

Veterans Insurance.—The Returned Soldiers' Insurance Act (SC 1920, c. 54, as amended) provided eligibility to contract for life insurance with the Federal Government up to a maximum of \$5,000 to any one veteran of World War I. The low medical standard enabled many veterans unable to meet the medical requirements of commercial life insurance companies to secure protection for their immediate dependants. This insurance was on life plans with no provision for endowment or term insurance. Applications were accepted from 1920 to 1923 and from 1928 to 1933. No policies have been issued since Aug. 31, 1933. The following statement is a summary of operations as at the end of 1962:—

<u>Item</u>	<u>Policies</u>	<u>Amount</u>
	No.	\$
Policies Issued.....	48,319	109,299,500
1920 to 1924.....	33,577	75,723,500
1928 to 1933.....	14,742	33,571,000
Decreases 1920 to Dec. 31, 1962.....	40,217	92,103,190
Death claims.....	14,046	23,833,318
Surrenders.....	17,207	41,864,431
Lapses, extended term insurance expiries.....	8,730	20,152,589
Other terminations.....	234	1,252,852
Insurance in force Dec. 31, 1962.....	8,102	17,196,310

The Veterans Insurance Act (RSC 1952, c. 279, as amended) is the World War II counterpart of Returned Soldiers' Insurance and enabled veterans following their discharge and widows of those who died during service to contract with the Federal Government for a maximum of \$10,000 life insurance. Also eligible were certain other groups of persons, such as merchant seamen eligible to receive a war service or a special bonus, firefighters, auxiliary service supervisors, special operators, members of the Women's Royal Naval Services and the South African Military Nursing Service and persons receiving pensions relating to the War. Those qualifying by active Korean service are eligible to apply for veterans insurance until Oct. 31, 1968.

This Act makes it possible for veterans, unable to meet the required medical standards of commercial life insurance companies, to obtain insurance at standard rates for the protection of their immediate dependants. A medical examination, at no expense to the veteran, is required only in special cases. There have been 98 applications declined out of a total of 53,216 received.

The first policy was issued on Apr. 1, 1945 and in the immediate postwar years an average of over 5,000 policies a year were issued, attaining a peak of 8,825 in the year ended Mar. 31, 1948; in subsequent years the average has been 2,500.

The period of eligibility was originally limited to three years, i.e., to Feb. 20, 1948, and later increased to six years. In 1951 the period was again extended for an additional four years to Dec. 31, 1954, or ten years from discharge whichever was the later date. Section 12(3) of the War Service Grants Act provided that if a veteran of World War II had unused re-establishment credit sufficient to pay the initial premium, he or she might apply for Veterans Insurance up to Jan. 1, 1960, or fifteen years after discharge whichever was the later date. Purchase of veterans insurance through use of re-establishment credit was virtually the only way in which veterans residing outside of Canada used their credit benefits.

As a result of the termination of eligibility on Dec. 31, 1954, the only new applications for Veterans Insurance received from that date to Sept. 6, 1958 were those where premiums were being paid by the use of re-establishment credit. On Sept. 6, 1958 a further amendment to both the Veterans Insurance Act and the War Service Grants Act set a common cut-off date for the benefits of these Acts at Sept. 30, 1962. Also at this time, Sect. 10 of the Veterans Insurance Act was repealed. This Section limited the payment of the proceeds of a policy to a widow or child of the insured in the event of a pension under the Pension Act being paid to such persons on the insured's death. By the repeal of this Section, the