

GRATUITIES UNDER THE WAR SERVICE GRANTS ACT

(Jan. 1, 1945 to Mar. 31, 1946)

<i>Service</i>	<i>Applications Approved</i>	<i>Total Commitment</i>	<i>Disbursement to Date</i>
	No.	\$	\$
Navy.....	86,651	34,407,065	27,731,080
Army.....	389,545	217,725,367	112,583,476
Air Force.....	183,559	¹	67,367,516
TOTALS.....	659,755	-	207,682,072

¹ Not available.

Re-establishment Credits.—In reviewing the War Service Grants Act the Special Committee on Veterans Affairs (see p. 1075) made extensive changes in the sections relating to re-establishment credits. While no change was made in the amount of credit, the purposes for which credits may be used were extended considerably. These purposes are outlined below with the changes set in italics.

- (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 that Act; or
 - (ii) 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 an 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 laws of Canada for members of the forces; and*
- (10) Any other purpose authorized by the Governor in Council.

The Committee corrected another anomaly which appeared in the original Act by specifically stating that Section 13 of the Veterans' Land Act (loans to veterans on farms already owned by them) shall not be considered an alternative benefit to re-establishment credit. All other benefits of training and the Veterans' Land Act remain as alternatives to re-establishment credit and if all or part of the credit has been used it must be reinstated in full before applications for training or the Veterans' Land Act may be considered.

The original Act prevented the use of re-establishment credit for any purpose outside of Canada. This was relaxed in the amended Act to permit re-establish-