.B. case classed as totally disabled and in receipt of temporary pension as such; also, loss of limb and eye is classed as 100 per cent. disablement, but the injured man may also be employed.

We recommend that the pension for total disablement be the compensation pension of £2 per week, with the addition of an economic pension of £1 10s. per week as a maximum: this economic pension to increase or decrease in accordance with variation in the cost of living (which will be dealt with hereinafter), and the personal earnings to be taken into account in fixing the amount of economic pension, so that the total of the pensions and personal earnings do not exceed £3 10s. a week. Economic pension to be reviewed annually.

In addition to the above, the wife and children would be entitled to their pensions under the present scale.

#### (aa.) CASES OF DISABLEMENT OVER 50 PER CENT.

This is the most difficult and complex matter we have had to deal with, and has given us much anxious thought. Many of these men are at present in a most unfortunate position, being unemployed and in cases unemployable, and in receipt of a quite inadequate pension, particularly in the case of married men, and existing on charity and assistance from Patriotic Societies. Their position is not in keeping with what an enlightened public conscience must regard as their due. To illustrate the difficulties of the position: These men were regarded as the charge of the Repatriation Department, and many of them were given vocational training and employment found for them. Under the present financial stress many of them are unemployed, as employers cannot afford to employ disabled men. Others have had no training and are only fit for such work as messengers, lift-attendants, and so on, which class of work offers but a limited field for employment. Their position is particularly unfortunate in that, though married, many of them are not eligible for the supplementary pension under the existing legislation.

Section 4 of the 1917 Act provides that—

"4. If in any case the Board is satisfied that the amount receivable, in the aggregate, by a member of the Forces by way of pension in respect of his total or partial disablement, together with the amount receivable by way of pension in respect of such disablement by his wife and children (if any), or by any other person wholly dependent on him and living with him, and the average amount (if any) which, in the opinion of the Board, the member is capable of earning, is not sufficient to enable the member to maintain himself and his dependants in accordance with the standard of comfort to which they were accustomed before the war, the Board may increase the rate of pension payable to the member by an amount not exceeding one pound per week.

"Provided that in any case in which this section is applied the total amount payable by way of pension to all persons in respect of the disablement of the member shall not exceed five pounds a week."