Compensation for War Disabilities
in Great Britain and the United States

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Compensation for War Disabilities in Great Britain and in the United States

LEGAL BASIS OF PENSION RIGHTS

The problem of the legal basis of the right of war victims to compensation has not arisen in Great Britain or the United States in the same way or to the same extent as in France. French legislation, in Section 1 of the Pensions Act of 31 March 1919, established the right of war victims to compensation for injury suffered. This right entitles war victims to claim pensions and requires the state to grant them; the French Pensions Act is, in fact, only a particular application of the general right to compensation (1).

While pensions legislation in the United States was previously based upon the principle that the pension is the bounty of a generous state to patriotic citizens who defended it in time of peril, the present law regulating pensions for the European war simply states that the Government of the United States is under an obligation to grant compensation in certain specific cases if death or disability has been caused by wounds or illness arising from service with the Army or Navy. The state's obligation is clearly affirmed, but is not based on any stated principle.

The general character of the Act differs from previous legislation in that it is a compensation law. The state is under no obligation except when injury has been suffered as a result of military service; the origin of this right lies not in the fact of service, but in the injury suffered. Compensation is not granted to all ex-Service men, but only to those suffering from disabilities.

In Great Britain no attempt has been made to define the legal basis of the right to pension, or in any case, any such attempts have followed the peculiar character of British administrative custom. Provision for war pensions is made by Royal Warrants, Orders in Council, or in Statutory Rules and Orders; administrative regulations are made by Act of Parliament. Pensions are granted by Royal bounty, that is, they may be granted. It would appear from the terms employed both in the Royal Warrants and in the Orders in Council that pensions are granted as

(1) See INTERNATIONAL LABOUR OFFICE: Compensation for War Disablement in France; Studies and Reports, Series E, No. 1; pp. 1-6, for a summary of the discussions which have taken place in France regarding the legal basis of the right to compensation.
an act of grace and not as a right. British disabled men maintain that these texts do not express truly the obligations of the state. They claim that, as they have suffered injury in the service of the nation, the nation has thereby incurred a debt to them and that pensions should be granted in accordance with a statutory right enunciated in Acts of Parliament. They consider that the right to a pension should be a statutory right. The Government replies that pensions are in fact granted of right to war victims and that to express this right in Acts of Parliament would make no practical difference, while on the other hand, it would be a source of very serious difficulties. As pensions legislation will certainly have to be modified frequently during the next fifteen or twenty years, it would be necessary, under such circumstances, to go to Parliament each time a change was desired, and the resulting delay would be prejudicial to the interests of the war victims.

The Select Committee on Pensions (2) appointed in 1919 to consider improvements in the pension system recognised the force both of the disabled men's claim and of the Government's objections. The Committee proposed to insert in an Act a statement of the statutory right of war victims to pension, leaving the Government to determine and modify the actual provisions relating to pensions (e.g. assessment of disability, rate of pension, etc.) by Royal Warrants and Orders in Council. The Government and Parliament accepted these suggestions, and the statutory right to pension was acknowledged by Section 7 of the War Pensions (Administrative Provisions) Act of 19 August 1919 and Section 8 of the War Pensions Act of 4 August 1920. This Act states that war victims "shall be entitled to receive pensions"; the word "shall" having been substituted for "may".

CONDITIONS OF PENSIONABLE DISABILITY

The principle of the right to pension having been recognised, the classes of disability which may entitle to compensation must be determined.

In Great Britain disablement entitles to pension if it is attributable to or aggravated by military service during the war, in the United States if it has been contracted in line of duty. Both British and American law refuse to recognise any right to pension when disablement is due to the fault of the disabled man; under British law, no pension is due if disablement is due to the serious negligence or misconduct of the discharged man. The American law refuses any compensation

for disablement (disability) when it has been caused by his own wilful misconduct.

Both British and American law demand proof of the connection between disablement and military service. The conception of what constitutes service is less narrow than it was in earlier European legislation, which was of a military character and drew a distinction between a disability contracted on the field of battle, and one caused by service not on the field of battle. This distinction is no longer observed; the only question now raised is of service during the war. Similarly, absolute proof of the connection between disablement and a definite incident of service occurring at a precise place and time is no longer required, but merely of the relation between the general conditions of service and the wound or disease in question.

The procedure for proof of origin of disability is much the same in Great Britain and the United States as in other countries. The pension file must include a copy of the claimant’s enlistment or mobilisation form showing his physical condition at the time of entering the army, a copy of his discharge or demobilisation certificate showing his state of health at the time of discharge or demobilisation, and a record of all wounds or diseases arising in the course of his military service. When all the necessary documents can be furnished, as is generally the case, there is no difficulty in ascertaining the origin of the disability. But difficulties may arise either because the file is incomplete, or because the disabilities arose after demobilisation, while the claimant had not suffered from wounds or illness while actually serving; in the latter case it becomes exceedingly difficult to furnish satisfactory proof of the origin of the disability.

In Great Britain an investigation is then undertaken into the claimant’s state of health before the war and after demobilisation. Enquiries are made from the local authorities, from his employers, from doctors who attended him, and from health insurance societies; in the light of the evidence thus collected the medical officers state whether or not they consider that the claimant’s disability could arise out of military service. In the United States similar enquiries are made, but they cover only the period from the time of demobilisation to the filing of the claim for compensation. This difference is exceedingly important, and constitutes one of the characteristic features of the American law. All persons accepted for military service were presumed to be in good health and to be free from any physical disability. In order to comply with the provisions of the law there is no need to enquire into the claimant’s health before enlistment. In this respect, the American law is more favourable to claimants than the British.

While the period in the claimant’s history which is open to investigation is different in the two countries, the principle on which the legislation rests is identical in both cases. In
order that the disabled man may receive his disablement pension, his file must contain proof that his disability arose out of service. The system of “presumption of origin” adopted in France is quite different; the Act of 31 March 1919 stipulates that all disabilities arising during mobilisation or within six months after demobilisation shall be presumed to have arisen out of military service, and to give a claim to pension. The burden of proof is thus shifted under French law to the advantage of the disabled; if the state refuses the pension it must also prove that the disability is not attributable to military service. It can for this purpose prosecute all the necessary enquiries into the health of the person concerned both before and after service, but the proof must be based upon facts and not merely on medical statements to the effect that the disability could not have arisen out of service.

Disabled men in Great Britain consider that the authorities are unduly severe in requiring proof of origin of disabilities, and that in many cases pensions have been refused to disabled men whose disabilities had really been contracted in the course of military service, but who were unable to furnish sufficiently exact proof.

Parliament has been asked to establish “presumption of origin” similar to that in France. In reply to a written question in the House of Commons the Prime Minister stated (3) that this principle was obviously very attractive and would immediately remove all the difficulties which have arisen in investigating the origin of disablement. Its adoption, however, would involve the risk of granting pensions for disabilities which had not been contracted in the course of military service, and an increase in the financial burdens of the country, which are already very heavy. Moreover, pensions were only refused when medical experts had sound reasons for thinking that it was quite impossible for the disability to have arisen out of service. In cases of uncertainty the claimant was given the benefit of the doubt.

Presumption of origin has been partially admitted in recent American legislation. Section 18 of the Act of 9 August 1921 (4) lays down that

an ex-Service man who is shown to have an active pulmonary tuberculosis or neuropsychiatric disease of more than ten per centum degree of disability . . . developing within two years after separation from the active military or naval service of the United States shall be considered to have acquired his disability in such service, or to have suffered an aggravation . . . in such service.

It was not so necessary to admit the theory of presumption of origin of disablement in the United States and in Great Britain as in France. In these countries men were mobilised gradually, making possible individual medical examinations,
to ascertain the physical condition of all men enlisted or mobilised, and to establish records containing exact information. In France, on the contrary, several million reservists were called up in a few days, and the extreme rapidity with which they are sent to the front made any proper medical examination quite impossible. It thus became extremely difficult, in the absence of all previous examination, to distinguish between disabilities contracted or aggravated as a result of military service, and those previously existing. In order to avoid otherwise inevitable mistakes, the French Parliament considered itself bound in justice to establish the presumption of origin of disablement within a limited period.

Disabled men whose claim for compensation has been rejected on the ground that their disability was not due to military service or was caused by their own negligence or misconduct, may appeal against the first decision, if they consider it unjust. In Great Britain this appeal had at first to be made to a tribunal acting under and appointed by the Minister of Pensions. Disabled men maintained that the Minister ought not to be at the same time judge and defendant, and that such cases should be decided by an independent tribunal. The Select Committee on Pensions admitted this criticism, and Section 8 of the War Pensions (Administrative Provisions) Act of 19 August 1919 (5) instituted independent Pensions Appeal tribunals in each district, with members appointed by the Lord Chancellor. These tribunals consist of a barrister or solicitor as chairman, a disabled man, and a medical expert: they are competent to decide appeals against refusals of pension on grounds of non-attributability, or of negligence or misconduct. Up to 31 December 1920 the number of appeals decided by these tribunals amounted to 16,000 and in 30 per cent. of these cases the appeal was allowed. At the same date 10,500 appeals were pending (6). In the United States no right of appeal exists, but the authorities who refused a pension may modify their decision, either on their own authority if an error has been made, or at the request of the claimant if he produces fresh evidence.

**Assessment of Disablement**

Both in the United States and in Great Britain, as in France and elsewhere, the degree of disablement is determined by purely physical considerations; a given value is assigned to each bodily organ and function in relation to the body as a whole, and no purely occupational or personal factor is taken into consideration. The terms in which the United States law is couched might create some confusion; Section

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(5) See Appendix III.
302 states that the degree of disablement shall be regarded as "equal to the degree of the reduction in earning capacity resulting from the disability"; but in reality physical incapacity only is taken into account. In the annual report of the Director of the Bureau of War Risk Insurance for the year 1920 it is stated that the degree of disablement is assessed in relation to the average impairment of earning capacity resulting from injuries of a similar nature in civil employment, calculated on the basis of statistics of industrial accidents (7). The amputation of the left arm, for example, is regarded as of the same importance to a carpenter, a bank clerk, or a lawyer, and is assessed at the same degree of disablement; no consideration is given either to the claimant's occupation or to the real loss of earning capacity resulting from the disability; the assessment is therefore in no way affected by occupational or personal factors.

Method of Assessment

The seriousness of the disability is calculated, both in the United States and in Great Britain, in percentages, total disablement, for example, blindness or the loss of both arms being expressed as 100, and partial disablement in percentages proportionate to its gravity. In order to establish a claim for a pension in the United States, the degree of disablement must be at least 10 per cent., and in Great Britain 20 per cent., of total disablement. The degree of disablement is estimated in both countries according to statutory schedules. These schedules contain a list of disabilities and the percentages of disablement attributed to each.

The schedule attached to the British Royal Warrant of 6 December 1919 contains only nine classes rising from 20 to 100 per cent., by successive increases of 10 per cent. (8) Disabilities not mentioned in the schedule are placed on the same footing as those already comprised therein. Medical boards determine in which class they shall be placed, according to the nature and gravity of the particular disability in question. The schedule has been criticised on the grounds that it contains an insufficient number of classes, that it does not allow for the great variety of disabilities resulting from the conditions of modern warfare, and that it does not give sufficient latitude to the experts, since disabilities bearing the same name may be of very varying degrees of importance.

The schedule in force in the United States, on the other hand, contains a very detailed and complicated list of disabil-


(8) See Appendix I, Schedule.
ities, and provides in many cases a minimum and maximum between which the experts may range in determining a degree of disablement corresponding to the actual effects of the wounds or diseases involved.

**Periodical Re-assessment**

Both in Great Britain and in the United States a permanent assessment of the disability is made when it is considered to have reached its final condition; in other cases a temporary one. In the United States the law contains no provisions for re-assessment at stated periods; the Director of the Bureau of War Risk Insurance is, however, empowered to require pensioners to undergo re-examination when it is considered necessary, and in practice a revision of temporary assessments takes place at intervals of six months or a year. In Great Britain the Royal Warrant of 6 December 1919 requires that temporary assessments shall be revised from time to time; the date of medical examination is fixed by the Minister of Pensions, and in practice the examinations, as in the United States, take place at intervals varying from six months to a year.

These frequent examinations, entailing serious disturbances in the lives of disabled men, gave rise to vigorous complaints in recent years from the disabled men’s societies, not only in Great Britain but in other countries. The British Government recognised that in most cases disabilities reach their final development after a few years, and that a final assessment of the degree of disablement could be made without any risk of unduly increasing the financial burdens of the state. Moreover, these frequent medical examinations took up the time of more than one-fifth of the whole body of English doctors, whose fees had to be paid, and also rendered 20,000 disabled men idle per day. Not only was the work of these 20,000 men thus lost to the state, but their travelling expenses had to be refunded, as well as part at least of the wages which they lost (9).

The Government consequently introduced a clause into the new Pensions Act of 19 August 1921, providing that final assessment of the degree of disablement shall take place within four years of the date, either of discharge, or of the first assessment. The British system for dealing with temporarily disabled men thus becomes similar to the French, under which the final condition of disabled men has also to be determined within four years following the date of the first assessment after two further examinations by medical boards.

Right of Appeal

In the United States there is no legal right of appeal against the assessment of the degree of disablement; but, as in the case of the question of the origin of the disability, the first decision may be revised by the Bureau of War Risk Insurance, either on its own initiative or at the request of the pensioner.

In Great Britain the right of appeal against the assessment of the degree of disablement has undergone great changes. Originally disputes relating to this question were submitted to medical appeal boards appointed by the Minister of Pensions, and acting under his authority. The associations of disabled men have now obtained the right to bring such appeals before the tribunals set up under Section 8 of the Act of 19 August 1919. Previously these tribunals were competent only to hear appeals relating to the origin of disabilities. The appeal must be filed within a year from the date on which the decision of the Minister of Pensions was notified; the tribunals may either reverse this decision or increase or decrease the percentage of disablement. The right of appeal in Great Britain has thus been placed on the same basis as in France, the Departmental pension tribunals and the pensions appeal tribunals exercising the same functions in the two countries.

Compensation for Disablement

System Common to Both Countries

The law in the United States and in Great Britain includes a common basis of compensation. The amount of the pension is fixed in the same way as in France; first the pension for totally disabled men is determined more or less according to the cost of living; then pensions for partially disabled men are fixed at a percentage of this total disablement pension corresponding to their percentage of disablement; finally, increases of pension are granted for dependants and for those who are in need of constant care and attendance.

Total Disablement Pensions

Pensions for totally disabled men are fixed by law, or by schedules attached to the Acts. In Great Britain, the rates vary according to rank from 40s. per week for privates to from

(10) Section 4, Subsection 3 of the War Pensions Act of 19 August 1921; see Appendix II.
43s. 4d. to 60s. per week for non-commissioned officers and warrant officers according to class (11). United States law takes no account of rank, but provides for different rates for permanent and temporary disablement. The pension for permanent total disablement is $100 per month, and for temporary total disablement $80 per month.

This difference in compensation for disabilities apparently equivalent may be open to criticism. As long as a total disability continues, the need for economic support is as essential whether the incapacity be temporary or permanent. A method of differentiation which seems entirely justified is in the period for which the pension is granted; the pension can then be either reduced or even discontinued, if the disability decreases or disappears. On the other hand, the evident intent of the legislator here in giving differing compensation to permanent total disablement and temporary total disablement was governed by the desire to preclude attempts to make a temporary total disability one of a permanent character.

Partial Disablement Pensions

In both countries, as stated, the pensions granted to partially disabled men are calculated as a fraction of the total disablement pension corresponding to the percentage of disablement. In Great Britain the amputation of a leg below the knee is calculated as 50 per cent. disablement, and carries a pension of 20s. per week for a private; in the United States the same amputation is regarded as permanent disablement of 49 per cent., and entitles the disabled men to a pension of $49 per month. As in France, therefore, there is an exact relation between the degree of disablement and the rate of pension; a 1 per cent. disablement corresponds to the same amount of pension throughout the scale; this amount is 40/100 of a shilling per week for a British private, and in the United States $1 per month for permanently disabled men, and 8/10 of a dollar per month for temporarily disabled men.

The rigidity of this system which regards 10 per cent. of disablement as of the same importance, whether occurring between 0 and 30 per cent. or between 90 and 100 per cent., is not modified, as in Germany or Poland, by granting an additional allowance to very severely disabled men (12).

Allowances for Dependents

Both in Great Britain and in the United States increases of pension are prescribed for the support of dependents.

(11) See the schedule of pensions for each rank, in Appendix I.
(12) See International Labour Office: Compensation for War Disabilities in Germany, Austria, Poland and Czecho-Slovakia; Studies and Reports, Series E, No. 3. Geneva, 1921.
In the United States increases are granted for wives, for children under 18, and for parents if they are dependent on the pensioner; in the case of a totally disabled man, these allowances amount to $10 per month for a wife, $7 for one child, $10 for two or more children, and $10 for each parent or grandparent dependent on the pensioner. From the point of view of the need for economic support the American law seems to give insufficient weight to the number of children, since the same increase is granted whether there are two or more children. On the other hand, its provisions are very generous in that they apply equally to children born before or after the war or the receipt of the disability and that no conditions are imposed with regard to the date of marriage.

In Great Britain allowances are made for the wife and for children under 16, but no provision is made for other dependents. These allowances amount in the case of total disablement to 10s. per week for the wife, 7s. 6d. for the first child, and 6s. for each subsequent child. But the allowances for the wife are not granted if the marriage took place after the man’s discharge, or after the contraction of the disability for which he receives the pension, or for the children, if these were born more than nine months after the man’s discharge, or after the termination of military service owing to his disability.

Here again, from the economic point of view, the restriction bears heavily upon the disabled man, who will have the same difficulty, owing to his disablement, in providing for his family whatever the date of his marriage or of the birth of his children. However, the purpose of the legislator in making this discrimination, was no doubt to discourage ill-considered marriage and to prevent marriage merely for the purpose of obtaining allowances.

In both countries the allowances for dependents to partially disabled men are calculated from those granted to totally disabled men in proportion to their percentage of disablement.

Allowances for Constant Care and Attendance

In Great Britain and in the United States allowances are granted to disabled men who, owing to their disability, are in need of constant care and attendance. This allowance may amount to $20 per month in the United States and to 20s. per week in Great Britain.

Alternative Pensions in Great Britain

In addition to the general system just described, British legislation provides a second method of determining pensions,
based, not on the assessment of physical disabilities, but on the loss of earning power caused by these disabilities.

Broadly speaking, the alternative pension is equal to the difference between the average pre-war earnings plus 60 per cent. and the average earnings of the disabled man after his disablement.

Alternative pensions are granted on certain conditions. The disabled man must be already in receipt of a disablement pension fixed according to the assessment of his physical incapacity; within a year of receiving the notification of the grant of this pension, he may provide proof of the amount of his earnings before the war, either with a view to an immediate claim for an alternative pension, or in order to establish his right to it at a later date. The pre-war earnings of the disabled man must have been more than 25s. per week. The earnings of which he is now capable, together with the alternative pension, must in no case exceed £5 weekly. A disabled man, who, within the period prescribed, has provided proof in due form of the amount of his pre-war earnings, may, if he so desire, continue in receipt of his disablement pension; he has the right, however, to demand at any time that such pension shall be converted into an alternative pension should he consider it more advantageous for himself.

Pre-War Earnings

Detailed regulations for the determination of the average pre-war earnings have been drawn up, providing for various types of cases. The average earnings of men employed under an ordinary contract of service are calculated on the basis of their weekly earnings during the twelve months preceding the outbreak of war. The earnings of a man who conducted a business or followed a profession on his own account are calculated on the basis of his average profits during the three years preceding the outbreak of war. The average wage of an apprentice who has served at least one year's apprenticeship is calculated according to the standard rate of wages in his district at the outbreak of war, provided that he enlisted before the age of 26, and that he has completed his apprenticeship or is prevented from completing it by his disablement.

The average earnings of a student, who was continuing his education after the age of 16 in a school, college, or university, in order to qualify for a profession, are calculated at the amount of the disablement pension which he would have received if totally disabled plus 8s. per week for each year of school attendance between the ages of 16 and 23, provided always that he enlisted before the age of 26, that he has completed his education, or has been prevented from completing it by his disablement; the total amount of his average earnings...
thus calculated, together with the alternative pension, may in no case exceed £4 per week.

In the three first cases the average pre-war earnings are increased by 60 per cent. in order to allow for the increased cost of living and the corresponding decrease in the purchasing power of money, and so to provide a basis of comparison between post-war and pre-war earnings.

Earnings after Disablement

A man's average earning capacity after disablement must be determined whether or not he is engaged in a trade or profession. When he is actually engaged in a calling, the wages he is actually earning may only be accepted as representing his earning capacity when the authorities who fix the alternative pension are satisfied that the disabled man cannot equal his pre-war earnings owing to his disablement; that he is employed on suitable work in view of his disability, his pre-war occupation, and the condition of the labour market; and that he is earning a fair wage in view of the nature of the work, the average rate of wages in the district, and the nature of his disability.

In cases where the disabled man is not actually employed, his earning capacity is determined in relation to the nature of his disability, his previous occupation, the effects which have been or could have been produced by re-training, the condition of the labour market, and the average rate of wages in the district.

Procedure

The grant of alternative pensions proceeds through the following stages:

(1) The disabled man presents his claim to the local war pensions committee, together with a statement of his pre-war earnings.

(2) He is examined by a medical expert, who gives his opinion of the man's earning capacity as affected by his disability.

(3) The local employment committee expresses its opinion of the man's earning capacity in view of his occupation, the condition of the labour market, and the rate of wages in the district.

(4) The local war pensions committee institutes an enquiry into the disabled man's average pre-war earnings, his present wages, and his present earning capacity.
(5) The regional enquiry officers investigate the man’s average pre-war earnings and present earnings; the results of this investigation are then communicated to the local war pensions committee.

(6) The local war pensions committee then reports to the Regional Director of Pensions and proposes the rate of alternative pension which should, in its opinion, be granted.

(7) The amount of pension is then fixed by the Minister of Pensions.

**Value of Alternative Pensions**

The system of alternative pensions represents a serious attempt to grant adequate compensation for the economic loss suffered by disabled men through the effect of their disabilities on their occupation; it is probably the most interesting attempt hitherto made in war pensions legislation to determine and compensate the real loss caused by disablement. But the restrictions imposed by administration and the enormous difficulties encountered in the practical application of this principle do much to decrease its value.

In the first place, it is clear that the 60 per cent. increase is not sufficient to render pre-war and post-war earnings comparable, while the limitation of the total amount of the pension and the average post-war earnings to £5 and even £4 per week seems rather too rigid. The regulations for the determination of the average pre-war earnings of apprentices and students involve methods which are sometimes largely arbitrary; the determination of students’ pensions on the basis of the total disablement pension and the length of their school attendance scarcely seems to provide for the real loss of earnings which they have suffered owing to the fact that their disablement prevents them from following the profession for which they had qualified. All students are treated in the same way, regardless of their different ability and the different earnings which they might have secured had they been able to complete their education. Particular cases have to give way to general rules, which can take no account of individual peculiarities.

But conjecture is an even more noticeable in determining the disabled man’s earning capacity after disablement. This assessment is based on the position of disabled men on their reabsorption into industry, a position extremely difficult to estimate, and one for which the disabled man cannot be held entirely responsible. No exact method at present exists for determining what occupations are compatible with given disabilities; it is impossible to say with any certainty if a disabled man has obtained all the benefits possible from re-training, if he is exercising his full efficiency in his occupation, and whether the failure of training or
employment is due to his own lack of goodwill, or to defects in the organisation for re-training and employment, or again to the more or less unfavourable conditions of the labour market. The determination of the earnings of which a disabled man is still capable, as prescribed by law and administrative regulations, make it necessary to fix a sum based on a number of factors which it is extremely difficult to estimate exactly.

Though the system of alternative pensions encounters great difficulties in its application, it at least possesses one merit of a general character, which may be of the greatest importance. Local war pensions committees and local employment committees are obliged to make careful enquiries into facilities for the employment and re-training of disabled men and into the wages paid by employers. In order to protect the interests of the state, the Ministry of Pensions has to ascertain whether the disabled men are really receiving the wages to which they are entitled, and whether the organisations for employment and re-training are really doing the work expected of them. This system involves the closest connection which has as yet been established between the industrial status of disabled men and the amount of their pension. The system may be criticised in so far as a disabled man's pension depends upon his own efforts and may be diminished when his efforts increase. It must be remembered, however, that British legislation provides a double system of compensation; the first system is independent of the disabled man's wages, and pensioners are always entitled to choose which system is most profitable for them. Nor can a system based on the difference between pre-war and post-war earnings be criticised on the ground that it forces disabled men to increase their post-war earnings (13).

**War Risk Insurance in the United States**

The Act of 6 October 1917, amended by that of 24 December 1919, established not only a system of compensation for death or disabilities resulting from military service during the war, but also a system of insurance against war risks. Compensation in the first case is granted on account of the loss suffered. The men were mobilised in the service of the state and suffered injury while in that service; the state therefore owes them compensation in proportion to the injury suffered; the disabled are not called upon to bear any costs or pay contributions of any kind.

In the second case, on the contrary, the insurance is a contract between the individual and the state. A man, on being called up for military service, is aware that he will encounter grave dangers; in addition to the compensation

(13) See Appendix VI: *Summary of awards of alternative pensions to disabled men up to 31 March 1920.*
prescribed, the state offers him an extra safeguard in the form of insurance. But the individual is free to accept or refuse this offer and, should he accept, he must, according to the conditions of the law, fix the amount of the insurance, and indicate the persons to whom it is to be paid. He has, naturally, to pay a premium.

Many soldiers called up in the United States had already taken out a life insurance policy in time of peace; the great majority of these policies excluded war risks, and the holders thus lost, during their military service, the benefit of the insurance, for which they had often paid high premiums for many years. Private insurance companies were quite ready to insure against war risks, but they asked exceedingly high premiums in view of the great risks incurred. In order to avoid this extra expense, the Government recognised that it was its duty to establish a system of insurance covering war risks which would only entail the payment of premiums at the ordinary rates charged by private insurance companies.

It was then proposed to allow soldiers to insure with private companies at the ordinary premium for civil insurance, the extra premium regarded as necessary being paid by the state. This plan was rejected for several reasons, chiefly because the financial responsibility of the state would have been heavily involved without any corresponding right of control over the management of the companies; for, if the system was to provide proper guarantees for the state and the soldiers insured, it would have been necessary to institute government control of the financial operations of all the private companies who were not inclined to agree to such a measure of control.

It was, therefore, recognised that a form of state insurance was the only possible solution. As the Government was not seeking to make any profit, it would therefore not have to deduct any commission for the services of agents, and, as it would not pay any taxes on its operations, this seemed the cheapest form of insurance. A state system of insurance was therefore established. After careful consideration it was thought that the cheapest form of insurance would be the best for dealing with men mainly young and healthy, who would be exposed for a short time to exceedingly great danger, provided that this could be converted into permanent insurance after the war. Consequently a form of insurance was established which was renewable annually during the war, and could be converted into a permanent insurance contract during the five years following the war.

War Risk Term Insurance

War risk term insurance is of two kinds; insurance by contract and automatic insurance. Insurance by contract
constitutes a contract between the soldier and the Government; the contract is effected at the request of the enlisted man on the conditions stipulated by the law. The amount varies from $1,000 to $10,000 in multiples of $500. The premiums which must be paid are naturally in proportion to the amount of the insurance; the rates also vary according to age; for example, at the age of 15 the premium is 63 cents per $1,000 of insurance, and at 65 $3.35 per $1,000. During military service premiums are deducted from the soldiers' pay by the military authorities, who then pay them to the Bureau of War Risk Insurance. Only certain risks, i. e. death and permanent disablement, are covered.

The beneficiaries under the insurance are designated in the contract by the man taking out the insurance; the Act of 6 October 1917 limited fairly closely the classes of possible beneficiaries, but these classes were considerably enlarged by the Act of 24 December 1919. At present possible beneficiaries include the wife children, grandchildren, parents, brothers and sisters, uncles, aunts, nieces, nephews, brothers and sisters-in-law of the insured person, and finally, in case of total and permanent disablement, the insured himself. The insured person is entitled at any time to change the beneficiaries without their consent, and to choose others within the classes admitted by the law. If the beneficiary appointed dies before the insured himself, other beneficiaries are then selected in accordance with the inheritance laws of the State where the insured is domiciled.

If the insured is totally and permanently disabled, he receives the insurance from the date of the occurrence of disability, whether he has or has not been discharged, and for the rest of his life. Other beneficiaries, on the decease of the insured, receive payments for a period of 240 months; for example, on a policy for $10,000 the beneficiaries would receive $57.50 per month for twenty years. If the beneficiary dies before 240 monthly payments have been made, the remaining payments are made to the appropriate person under the inheritance laws of the State where the former beneficiary was domiciled.

Automatic insurance is an exceptional system established to meet the needs of a temporary situation. War was declared on 6 April 1917, but war risk insurance was only established in October of the same year. At the latter date a certain number of men were already dead or totally and permanently disabled. Neither they nor their families had been able to take advantage of the new insurance. The Act of 24 December 1919 therefore decided that all persons on active service between 6 April 1917 and 11 November 1918, who during this period and within 120 days of their commencing active service died or had been totally and permanently disabled, should be deemed to be entitled to insurance at the rate of $25 per month.
Permanent Insurance

Section 404 of the Act of 6 October 1917, amended by the Act of 24 December 1919, laid down that war term insurance could be converted into permanent insurance during the five years following the date of cessation of hostilities, which was fixed as 3 March 1921. Immediately after the Armistice and the return of demobilised men to civil life, claims for conversion of insurance policies began to flow in. The Bureau of War Risk Insurance, and the Veterans’ Bureau which later took its place, laid down the conditions for such conversion. Demobilised men who convert their insurance under the conditions and within the limits specified by law and administrative regulations need not undergo a medical examination; it was desired to enable them to obtain the benefits of insurance on as favourable terms as those obtained by civilians from private insurance companies, ignoring the effect on their health of the disabilities and fatigues caused by the war.

The forms of insurance adopted are similar to those generally offered by private insurance companies, namely ordinary life insurance, policies paid up in twenty or thirty years, and endowment insurance available after twenty or thirty years or at the age of 62.

The beneficiaries under the insurance can choose one of three systems of payment of the amount to which they are entitled: (1) insurance payable in a lump sum: the insured person must choose this system during his lifetime or in his will; the lump sum is payable to the beneficiaries on the death of the insured; (2) insurance payable in a fixed number of monthly payments: this system can be chosen either by the insured person or by the beneficiaries; (3) insurance payable throughout the beneficiary's lifetime.

The Act of 9 August 1921 offers a number of special advantages to insured persons disabled by infirmities contracted during the war; it allows them to reinstate insurances which have lapsed, even after very long periods; it also frees them from the obligation to pay premiums while under hospital treatment for war disabilities; finally, in case of death or permanent disablement due to war service, their insurance is increased by special allowances from the state. The particularly favourable conditions of war insurance have resulted in a large number of claims (over four million) for war term insurance (14) and a number of applications, relatively large for so short a period of time, for permanent insurance (15).

(14) See Appendix X: Statistics of war risk term insurance on 30 June 1920.
APPENDIX I

GREAT BRITAIN


PART I. — SOLDIERS

Disablement pensions to disabled soldiers

1.—(1) A soldier discharged as medically unfit for further service or while suffering impairment, such unfitness or impairment being certified as either attributable to or aggravated by military service during the war and not being due to the serious negligence or misconduct of the discharged man, may, if he is disabled in any of the manners set forth in the First Schedule to this Our Warrant, be granted a disablement pension at the weekly rates therein shown as corresponding to the degree of his disablement. In the case of injuries not shown therein, and in the case of disease, the pension may be assessed at the degree in the Schedule which is held most closely to represent the disablement corresponding to the injury or disease.

Pension to be temporary at outset

(2) Except in those cases where the disablement has reached its final condition, a disablement pension shall be temporary, at the rate appropriate to the temporary disablement, and the grant shall be reviewed from time to time until a permanent assessment can be made or the grant ceased. Where a temporary disablement pension, including renewals, does not run beyond one year a supplementary gratuity of £5 may be granted at the termination of such pension.

Minor disablements

(3) In any case where the degree of disablement is assessed at less than 20 per cent., or where it is considered more in the interests of the soldier, a gratuity or final weekly allowance may be granted in place of any pension. The grant will be subject to such conditions as the Minister may determine, and its total amount will not exceed £200, and will depend on the extent of the disablement and on the other circumstances of the case.
Service pensions

(4) Subject to prescribed instructions a soldier entitled to a service pension may receive—

either a disablement pension as for a private under the First Schedule to the 1918 Warrant (together with an addition of 20 per cent. thereof) in addition to his service pension and, if the man has been promoted during the war to a rank higher than that for which his service pension was awarded, a further addition corresponding to the difference between the disablement pension under such Schedule (with 20 per cent. addition) appropriate to the rank for which his service pension was awarded and the disablement pension (with 20 per cent. addition) under such Schedule according to his rank, hereinafter referred to as “promotion addition”;

or a disablement pension as in the First Schedule hereto according to his rank, in lieu of his service pension.

Paid acting rank

(5) The disablement pension granted to a soldier who held paid acting rank at the time he was wounded, injured, or removed from duty in consequence of disablement, may be at the rate appropriate to that rank.

Allowance in respect of wife

1a.—(1) A disabled man pensioned under Article 1 of this Our Warrant may be granted during the continuance of his pension a weekly allowance in respect of his wife at such proportion of 10s. as corresponds to the degree of disablement at which he is assessed for pension.

(2) In this Article “wife” shall not include a wife whose marriage to the man took place—

(a) after the man’s discharge;

(b) after the end of the war; or

(c) if during the service of the man, after the receipt of the wound or injury or after his removal from duty on account of the contraction or aggravation of the disease, for which he receives pension;

nor, subject to the succeeding subsection, a wife who is separated from her husband.

Allowance to separated wife

(3) Where a wife is separated from her husband the Minister may, in his discretion, grant to such wife the weekly allowance specified in subsection (1) of this Article.
Allowance in respect of unmarried i.

(4) An allowance as in subsection (1) of this Article, but with 7s. 6d. substituted for 10s., may be granted in respect of a woman living as his wife with the disabled man if she has drawn in respect of him separation allowance as for a wife.

Children’s allowances to disabled soldiers

2.—(1) A disabled man pensioned under Article 1 of this Our Warrant may be granted during the continuance of the pension an allowance for each child under the age of 16 at such proportion of the following weekly rates as corresponds to the degree of disablement at which the man is assessed for pension:

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2. Where an allowance is granted under the preceding Article</th>
<th>Column 3. Where no allowance is granted under the preceding Article</th>
</tr>
</thead>
<tbody>
<tr>
<td>For a first child</td>
<td>7 6</td>
<td>10 0</td>
</tr>
<tr>
<td>For a second child</td>
<td>6 0</td>
<td>7 6</td>
</tr>
<tr>
<td>For each child after the second</td>
<td>6 0</td>
<td>6 0</td>
</tr>
</tbody>
</table>

(2) The allowance may, (subject to the continuance of the pension) be granted or continued beyond the age of 16 in the case of young persons receiving not more than nominal wages, or of children being educated at secondary schools, technical institutes, or universities, and may be granted or continued between the ages of 16 and 21 in the case of a child incapable through mental or physical infirmity of earning a living, provided the infirmity existed before the child attained the age of 16.

(3) In any case in which, in the opinion of the Minister, it may become necessary to secure the proper care of a child on behalf of whom an allowance is payable, the allowance, instead of being paid to the parent, may be administered under such conditions as the Minister may determine.

(4) In the event of a parent being wholly or partially relieved of the charge of any child by its maintenance in the Army, Navy, or Air Force, or in any institution wholly or mainly supported from public funds, the allowance granted on account of that child may be reduced by the extent of that relief.

Alternative pensions to disabled soldiers

3.—(1) Any disabled man pensioned under Article 1 of this Our Warrant whose pre-war earnings (excluding any addition thereto under paragraph (c) and with 5s. substituted for 8s. in paragraph (d) of Article 24 (6)) exceeded 25s. a week and who, within one year of
the date of this Our Warrant or one year after the notification to him of the first award of pension under Article 1, whichever is the later date, shall prove in the prescribed manner the amount of his pre-war earnings, may, at the same time, or at any time thereafter, make application for an alternative pension, and if he shows that his disablement pension with any allowances granted under Articles 1a and 2, together with the average earnings (if any) of which he remains capable, are less than his proved pre-war earnings, he may be granted an alternative pension in lieu of such disablement pension and allowances.

An alternative pension may be granted temporarily or permanently and shall be of an amount which, together with the average earnings (if any) of which the man is judged capable, shall not exceed his pre-war earnings nor 100s. a week; provided that—

(a) in assessing the average earnings (if any) of which a man remains capable any decrease thereof not due to the disablement for which the man is pensioned shall be disregarded, and the refusal or neglect to undergo any course of treatment or training which in the opinion of the Minister would materially increase the man's earning capacity may be taken into account;

(b) in the case of a man who has lost both arms or both legs or the sight of both eyes the average earnings (if any) of which he may be capable shall not be taken into account; and

(c) where owing to physical incapacity or other cause over which the man had no control he has been unable to prove the amount of his pre-war earnings within the time above specified the Minister may, in his discretion, extend such time.

(2) An alternative pension shall be payable as from the date from which the claim thereto is established.

(3) Where a man pensioned under this Article or in receipt of an allowance on the alternative pension scale is separated from his wife the provisions of Article 1a (3) shall apply, and any allowance granted to the separated wife may be deducted from the man's pension or allowance.

(4) Where, in the opinion of the Minister, it may become necessary to secure the proper care of a child of a man pensioned under this Article or in receipt of an allowance on the alternative pension scale, the Minister may deduct from the alternative pension or any such allowance such sum as he may deem sufficient for the maintenance of such child, and may administer the same under such conditions as he may determine.

Condition as to undergoing treatment

4.— Half the pension and allowances (if any) awarded under the preceding Articles may be subject to the condition that the disabled man shall undergo medical treatment in an institution or otherwise for any period during which it may be certified that such treatment is necessary in his interests.
Such misconduct of the man as shall render it necessary, in the discretion of the Minister, to discontinue the man’s treatment may be deemed to be refusal to undergo treatment.

**Permanent awards to disabled soldiers: review**

5.—(1) When a permanent pension has been granted, it shall not be altered on account of any change in the man’s earning capacity, whether resulting from training or other cause; neither shall it be subject to review except—

(a) When a man whose pension is assessed under Article I of this Our Warrant claims that there has been a substantial increase in the extent of the disablement due to the original cause.

(b) When a man whose pension is assessed under Article I of this Our Warrant, and who has duly proved his pre-war earnings as provided by Article 3, shows that it would be more advantageous to him to be assessed under that Article.

(c) When a man in receipt of an alternative pension under one of Our previous Warrants shows that by reason of the allowances granted under Article 1a of this Our Warrant it would be more advantageous to him to be assessed under Article I.

(d) Under the following subsection or under Article 24a or 24b.

**Error, etc.**

(2) The Minister may at any time order the review of any pension in any case where—

(a) A pension has, by error in interpretation or fact, been granted to a disabled man in excess of the amount appropriate to the degree of his disablement;

(b) The Minister has reason to believe that a pension has been obtained by any improper means; or

(c) A pension has been granted by error.

**Re-enlistment, etc., of pensioner**

5a.—A man who, being in receipt of any pension for disability, re-enlists, or joins Our Royal Navy or Royal Air Force, or is granted a commission, or is recalled to Our Naval, Military, or Air Service, during the continuance of the war, shall, whilst he remains in our Naval, Military, or Air Service be entitled—

(a) If in receipt of a permanent pension, whether disablement or alternative, to receive his appropriate disablement pension, but shall not be entitled to receive any allowances under Article 1a or 2; and
If in receipt of a temporary pension, whether disablement or alternative, to receive his appropriate disablement pension without allowances under Articles 1a or 2, for the period of the award, at the expiration of which the grant of pension will be reviewed.

Grants to and in respect of disabled men under treatment

6.—(1) In any case where it is certified that a disabled man to whom a pension, gratuity or final weekly allowance has been awarded under the preceding Articles of this Our Warrant (or, as provided in the Preamble (1) hereto, under a previous Warrant) should, in consequence of his disablement, undergo any course of medical treatment in an institution or otherwise, and he is deemed unable in consequence to provide for his own support and that of his family, there may be granted to or in respect of him, in lieu of any pension and allowances, for the purpose of undergoing treatment, for such period and subject to such conditions as the Minister may determine, an allowance as follows:

Home treatment

(a) If the man lives at home during treatment—

Either (i) an allowance of an amount equivalent to that corresponding to the highest degree of disablement according to his rank as shown in the First Schedule to this Our Warrant, together with an allowance of 10s. a week for his wife and allowances at the full rate under column 2 or 3, as the case may be, of Article 2 (1) of this Our Warrant for his children;

Or (ii) where the man has duly proved his pre-war earnings as provided by Article 3 of this Our Warrant, an allowance equal to the maximum pension which would be payable to him under that Article if he were without earning capacity (herein referred to as an allowance on the alternative pension scale);

whichever is the greater.

Institutional treatment at public cost

(b) If the man lives in an institution or elsewhere away from home during treatment at the cost, in whole or in part, of public funds—

Either (i) a weekly allowance as follows:

<table>
<thead>
<tr>
<th>Rank</th>
<th>s.</th>
<th>d.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To a Warrant Officer, Class I.</td>
<td>41</td>
<td>0</td>
</tr>
<tr>
<td>To a Warrant Officer, Class II, or Non-commissioned Officer, Class I.</td>
<td>34</td>
<td>4</td>
</tr>
<tr>
<td>To a Non-commissioned Officer, Class II.</td>
<td>31</td>
<td>0</td>
</tr>
<tr>
<td>To a Non-commissioned Officer, Class III.</td>
<td>27</td>
<td>8</td>
</tr>
<tr>
<td>To a Non-commissioned Officer, Class IV.</td>
<td>24</td>
<td>4</td>
</tr>
<tr>
<td>To a Private, etc., Class V.</td>
<td>21</td>
<td>0</td>
</tr>
</tbody>
</table>

(1) Editorial Note: It has not been deemed necessary to reproduce the Preamble in this Memorandum.
and for his children the allowances at the full rate as set forth in column 2 in Article 2 (1) of this Our Warrant, together with a weekly allowance for his wife of 20s., or for a dependent supported by him up to the time when his treatment commences (unless prevented by circumstances beyond his control), such amount not exceeding the amount of ascertained dependence (together with an addition of 20 per cent. thereof) up to 14s. a week, as the Minister may determine; provided that where no allowance is being paid either for a wife or in lieu of an allowance for a wife, or for a dependent living with the children, weekly allowances, of 12s. for the first child and 11s. for each subsequent child may be substituted for those in Article 2 (1);

Or (ii) where the man has duly proved his pre-war earnings as provided by Article 3 of this Our Warrant, an allowance on the alternative pension scale less 19s.; whichever is the greater;

Special provisions as to lunatics

Provided that any allowance under this paragraph to a lunatic soldier may be reduced by the amount which may be granted to a dependent who is not a relative of such soldier;

And provided also that where the man is a lunatic without wife, child, or dependent the total cost of his treatment, his maintenance, any provision for his extra comfort, and any payment made under Article 1212 in the Third Schedule (*) hereto (herein below referred to as his total cost of treatment) may be paid on behalf of the man in place of any allowance as above stated, but on his recovery and discharge from the institution he shall be granted the difference between the total amount of an allowance calculated under paragraph (a) (i) or (a) (ii) above, whichever is the greater, and his total cost of treatment.

Institutional treatment not at public cost

(c) If the man is maintained in an institution during treatment the cost of his treatment not being borne in whole or in part by public funds—

Either (i) an allowance of an amount equivalent to that corresponding to the highest degree of disablement according to his rank as shown in the First Schedule to this Our Warrant, together with weekly allowances

(2) It has not been deemed necessary to reproduce the Schedule in question in this Memorandum.
for his children, wife, or dependent as set forth in paragraph (b) (i) above;

Or (ii) where the man has duly proved his pre-war earnings as provided by Article 3 of this Our Warrant, an allowance on the alternative pension scale; whichever is the greater.

Application of preceding subsection

(2) In the application of the preceding subsection—

(i) Where the man is entitled to a service pension the allowance under paragraphs (a) (i) and (c) (i) according to his rank shall be calculated under Article I (4) of this Our Warrant;

(ii) If the man is eligible for an allowance under subsection (4) of Article 1a he may be granted, in lieu of an allowance for a wife, an allowance of 7s. 6d. a week under paragraph (a) or 14s. a week under (b) or (c).

(iii) Any allowance for a child shall be subject to the provisions of subsections (2), (3) and (4) of Article 2, and where an affiliation order has been made with respect to any child the allowance may be reduced to the amount stated in the order.

Expenses of treatment

(3) Any charges, fees, or expenses in respect of the treatment of a disabled man that are not otherwise provided for may be paid under such conditions as the Minister may determine.

Partial treatment

(4) In any case where it is certified that a disabled man should, in consequence of his disablement, undergo medical treatment in circumstances which do not render him unable to provide for his own support and that of his family, but require him to absent himself from his work on one or more occasions in a week, there may be granted to him in addition to any pension, gratuity, or final weekly allowance awarded to him under the preceding Articles of this Our Warrant an allowance not exceeding 16s. a week for the time he is required so to absent himself, the allowance to be subject to such conditions as the Minister may determine.

Constant attendance allowance

6a.—In addition to any pension awarded under the foregoing Articles there may be granted, under such conditions as the Minister may determine, to or on behalf of a man disabled in the highest degree, an allowance not exceeding 20s. a week in any case where a constant attendant is necessary.
Where disablement is not attributable to or aggravated by service

7.—(1) A soldier discharged as medically unfit for further service, such unfitness being neither attributable to nor aggravated by military service, and not being due to the serious negligence or misconduct of the discharged man, may be granted a gratuity or final weekly allowance. The grant will be subject to such conditions as the Minister may determine. In exceptional circumstances it may amount to a sum not exceeding a total of £150, and generally it will depend on the extent to which the man is incapacitated, on the length and character of his service, and on the other circumstances of the case.

Medical treatment

(2) Subject to such conditions as he may determine, the Minister may pay any charges, fees, or expenses, not otherwise provided for, in respect of the treatment for the period of the war and 12 months afterwards of any disabled man who comes within the provisions of the preceding subsection and who is certified to need medical treatment in an institution, provided that such treatment shall be limited to the disability for which the man was discharged.

During such treatment there may be granted to the wife and children of such disabled man, or to a dependent as particularised in subsection (1) (b) of Article 6, allowances in accordance with the provisions of that subsection.

Temporary pensions to disabled soldiers

8.—(1) A soldier, other than a soldier transferred to Class Z of the Army Reserve, discharged as medically unfit for further service or while suffering impairment, may be granted a temporary pension of 40s. a week for any period (but not less than four weeks) that may elapse between the date of his discharge and the announcement of a decision as to the award of pension or gratuity in his case, together with allowances under Articles 1a and 2 at the full disablement rate from the date of cessation of separation allowance. Arrears of this temporary pension will not be granted for more than a fortnight before an intimation of the discharge is received by the Ministry, or, if there has been no such intimation, before the date of any application that may be made to the Ministry for an allowance or for a pension.

(2) This temporary pension will be deducted from any pension for the corresponding period in so far as the pension for that period may be sufficient to meet it, but no deduction on account of the temporary pension exceeding the rate of pension will be made from any subsequent issues of pension, and no deduction will be made from any gratuity or final weekly allowance.
Medical treatment

(3) Subject to such conditions as he may determine, the Minister may pay any charges, fees, or expenses that are not otherwise provided for in respect of the medical treatment of any disabled man to whom a temporary pension has been granted under subsection (1) of this Article, and who is certified to need medical treatment in consequence of the disability for which he was discharged.

Where disablement reveals itself after discharge

9.—If a man after discharge suffers from a disablement which is certified as either attributable to or aggravated by military service during the war, such disablement not being due to the soldier’s serious negligence or misconduct, he may be granted a disablement pension or a gratuity or final weekly allowance under Article I of this Warrant as if he had been discharged as medically unfit for further service upon the date from which his claim is established.

PART II. — WIDOWS AND DEPENDENTS

General conditions

10.—(1) Pensions to the widows, children and dependents of deceased soldiers, for which provision is made in the following Articles, shall not be claimed as a right, but shall be given as a reward of service, and no pension shall be granted or continued to a widow or dependent who, in the opinion of the Minister, is unworthy of a grant from public funds, and it shall be in the power of the Minister to terminate or suspend any pension that may have been granted to such persons or to provide for its administration under such conditions as he may determine.

(2) Where a widow, or a dependent under Article 20 of this Our Warrant, is under treatment for physical or mental disability in a poor law or other institution at the cost, either wholly or in part, of the Poor Law Authorities, any pension or allowance which may have been granted to her shall be administered on behalf of herself and her children under such conditions as the Minister may determine.

Pensions to widows

11.—The widow of a soldier who (a) is killed while in the performance of military duty during the war, or (b) dies as a result of wounds or injuries received in the performance of such duty within seven years of receiving such wounds or injuries, or (c) dies of disease, certified as contracted or commencing while on active service during the war, or as having been aggravated by such active service, within seven years of his removal from duty on account of such disease,
may, provided the soldier’s death has not been caused by his serious negligence or misconduct, be granted a widow’s pension at the following weekly rates:

<table>
<thead>
<tr>
<th>Column 1. Rank of husband</th>
<th>Column 2. Widow over 40 years, or with children eligible for allowance</th>
<th>Column 3. Widow not over 40 years and without children eligible for allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warrant Officer, Class I.</td>
<td>s. d.</td>
<td>s. d.</td>
</tr>
<tr>
<td>Warrant Officer, Class II, or Non-commissioned Officer, Class I.</td>
<td>40 0</td>
<td>30 0</td>
</tr>
<tr>
<td>Non-commissioned Officer, Class II.</td>
<td>35 7</td>
<td>26 8</td>
</tr>
<tr>
<td>Non-commissioned Officer, Class III.</td>
<td>33 4</td>
<td>25 0</td>
</tr>
<tr>
<td>Non-commissioned Officer, Class IV.</td>
<td>31 1</td>
<td>23 4</td>
</tr>
<tr>
<td>Private, etc. Class V.</td>
<td>28 11</td>
<td>21 8</td>
</tr>
<tr>
<td></td>
<td>26 8</td>
<td>20 0</td>
</tr>
</tbody>
</table>

The pension granted to the widow of a soldier who held paid acting rank at the time he was killed or was removed from duty owing to wounds, injuries, or disease, from which he subsequently died, may be at the rate appropriate to that rank.

**Children’s allowances to widows**

12.—A widow pensioned under Article 11 of this Our Warrant may be granted an allowance at the following weekly rates for each child under the age of 16 so long as the child is maintained by her:

<table>
<thead>
<tr>
<th>Allowance</th>
<th>s. d.</th>
</tr>
</thead>
<tbody>
<tr>
<td>For a first child</td>
<td>10 0</td>
</tr>
<tr>
<td>For a second child</td>
<td>7 6</td>
</tr>
<tr>
<td>For each child after the second</td>
<td>6 0</td>
</tr>
</tbody>
</table>

The provisions for the grant or continuation of this allowance beyond the age of 16, for its administration to secure the proper maintenance of the child, and for its reduction to the extent to which the parent is relieved of the charge of the child shall be as set forth in subsections (2), (3) and (4) of Article 2 of this Our Warrant.

**Alternative pension to widows**

13.—(1) Any widow in receipt of a pension under the second column in Article 11 of this Our Warrant who makes application and shows that she was married to the soldier before the commencement of the war or before the date of his enlistment, whichever was the later, and that her widow’s pension with any children’s allowances and any pension under Article 18 in respect of the soldier is, or eventually may be, less than two-thirds of her husband’s pre-war earnings, may be granted, in lieu of her widow’s pension and any such children’s allowances and pension, an alternative pension (which shall not exceed two-thirds of such deceased soldier’s pre-war earnings) up to a maximum of 66s. 8d. a week; provided —
(a) that application shall be made within one year of the date of this Our Warrant or one year after notification to the widow of the award of pension under Article 11, whichever is the later;

(b) that such widow's pension under Article 11 (together with any such children's allowances and pension) shall, if greater than the alternative pension assessed under this subsection, continue until it becomes less than the alternative pension;

(c) that if a widow to whom an alternative pension has been granted under this subsection ceases to be eligible for a pension under the second column of Article 11, but would be eligible for a pension under the third column, her alternative pension shall cease to be calculated under this subsection and shall be thenceforth calculated under subsection (2) of the Article; and

(d) that the provision in Article 3 (4) of this Our Warrant to secure the proper care of a child shall apply in the case of any pension awarded under this subsection.

(2) Any widow in receipt of a pension under the third column in Article 11 who makes application and shows that she was married to the soldier before the commencement of the war or before the date of his enlistment, whichever was the later, and that her widow's pension with any pension under Article 18 in respect of the soldier is, or eventually may be, less than one half of her husband's pre-war earnings, may be granted, in lieu of her widow's pension and any such pension under Article 18, an alternative pension (which shall not exceed one half of such deceased soldier's pre-war earnings) up to a maximum of 50s. a week; provided—

(a) that application shall be made within one year of the date of this Our Warrant or one year after the notification to the widow of the award of pension under Article 11, whichever is the later;

(b) that such widow's pension under Article 11 (together with any pension under Article 18) shall, if greater than the alternative pension assessed under the subsection, continue until it becomes less than the alternative pension; and

(c) when the widow reaches the age of 40 the alternative pension shall be raised from one half of her husband's pre-war earnings to two-thirds thereof up to a maximum of 66s. 8d. a week.

(3) Any pension under Article 18 of this Our Warrant shall be deducted from a widow's alternative pension.

Gratuity on husband's death

14.—In addition to any pension and children's allowances awarded under the foregoing three Articles a widow may be granted, under such conditions as the Minister may determine, a gratuity to meet expenses consequent on the soldier's death not exceeding £5 for herself and £1 on account of each child for whom she may be receiving separation allowance or in respect of whom she is eligible for an allowance under Article 12.
Allowances to widows where death of soldier not attributable

15.—The widow of a soldier who, during the war, has died from wounds, injuries, or disease, neither attributable to military service nor certified as contracted or commencing while on active service nor as having been aggravated by such service, but not due to the serious negligence or misconduct of the deceased man, may be granted a temporary pension of 15s. a week for the period of the war and for 12 months afterwards.

If the soldier died in the circumstances set forth above whilst in military service, the widow may be granted in addition a gratuity to meet expenses consequent on the soldier's death not exceeding £5 for herself and £1 on account of each child for whom she may be receiving separation allowance.

Gratuities to widows on re-marriage

16.—Any pension granted to the widow of a soldier under Article 11 or 13 of this Our Warrant shall cease on her re-marriage, and she may then be given a gratuity equal to one year of her widow's pension calculated under Articles 11 and 14 of the 1918 Warrant, subject to such conditions as to payment as the Minister may determine. Allowances for children under Article 12 of this Our Warrant may be paid after re-marriage.

Widows of pensioners

17.—(1) The widow of a man who was at the time of his death (not being due to his serious negligence or misconduct) in receipt either of a disablement pension which, calculated at the rates set forth in the First Schedule to the 1918 Warrant, and based on the man's rank, would not have been less than 10s. a week, or of an alternative pension which, calculated under the 1918 Warrant, would not have been less than 10s. a week, may be granted a pension of not more than one-half of the deceased man's pension so calculated and based, and in no case at a higher rate than provided for under Article 11 of such Warrant, this grant to be subject to such conditions as the Minister may determine, and to cease on re-marriage.

(2) "Widow" in this Article means a widow—

(a) the circumstances of whose husband's death do not entitle her to a pension under Article 11 of this Our Warrant, and

(b) who, if her husband had died in the circumstances set forth in Article 11 of this Our Warrant, would have been eligible for a pension under that Article.
Motherless children of pensioner

(3) The motherless children of a man whose widow would have been eligible for a pension under this Article may be granted pensions in accordance with the terms and subject to the limitations of Article 18 (1) of the 1918 Warrant, the total of such pensions not to exceed one-half of the man's pension calculated and based as in subsection (1) of this Article.

Motherless or illegitimate children of deceased soldier

18.—The child of a soldier who has died in the circumstances set forth in Article 11 of this Our Warrant may be awarded a pension not exceeding:

(1) 12s. a week where the child is or becomes motherless, or has been removed from the control of its mother. In the event of two or more children being maintained by one person in the same household or institution the amount will be reduced to 11s. for each child after the first; and

(2) 8s. a week where an affiliation order was in force on account of a child at the time of the soldier's death, or, in the case of the child of a woman who was not married to or supported by the soldier, where there is satisfactory proof that he was its father.

Any pension granted under this Article shall be administered subject to such conditions as the Minister may determine and, as far as they are applicable, the provisions of subsections (2) and (4) of Article 2 of this Our Warrant shall apply to any such person.

Separated wives

19.—The separated wife of any soldier who has died in the circumstances set forth in Article 11 of this Our Warrant may, provided the marriage took place at a time entitling the widow to a pension and the man contributed to her support, be granted a pension equal to the amount due to her under a separation order or otherwise paid by or in respect of her husband, or both, but not less than 3s. 6d. a week and not exceeding 13s. 9d. a week, and allowances for her children, if maintained by her, as in Article 12 of this Our Warrant. Allowances for children as in Article 12 may also be granted to the separated wife of a soldier where he did not contribute to her support.

Unmarried wives

20.—Any woman who has lived as his wife with a soldier who has died in the circumstances set forth in Article 11 of this Our Warrant, may, if she had been wholly or substantially dependent
on that soldier, and has been drawing separation allowance as for a wife or was eligible for such allowance, be granted a pension as follows:

(1) If and for so long as she has any children of the soldier in her charge, 12s. a week and allowances for children as in Article 12 of this Our Warrant.

(2) If she has no children of the soldier, or has ceased to have them in her charge (otherwise than from their being removed from her control on account of her misconduct), 12s. a week for the period of the war and 12 months afterwards, or for 12 months after ceasing to have any child of the deceased soldier in her charge, whichever be the later date, and for any subsequent period during which, from infirmity or age, she is wholly or partly incapable of supporting herself.

Parents

21.—(1) The parent (or parents) of a soldier who has died in the circumstances set forth in Article 11 of this Our Warrant may be granted a pension under the following conditions:

Dependency pension

(a) If dependent on the soldier, a pension equal to the amount of pre-war dependence (together with an addition of 20 per cent. thereof), or 4s. 2d. a week, whichever is the greater, but not exceeding 18s. a week, or a pension under (c) if more beneficial; or

Need pension

(b) If at any time either or both of the parents is or are wholly or partly incapable of self-support from age or infirmity and in pecuniary need, a pension of not less than 4s. 2d. (or 5s. if the conditions at (c) are complied with) and not exceeding 18s. a week; or

Flat rate pension

(c) Where the soldier was unmarried and where no pension or allowance is being paid to or for a child or dependent in respect of him, a pension of 5s. a week, irrespective of pre-war dependence, age, infirmity or pecuniary need: provided that the soldier was under the age of 26 at the outbreak of the war, or date of joining the colours, if later.

An allowance as in Article 12 may be paid for any child of the soldier maintained by the parent and not otherwise provided for under this Our Warrant.
Where two or more sons deceased

(2) (i) A pension under subsection (1) (a) or (c) of this Article may be granted on account of each son who has died in the circumstances set forth in Article 11, but the total of the pensions shall not exceed 18s. a week for each surviving parent.

(ii) If the amount of pre-war dependence on two or more sons was greater than 18s. a week (or than 36s. a week in the case of two surviving parents), a gratuity not exceeding that under Article 22 (2) may be given, under such conditions as the Minister may determine, in respect of the balance of pre-war dependence not represented in the pension.

(iii) If either parent is in receipt of a pension in respect of a son who has died as an officer, the pension or pensions which may be granted under this Article in respect of any other son or sons shall not, together with that pension, exceed the pension which has been or could have been awarded to the widow of the officer son under Article 11 (1) or (2) and the Second Schedule of Our Warrant of the 1st day of August 1917, or any provisions substituted therefor, or, where there are two parents, 36s. a week; if greater.

Transfer to surviving parent

(3) Subject to subsection (2) of this Article, the pension shall be the same whether both parents are concerned or there is only one parent, and on the death of one parent payment may be transferred to the surviving parent, but so that no parent receives a pension of more than 18s. a week.

Re-marriage of mother

(4) A pension shall not be granted to the mother of a soldier under subsection (1) (a) or (c) of this Article if she marries or re-marries after the date of mobilisation, or enlistment, if later.

Non-attributable cases

(5) The parent (or parents) of a soldier who has died in the circumstances set forth in Article 15 may, if they would have been eligible for a pension under subsection (1) (a) or (b) of this Article had his death taken place in the circumstances set forth in Article 11, be awarded a grant as in Article 22 (2) at the discretion of the Minister.

Other dependents

22.—(1) Any dependent of a soldier who has died in the circumstances set forth in Article 11, not coming under Articles 18, 19, 20, or 21 of this Our Warrant, but in respect of whom separation allowance has been paid, or who was eligible for such allowance,
may, provided he or she is wholly or partially incapable of self-support and in pecuniary need, be granted a pension equal to the amount of pre-war dependence (together with an addition of 20 per cent. thereof), but not exceeding 16s. 6d. a week, so long as the incapacity continues. If it ceases, a final gratuity may be given not exceeding the amount of 26 weeks' pension, or the balance of such gratuity as might have been issued under the following subsection if there had been no incapacity, whichever is the greater.

(2) Any dependent of a soldier who has died in the circumstances set forth in Article 11, but not including a woman who has lived with a soldier as his wife, may, if not entitled to a pension under the preceding subsection, receive a grant by way of gratuity or weekly payment, not exceeding in all a year’s pay of the deceased soldier or a year’s allowance at the rate at which separation allowance and allotment were last paid or payable, whichever is the greater, to be awarded at the discretion of the Minister.

Marriage of female dependents

23.—Any pension granted to the separated wife or to a female dependent of a soldier under Articles 19, 20, 21, or 22 of this Our Warrant shall cease on her marriage or re-marriage, and she may then be given a gratuity not exceeding the amount of 26 weeks’ pension based on the corresponding Article of the 1918 Warrant, subject to such conditions as the Minister may determine. Allowances for children under Articles 19 and 20 of this Our Warrant may be paid after marriage or re-marriage.

PART III. — GENERAL PROVISIONS

Interpretation of terms

24.—In this Our Warrant, unless the context otherwise requires—

(1) "Soldier" means a soldier as defined in the Army Act, who has been enlisted or entered into service in any portion of the Regular Army, the Special Reserve, or the Territorial Force ordinarily maintained by enlistment in the United Kingdom.

It also covers all troops raised within or without the United Kingdom, whose terms of service included, or have, under due authority, been made to include, the pension provisions for the time being for British troops, if such provisions are a charge on British revenues. But it does not include soldiers who have been merely attested and passed to the Reserve, or members of the Volunteer Force, or any other persons, unless and until they actually served as soldiers in circumstances to which the pension rights of the Regular Army normally, or under their conditions of service, attach.

(2) "Widow" means the widow of any soldier, but shall not include a widow whose marriage took place after the end of the war, or after the discharge of the soldier, or if during the service
of the soldier after the receipt of the wound or injury which caused his death, or after removal from duty on account of the contraction (if contracted during the war) or aggravation of the disease which caused his death, or a widow who was separated from her husband at the time of his death.

(3) "Child" means any child of a soldier born before or within nine months after the soldier's discharge, and may include any child regularly maintained by the soldier at the commencement of the war or at the date of his enlistment, whichever was the later, but shall not include the child of a wife or widow who was married to the soldier after the end of the war, or after his discharge, or after the receipt of the wound or injury in consequence of which he was discharged or which caused his death, or after removal from duty on account of the contraction (if contracted during the war) or the aggravation of the disease in consequence of which he was discharged or which caused his death, and shall not include an illegitimate child born later than nine months after the removal of the man from duty on account of the disability for which he was discharged or which caused his death; provided that in Articles 6 (1) and 7 (2) the words "child" and "children" shall also include any child of a soldier born after nine months after the soldier's discharge who is recognised as being or proved to be the soldier's child.

(4) "Parent" includes a grandparent or other person who has been in the place of a parent to a soldier, and has wholly or mainly supported him for not less than one year at some time before the commencement of the war.

(5) "Dependent" means any person (other than a widow or child as defined above) who is found as a fact to have been wholly or in part dependent upon a soldier for a reasonable period immediately before the commencement of the war, and in the case of a deceased soldier up to the death of the soldier unless he shall have been prevented from contributing by circumstances beyond his control, and in Articles 10 (1), 23 and 24b shall include a parent eligible for a pension under Article 21 (1) (c). "Dependent" means so dependent as aforesaid.

(6) (a) "Pre-War Earnings" means, in the case of a man who was in employment under a contract of service, the average weekly earnings during the twelve months immediately preceding the outbreak of the war. Average weekly earnings shall be computed generally in accordance with the provisions of the Workmen's Compensation Act 1906; provided that where in the course of such twelve months there was a change in the man's rate of remuneration, and such change was not of a temporary but of a reasonably permanent nature, then the average weekly earnings shall be calculated on the man's earnings during the period since such change in his remuneration, or since the last of such changes if there were more than one. In the case of a man in a trade, business or profession, the average profits of the last three years preceding the commencement of the war shall be taken, or of such lesser period as he engaged therein.
(b) In the calculation of the pension to or on account of a soldier who at the commencement of the war was serving and had served not less than one year as an apprentice in any recognised trade, the standard rate of wages of that trade in the district at the time of the commencement of the war may be substituted for pre-war earnings; provided enlistment took place before the age of 26, and the man is by reason of his disablement incapable of completing or has completed his apprenticeship.

(c) In computing the average weekly earnings or average profits of a man or the standard rate of wages of his trade, as the case may be, an addition of 60 per cent. may be made to any such earnings, profits, or rates of wages.

(d) In the calculation of the pension payable to or on account of a soldier who, for the purpose of qualifying for any profession or employment, had, after the age of 16, attended regularly any school, college, university, or hospital, or had been articled in accordance with the recognised practice of any profession, an amount equivalent to what would have been the soldier’s disablement pension for the highest degree of disablement, with an addition of 8s. for each completed year of such attendance or “articles” before the age of 23, may be substituted for pre-war earnings, up to a maximum of 80s. a week: provided enlistment took place before the age of 26 and the man is by reason of his disablement incapable of qualifying or has qualified for such profession or employment.

(7) “Pre-War Dependence” means the amount, expressed as a weekly or annual sum, representing the value of the support afforded to, or of benefits conferred upon, a dependent by a soldier for a reasonable period immediately preceding the commencement of the war (or entry into service or enlistment, if subsequent to the commencement of the war), exclusive, however, of any increase thereof due to circumstances arising out of the war in the case of entry into service or enlistment subsequent to the commencement of the war, and shall include the following:

(a) Amount regularly contributed by the man if he received no material benefits in return therefor.

(b) Amount regularly contributed by the man in excess of expenditure incurred on his account.

(c) Money value of any benefit conferred upon the dependent by the man.

(8) “Certified” means, in respect of any medical certification certified by a medical officer or board of medical officers appointed for the purpose by the Army Council or by the Minister.

(9) “Discharge” includes transfer to Class P. or P. (T.) or Z. of the Army Reserve.

(10) “The 1918 Warrant” means Our Royal Warrant of the 17th April 1918, with respect to the pensions of soldiers disabled and of the families of soldiers deceased in consequence of the war.
(11) "Prescribed" means prescribed by Instructions issued by the Minister.

Readjustment of rates according to cost of living

24a.—The rates of pension and allowance specified in the Second Schedule (*) hereto, and any pensions and allowances awarded under or by virtue of the Articles therein mentioned (hereinafter referred to as the scheduled rates) shall be deemed to be based on the cost of living for the year 1919, and shall be subject as prescribed to increase or decrease in accordance with the increased or decreased cost of living as compared with the cost of living for the year 1919, such increased or decreased cost being determined by a certificate to be furnished in January of the year 1923 and of each succeeding year for this purpose by Our Minister of Labour; provided that the scheduled rates shall not be reduced below the minimum rates set forth in the second column of the Second Schedule hereto, and that no readjustment shall take effect before the 1st day of April 1923.

There shall be no readjustment in the year 1923 unless the certificate of Our Minister of Labour shows a difference between the cost of living in the year 1919 and in the year 1922 of at least 5 per cent., nor shall there be any readjustment in any succeeding year unless the certificate of Our Minister of Labour shows that the cost of living for the previous year differs from the cost of living in the year as to which the last readjustment was made (or the year 1919 if there had been no readjustment) by at least 5 per cent. of the cost of living in the year 1919.

"Cost of living" in this Article means the general cost of living of working-class families.

Third party compensation may be taken into consideration

24b.—Where a soldier is injured or killed in such circumstances that a pension, allowance, or grant is payable to or in respect of him under this Our Warrant, and where he or his widow, child, or dependent receives compensation from or on behalf of the person alleged to be responsible for the act or commission which caused the injury or death, any such compensation may be taken into consideration in assessing any pension, allowance, or grant which might be awarded to or in respect of the man, and where the compensation is received after assessment it may be taken into consideration and the assessment may be amended or cancelled accordingly.

Warrants retained in operation

25.—(1) The provisions, enumerated in the Third Schedule to this Our Warrant, of Our Warrant for the Pay, etc., of the Army, 1914, and of the subsequent Warrants specified, shall remain in force as regards pensions and grants on account of disablement

(3) Editorial Note. It has not been deemed necessary to reproduce the Schedule in question in this Memorandum.
or decease, except as modified herein and in the said Schedule, and by the substitution, so far as these pensions and grants are concerned, of Our Minister of Pensions for Our Army Council and for Our Commissioners of Chelsea Hospital; and Article 1245 (6) of Our said Warrant of 1914 shall apply to the dependent of a soldier and to the child of such a dependent in the same way as to a widow and her child.

**Dependants**

(2) The provisions of Our Warrant for the Pay, etc., of the Army, 1914, and of any of Our subsequent Warrants dealing with the disability pensions and with the pensions to the families and dependents of other soldiers than those dealt with in this our Warrant shall remain in force pending the issue by us of any new Warrant in the matter, and nothing in this Our Warrant shall be held to affect the existing Warrants or Regulations in regard to service pensions or other grants, the administration of which continues to be vested in Our Army Council or in Our Commissioners of Chelsea Hospital.

* Provision for soldiers and their families not dealt with in this Warrant

(3) Any instructions in force under the 1918 Warrant shall have the same effect as if made under this Warrant.

Given at Our Court at St. James's this 6th day of December 1919, in the 10th Year of Our Reign,

*By His Majesty's Command,*

L. Worthington Evans.
## First Schedule

### Pensions that may be granted for Specific Injuries (Article 1)

<table>
<thead>
<tr>
<th>Degree of Disablement</th>
<th>Specific Injury</th>
<th>Proportion corresponding to Degree of Disablement</th>
<th>Disablement Pensions according to Rank (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Percent.</td>
<td>s. d.</td>
</tr>
<tr>
<td>1</td>
<td>Loss of two or more limbs.</td>
<td>100</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>Loss of an arm and an eye.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of a leg and an eye.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of both hands or of all fingers and thumbs.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Loss of both feet.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of a hand and a foot.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total loss of sight.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Total paralysis.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Lunacy.</td>
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<td></td>
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<td></td>
<td>Wounds, injuries, or disease resulting in disabled man being permanently bedridden.</td>
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<td></td>
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<tr>
<td></td>
<td>Wounds or injuries to internal, thoracic, or abdominal organs, involving total permanent disabling effects.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wounds of or injuries to head or brain involving total permanent disabling effects, or Jacksonian epilepsy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Very severe facial disfigurement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Advanced cases of incurable disease.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Amputation of right arm through shoulder.</td>
<td>99</td>
<td>54</td>
</tr>
<tr>
<td>3</td>
<td>Amputation of leg at hip or below hip with stump not exceeding 5 inches in length measured from tip of great trochanter; of right arm below shoulder with stump not exceeding 6 inches measured from tip of acromion; or of right arm through shoulder.</td>
<td>80</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>Severe facial disfigurement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total loss of speech.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Lisfranc operation, both feet.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Amputation of leg below hip with stump exceeding 5 inches in length, measured from tip of great trochanter, but not below middle thigh; of left arm below shoulder with stump not exceeding 6 inches measured from tip of acromion; or of right arm below shoulder with stump exceeding 6 inches measured from tip of acromion, through elbow, or below elbow with stump not exceeding 5 inches measured from tip of olecranon.</td>
<td>70</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>Total deafness.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Amputation of leg below middle thigh, through knee, or below knee with stump not exceeding 4 inches; or left arm below shoulder with stump exceeding 6 inches measured from tip of acromion, through elbow, or below elbow with stump not exceeding 5 inches measured from tip of olecranon; or of right arm below elbow with stump exceeding 5 inches measured from tip of olecranon.</td>
<td>60</td>
<td>36</td>
</tr>
<tr>
<td>6</td>
<td>Amputation of leg below knee with stump exceeding 4 inches; or of left arm below elbow with stump exceeding 5 inches measured from tip of olecranon.</td>
<td>50</td>
<td>30</td>
</tr>
<tr>
<td>7</td>
<td>Loss of thumb or of four fingers of right hand.</td>
<td>40</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Lisfranc operation, one foot.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of all toes of both feet above knuckle.</td>
<td>30</td>
<td>18</td>
</tr>
<tr>
<td>8</td>
<td>Loss of two fingers of either hand.</td>
<td>20</td>
<td>12</td>
</tr>
</tbody>
</table>

(1) If entitled to a service pension the provisions of Article 1 [4] apply.

Note.—In the case of left-handed men, certified to be such, the compensation in respect of the left arm, hand, etc. will be the same as for a right arm, hand, etc., and vice versa.
APPENDIX II

GREAT BRITAIN

War Pensions Act 1921
(11 & 12 Geo. V. c. 49)

An Act to amend the War Pensions Acts, 1915 to 1920, and to provide for certain other matters connected with the administration of pensions, grants, and allowances. (19 August 1921.)

Establishment of War Pensions Committees

1.—(1) Subject to the provisions of this section, the Minister of Pensions (in this Act referred to as "the Minister") may by order make schemes for establishing committees to act as committees for the purposes of the War Pensions Acts, 1915 to 1920, as amended by this Act, for such areas as are respectively specified in the schemes, and, as from the date on which a committee is established for any area by a scheme under this section, all committees constituted under the War Pensions Acts, 1915 to 1920, for that area or any part of that area shall, subject as hereinafter provided, cease to exist, and all the provisions of those Acts, including any regulations, schemes, or orders made thereunder, relating to the constitution and the functions of, or otherwise making provision in relation to, committees under those Acts shall cease to have effect as respects that area:

Provided that—

(a) where any such scheme affects part only of the area for which any committee constituted under the War Pensions Acts, 1915 to 1920, is exercising its functions, that committee shall continue to exist, but shall cease to have any functions as respects so much of its area as is included in the area to which the scheme relates; and

(b) notwithstanding the making of a scheme for any area, the regulations made under paragraph (f) of subsection (1) of section five of the War Pensions (Administrative Provisions) Act, 1918, as amended by section four of the War Pensions (Administrative Provisions) Act, 1919 (8 & 9 Geo. V. c. 57; 9 & 10 Geo. V. c. 53; in this Act referred to as "the Act of 1919"), providing for the disallowance of any items of expenditure in the accounts of committees or the surcharging of any items disallowed or any loss or deficiency, and the recovery of any amount surcharged, shall, so far as relates to matters occurring before the date on which the scheme takes effect, continue in force as respects the accounts of committees constituted as aforesaid for that area.
(2) Before making any order under this section, the Minister shall take such steps as he may think desirable to consult persons and bodies affected thereby, including local committees.

(3) A committee established by a scheme under this section shall consist of such number of members, not exceeding twenty-five, as may be specified in the scheme, and every such scheme shall provide for the inclusion, so far as practicable, in the committee of representatives of—

(a) disabled men who have been discharged from the naval, military, or air service of His Majesty during the present war; and

(b) women who are in receipt of pensions as the widows or dependents of men in the said naval, military, or air service who have died from causes arising out of service during the present war; and

(c) such of the local authorities whose districts are situate wholly or partly within the area for which the committee is established as are specified in the scheme; and

(d) employers and workmen in industry in equal numbers; and

(e) voluntary associations engaged in the care of ex-service men and their families in the area;

Provided that—

(i) the persons appointed as representatives of the persons mentioned in paragraphs (a) and (b) of this subsection shall together constitute not less than one fourth of the total membership of the committee, and the persons appointed as representatives of the persons mentioned in paragraphs (c), (d), and (e) respectively shall in each case constitute not less than one-fifth of the total membership of the committee, and where one fourth or one fifth of the total membership is not an integral number, the nearest integral number to one fourth or one fifth of the total membership, as the case may be, shall be substituted therefor; and

(ii) where the number of the members to be appointed as representatives of the persons mentioned in paragraph (d) as ascertained in the manner aforesaid is not an even number, the number so ascertained shall be increased by one; and

(iii) not less than four members of the committee shall be women.

(4) Every scheme made for the establishment of a committee under this section shall provide for the appointment of the members of the committee by the Minister, and for the periods for which the members shall hold office, and the conditions under which they can be removed from office, and on the first constitution of such a committee the Minister shall have regard to the desirability, subject to the provisions of this section, of selecting, so far as possible, for appointment to the committee, persons who are members of the existing committees in the area to which the scheme applies.
(5) Every order made under this section with respect to any area shall provide for the transfer to the committee established thereunder or to the Minister, according as the Minister thinks desirable, of any business pending before the existing committees in so far as the business relates to that area, and may contain such consequential and supplemental provisions as the Minister may consider necessary.

(6) In the appointment of officers required for the administration of any business transferred to the Minister in pursuance of an order made under this section, the employment of suitable members of the staff of any existing committee in the area shall, so far as practicable, be considered.

(7) Any order made under this section shall have effect as if enacted in this Act, and may be revoked, varied, or amended by a subsequent order so made.

Functions of War Pensions Committees

2.—(1) The functions of a committee established under this Act shall be—

(a) to consider and make recommendations to the Minister as to the administration of war pensions in the area of the committee; and

(b) to receive reports from officers in the area of the committee as to the state and progress of applications from persons residing in the area of the committee; and

(c) to hear and consider complaints made to the committee by persons in receipt of or claiming pensions, and to make representations thereon to the Minister; and

(d) to enquire into any matter referred to them by the Minister or the Special Grants Committee and to report thereon, with such recommendations as they think fit, to the Minister or that committee, as the case may be; and

(e) to make arrangements for the distribution of any supplementary grants which they may be required to distribute by the Special Grants Committee; and

(f) to consider applications for grants from such departments, bodies, or organisations as the Minister may specify, and make recommendations with respect thereto; and

(g) to perform any duties required by the Minister or the Special Grants Committee to be performed by them in relation to children for whose care it is the duty of the Minister to make provision; and

(h) to take steps to secure the assistance and co-operation of voluntary workers in connection with the work of the committee, and particularly in rural districts; and

(i) to perform such other duties in relation to pensions, and to any other matters, as the Minister may by regulation prescribe.

(2) The functions of committees under this section shall be exercised subject to and in accordance with regulations to be made by the Minister.
Constitution of Central Advisory Committee

3.—As soon as possible after the passing of this Act the Minister shall constitute a Central Advisory Committee consisting of officers of the Ministry (local and central), ex-service men, and representatives of any committees constituted under the War Pensions Acts, 1915 to 1920, or under this Act, and for the time being in existence, to consider such matters as may be put before them by the Minister for their advice.

Final awards

4.—(1) Notwithstanding anything in any Warrant, Order in Council, or Order administered by the Minister, the Minister may, subject to the approval of the Treasury, make regulations providing for the making of final awards in the case of any officers or men to whom pensions in respect of disablement due to causes arising out of service during the present war have been granted or who claim such pensions, and prescribing the principles on which any such awards are to be made and the classes of pension to which this section is to apply.

(2) The case of every such officer and man as aforesaid shall, with a view to making a final award, be taken into consideration not later than four years after his discharge from the service or after the first award of a pension to him, as may be prescribed by regulations made under this section.

(3) If any person in whose case a final award has been made under this section is dissatisfied with the award, he may, at any time within one year from the date on which notice of the making of the award is given to him, appeal to a pensions appeal tribunal established under section eight of the Act of 1919, and the tribunal shall, if they are of opinion that, having regard to all the circumstances of the case, the final award ought not to have been made or that the proper amount of pension or proper rate of disablement was not fixed by the award, as the case may be, either set aside the award or increase or decrease the amount or rate so fixed as they think proper, and shall in any other case disallow the appeal:

Provided that—

(a) a pensions appeal tribunal in exercising their powers in relation to appeals under this section shall have regard to the provisions of any regulations made under this section; and

(b) for the purpose of hearing appeals under this section the constitution of the Tribunal shall be modified by the substitution for the legal representative of a second medical practitioner having such qualifications as may be prescribed by regulations made under the Schedule to the Act of 1919, and that schedule shall have effect accordingly, and regulations may be made under that schedule with respect to appeals under this section.
The Minister shall, in such manner as may be prescribed by regulations made by him under this section, bring the provisions of this subsection to the notice of persons having a right of appeal thereunder.

(4) Where a grant of a permanent pension or of a gratuity or a final weekly allowance or an award (other than the grant of a conditional pension) has been made before the commencement of this Act, the grant or award shall for the purposes of this section be treated as a final award made thereunder, and this section shall apply accordingly with the substitution of one year from such date (not being earlier than the commencement of this Act) as may be fixed for the purposes of this subsection by regulations made under this section for one year from the date of notice of the award.

**Limit of time for making claims to pensions in respect of disablement. 8 & 9 Geo. V. c. 59**

5.—The power of the Minister under any Warrant, Order in Council, or Order to grant a pension to any person in respect of disablement shall not be exercised unless the claim in respect of the disablement is made within seven years after the date on which the claimant was discharged or the date fixed under the Termination of the Present War (Definition) Act, 1918, as the date of the termination of the present war, whichever date is the earlier.

**Amendment of section 8 of 9 & 10 Geo. V. c. 53; 11 Geo. V. c. 23**

6.—(1) No appeal shall lie under section eight of the Act of 1919 as originally enacted, or as amended by section eight of the War Pensions Act, 1920 (in this Act referred to as “the Act of 1920”), to a pensions appeal tribunal against the rejection of a claim unless notice of intention to appeal is given in such manner as may be prescribed by regulations made under the Schedule to the Act of 1919, and within twelve months after the date of the notification to the claimant of the rejection of the claim or after the date of the commencement of this Act, whichever is the later.

(2) A pensions appeal tribunal in considering such an appeal as aforesaid shall have regard to the terms of the Warrant, Order in Council, or Order in pursuance of which the claim purports to be made, and shall not allow the appeal unless they are satisfied that the claim is in all respects well founded having regard to the said terms.

**Power to commute pensions**

7.—(1) The Minister, on the application of any person in receipt of a pension, may, in his discretion and on the prescribed terms and subject to the prescribed conditions, commute any part of the pension by the payment of a capital sum.
(2) If any person making an application under this section for the commutation of his pension wilfully makes a false statement in any declaration which he is required to make for the purposes of or in connection with the application, he shall be liable on summary conviction to imprisonment for a term not exceeding one month, or to a fine not exceeding ten pounds, or to both such imprisonment and fine.

(3) In this section the expression "prescribed" means prescribed by regulations made by the Minister with the approval of the Treasury.

Extension of section 9 of 8 & 9 Geo. V. c. 57; 52 & 53 Vict. c. 56; 62 & 63 Vict. c. 37

8.—Where by virtue of a resolution passed under section one of the Poor Law Act, 1889, as amended by section one of the Poor Law Act, 1899, the control of any child, being a child to whom section nine of the War Pensions (Administrative Provisions) Act, 1918, would apply if it were suffering from neglect or want of proper care, is vested in the guardians of a poor law union, the guardians may on the application of the Minister permit the child to be under the control of the Minister as if the Minister were a person named in that behalf in the proviso to subsection (1) of section one of the said Poor Law Act, 1889, and, where any guardians so permit, it shall be the duty of the Minister to make provision for the care of the child as if it were a child to whom the said section nine applied, and that section as amended by section nine of the Act of 1920 shall apply accordingly with the necessary modifications.

Regulations to be laid before Parliament

9.—Every order and every regulation made under this Act shall be laid before each House of Parliament forthwith, and, unless and until an address is presented to His Majesty by either House of Parliament within the next subsequent twenty-one days on which that House has sat next after any such order or regulation is laid before it, praying that the order or regulation may be annulled, the order or regulation shall have effect as if enacted in this Act.

Construction and short title

10.—(1) This Act may be cited as the War Pensions Act, 1921, and shall be construed as one with the War Pensions Acts, 1915 to 1920, and those Acts and this Act may be cited together as the War Pensions Acts, 1915 to 1921.

(2) In this Act, unless the context otherwise provides, the expression "pension" means any pension, grant, gratuity, or allowance in respect of disablement under any Warrant, Order in Council, or Order administered by the Minister, and for the purposes of this Act a person shall be deemed to have been discharged from the service at the time when his active service terminated.
APPENDIX III

GREAT BRITAIN

War Pensions (Administrative Provisions) Act, 1919
[Extracts]

Claims and Pensions Appeal Tribunals (*)

Section 8. — (1) Where the claim of an officer or man under any Royal Warrant or Order in Council administered by the Minister of Pensions is rejected on the ground that the disability on which the claim is based—

(a) is not attributable to or aggravated by service during the present war, or

(b) is due to the serious negligence or misconduct of the claimant;

Or where such disability, although admitted to be aggravated by, is certified not to be attributable to such service; or where the claim of the widow or the motherless child of an officer or man under any Royal Warrant or Order in Council is rejected on the ground—

(i) That the death of the officer or man was not due to, or that the disease from which he died was not attributable to or aggravated by, such service, nor, in the case of a man, contracted or commenced while he was on active service, or

(ii) That the death of the officer or man was due to his serious negligence or misconduct;

An appeal shall lie to a pensions appeal tribunal established under this section, whose decision shall be final, provided that no appeal shall lie in the case of any claim already heard and rejected by a ministry appeal tribunal.

(2) Pensions appeal tribunals shall be established for such parts of the United Kingdom as may be determined, in accordance with the provisions of the Schedule to this Act. The provisions of that Schedule shall have effect in relation to the constitution, jurisdiction and procedure of pensions appeal tribunals.

(3) “Ministry appeal tribunal” shall mean, as the case may be, an officers' appeal board or a pensions appeal tribunal set up by the Minister of Pensions before the first day of November, nineteen hundred and nineteen.

(1) The competence of the pensions appeal tribunals has been extended by Section 4 of the Act of 19 August 1921 to claims relative to the amount of the pension. See Appendix II.
(4) This section shall come into operation on the first day of November, nineteen hundred and nineteen.

**SCHEDULE**

*Constitution, Jurisdiction, and Procedure of Pensions Appeal Tribunals*

1. Pensions appeal tribunals shall be constituted for such parts of or places in the United Kingdom as the Lord Chancellor, after consultation with the Minister of Pensions, may determine.

2. The members of each tribunal shall be appointed by the Lord Chancellor, and shall consist of—

   (i) One legal representative, being a barrister or solicitor, in either case of not less than seven years' standing; and

   (ii) A disabled officer who has retired or been demobilised from His Majesty's Forces during the present war while suffering impairment; or a disabled man who has similarly been discharged or demobilised; and

   (iii) A duly qualified medical practitioner.

3. In the case of a casual vacancy on a pensions appeal tribunal the Lord Chancellor may appoint a similarly qualified person to fill the vacancy.

4. The legal representative shall be the chairman of each tribunal.

5. The number of members of a tribunal to hear any particular case shall be three. Where the claim is that of an officer the second member shall be an officer, and where the claim to be heard is that of a man, the second member shall be a man.

6. There shall be paid to the members of pensions appeal tribunals such remuneration as the Treasury may determine, and any such remuneration and any expenses which may be incurred by a tribunal up to such amount as is sanctioned by the Treasury shall be paid out of moneys provided by Parliament.

7. No court fees shall be charged on the hearing of any case before a pensions appeal tribunal.

8. Subject as aforesaid, the Lord Chancellor may make regulations with respect to the procedure of pensions appeal tribunals, and may by such regulations provide for the transfer to such tribunals of claims pending before a Ministry Appeal Tribunal at the first day of November, nineteen hundred and nineteen, the summoning of expert and other witnesses, the representation of the claimants and the Ministry at the hearing of any appeal, the arrangements for the sittings of the tribunals (including the sitting of more than one tribunal in the same area), the particular cases which any tribunal shall hear, and such other matters as may be required for the due and speedy determination of appeals.

9. "Lord Chancellor" shall mean, in the application of this schedule to Scotland, the Lord President of the Court of Session, and, in its application to Ireland, the Lord Chancellor of Ireland.
### APPENDIX IV

#### GREAT BRITAIN

**Army and Navy. — Statistics relating to the distribution of pensions granted on 31 March 1921 for each category of the rating table**

*(Table communicated to the International Labour Office by the Ministry of Labour in April 1921)*

<table>
<thead>
<tr>
<th>Degree of Disablement</th>
<th>Specific Injury (1)</th>
<th>Percent. of Disablement</th>
<th>Approx. numbers of men in each group at 31 March 1921</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Officers</td>
<td>Other Ranks</td>
</tr>
<tr>
<td>1.</td>
<td>Loss of two or more limbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of an arm and an eye.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of a leg and an eye.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of both hands or of all fingers and thumbs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of both feet.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of a hand and a foot.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total loss of sight.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total paralysis.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lunacy. Wounds, injuries, or disease resulting in disabled man being permanently bedridden.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wounds of or injuries to internal, thoracic, or abdominal organs, involving total permanent disabling effects.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wounds of or injuries to head or brain involving total permanent disabling effects, or Jacksonian epilepsy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Very severe facial disfigurement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Advanced cases of incurable disease.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Amputation of right arm through shoulder.</td>
<td>90</td>
<td>50</td>
</tr>
<tr>
<td>3.</td>
<td>Amputation of leg at hip or below hip with stump not exceeding 5 inches in length measured from tip of great trochanter; of right arm below shoulder with stump not exceeding 6 inches measured from tip of acromion; or of left arm through shoulder.</td>
<td>80</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td>Severe facial disfigurement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total loss of speech.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lisfranc operation, both feet.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Amputation of leg below hip with stump exceeding 5 inches in length, measured from tip of great trochanter, but not below middle thigh; of left arm below shoulder with stump not exceeding 6 inches measured from tip of acromion; or of right arm below shoulder with stump exceeding 6 inches measured from tip of acromion, through elbow, or below elbow with stump not exceeding 5 inches measured from tip of olecranon.</td>
<td>70</td>
<td>1,100</td>
</tr>
<tr>
<td>5.</td>
<td>Amputation of leg below middle thigh, through knee, or below knee with stump not exceeding 4 inches; of left arm below shoulder with stump exceeding 6 inches measured from tip of acromion, through elbow, or below elbow with stump not exceeding 5 inches measured from tip of olecranon; or of right arm below elbow with stump exceeding 5 inches measured from tip of olecranon.</td>
<td>60</td>
<td>1,000</td>
</tr>
<tr>
<td>6.</td>
<td>Amputation of leg below knee with stump exceeding 4 inches; of left arm below elbow with stump exceeding 5 inches measured from tip of olecranon.</td>
<td>50</td>
<td>3,500</td>
</tr>
<tr>
<td></td>
<td>Loss of vision of one eye.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Loss of thumb or of four fingers of right hand.</td>
<td>40</td>
<td>4,450</td>
</tr>
<tr>
<td></td>
<td>Lisfranc operation, one foot.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Loss of thumb or of four fingers of left hand, or of three fingers of right hand.</td>
<td>33</td>
<td>8,950</td>
</tr>
<tr>
<td>9.</td>
<td>Loss of two fingers of either hand.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loss of all toes of one foot above knuckle.</td>
<td>20</td>
<td>12,500</td>
</tr>
</tbody>
</table>

*Total* 37,450 1,150,000

(1) Column 2 shows the final classification for permanent injuries; but the numbers in columns 4 and 5 also include men temporarily classed by Medical Boards in the respective groups on account of other injuries or illness not of a permanent character.
APPENDIX V

GREAT BRITAIN

Navy and Army.—Return of Officers and Men pensioned for Disability from the Beginning of the War to 31 March 1920, so far as classified according to Nature of Disability

*(From the Third Annual Report of the Minister of Pensions, Appendix IX, page 52)*

<table>
<thead>
<tr>
<th>Disability</th>
<th>Officers</th>
<th>Warrant officers, petty officers, non-commissioned officers and men</th>
<th>Total</th>
<th>Per cent. of gross total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Navy</td>
<td>Army</td>
<td>Navy</td>
<td>Army</td>
</tr>
<tr>
<td>Eyesight cases</td>
<td>226</td>
<td>894</td>
<td>1,719</td>
<td>25,398</td>
</tr>
<tr>
<td>Wounds and injuries to legs (necessitating amputation)</td>
<td>12</td>
<td>660</td>
<td>314</td>
<td>21,735</td>
</tr>
<tr>
<td>Wounds and injuries to arms (necessitating amputation)</td>
<td>15</td>
<td>340</td>
<td>153</td>
<td>9,883</td>
</tr>
<tr>
<td>Wounds and injuries to legs (not necessitating amputation)</td>
<td>160</td>
<td>5,610</td>
<td>1,128</td>
<td>159,219</td>
</tr>
<tr>
<td>Wounds and injuries to arms (not necessitating amputation)</td>
<td>53</td>
<td>2,838</td>
<td>721</td>
<td>87,826</td>
</tr>
<tr>
<td>Wounds and injuries to hand (not necessitating amputation of whole hand)</td>
<td>70</td>
<td>911</td>
<td>685</td>
<td>50,419</td>
</tr>
<tr>
<td>Wounds and injuries to head</td>
<td>42</td>
<td>2,092</td>
<td>775</td>
<td>38,647</td>
</tr>
<tr>
<td>Hernia</td>
<td>86</td>
<td>550</td>
<td>233</td>
<td>17,897</td>
</tr>
<tr>
<td>Miscellaneous wounds and injuries</td>
<td>127</td>
<td>4,811</td>
<td>1,511</td>
<td>84,829</td>
</tr>
<tr>
<td>Chest complaints, including bronchitis</td>
<td>155</td>
<td>1,769</td>
<td>4,602</td>
<td>90,530</td>
</tr>
<tr>
<td>Tuberculosis</td>
<td>165</td>
<td>868</td>
<td>4,662</td>
<td>90,530</td>
</tr>
<tr>
<td>Rheumatism</td>
<td>146</td>
<td>1,807</td>
<td>1,753</td>
<td>72,769</td>
</tr>
<tr>
<td>Heart diseases</td>
<td>259</td>
<td>2,765</td>
<td>2,590</td>
<td>100,724</td>
</tr>
<tr>
<td>Epilepsy</td>
<td>8</td>
<td>101</td>
<td>431</td>
<td>7,122</td>
</tr>
<tr>
<td>Nervous diseases:—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shell shock</td>
<td>25</td>
<td>630</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neurasthenia</td>
<td>600</td>
<td>4,904</td>
<td>2,475</td>
<td>53,514</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>130</td>
<td>1,012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insanity</td>
<td>38</td>
<td>179</td>
<td>999</td>
<td>6,026</td>
</tr>
<tr>
<td>Deafness</td>
<td>130</td>
<td>1,224</td>
<td>1,015</td>
<td>20,084</td>
</tr>
<tr>
<td>Frostbite (including cases of amputation of feet or legs)</td>
<td>1</td>
<td>19</td>
<td>—</td>
<td>6,335</td>
</tr>
<tr>
<td>Miscellaneous diseases:—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nephritis and Bright’s Disease</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dehility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ulcer of stomach</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Varicocoe</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enteric and malaria</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spinal Appendicitis</td>
<td>624</td>
<td>11,171</td>
<td>4,820</td>
<td>256,085</td>
</tr>
<tr>
<td>Gas poisoning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other diseases</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>3,079</td>
<td>45,155</td>
<td>25,924</td>
<td>1,107,842</td>
</tr>
</tbody>
</table>

1 (1) Number of permanent pensions: 30,741
   Number of temporary pensions: 1,077,101
APPENDIX VI

GREAT BRITAIN

Navy and Army. — Summary of Awards of Alternative Pensions to Disabled Men up to 31 March 1920

(From the Third Annual Report of the Minister of Pensions, Appendix X, page 53)

<table>
<thead>
<tr>
<th>Degree of disability</th>
<th>Navy and Army</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td></td>
</tr>
<tr>
<td>100</td>
<td>1,491</td>
</tr>
<tr>
<td>90</td>
<td>221</td>
</tr>
<tr>
<td>70</td>
<td>198</td>
</tr>
<tr>
<td>60</td>
<td>212</td>
</tr>
<tr>
<td>50</td>
<td>304</td>
</tr>
<tr>
<td>40</td>
<td>213</td>
</tr>
<tr>
<td>30</td>
<td>338</td>
</tr>
<tr>
<td>20</td>
<td>189</td>
</tr>
<tr>
<td>Total</td>
<td>3,256</td>
</tr>
</tbody>
</table>

Annual value of disablement pensions converted £255,666
Annual value of alternative pensions granted £365,386
APPENDIX VII

UNITED STATES

The War Risk Insurance Act of 6 October 1917

(With Amendments up to 24 December 1919)

[Extracts]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

ARTICLE I

Section 1 (1).—That there is established in the Treasury Department a Bureau to be known as the Bureau of War Risk Insurance.

That the office of the Commissioner of Military and Naval Insurance and the office of the Commissioner of Marine and Seamen’s Insurance created by the War Risk Insurance Act are hereby abolished and the powers and duties pertaining to such offices are hereby transferred to the Director of the Bureau of War Risk Insurance, who shall hereafter receive a salary at the rate of $7,500 per annum. Until such time as the Secretary of the Treasury may direct otherwise, and subject to the provisions of section 9 of the War Risk Insurance Act, there shall be in the Bureau of War Risk Insurance a Division of Marine and Seamen’s Insurance and a Division of Military and Naval Insurance. All laws inconsistent with this section are hereby so modified as to conform to the provisions hereof.

* * *

Section 13 (2).—That the director, subject to the general direction of the Secretary of the Treasury, shall administer, execute, and enforce the provisions of this Act, and for that purpose shall have full power and authority to make rules and regulations not inconsistent with the provisions of this Act, necessary or appropriate to carry out its purposes, and shall decide all questions arising under the Act, except as otherwise provided in section five. Wherever under any provision or provisions of the Act regulations are directed or authorised to be made, such regulations, unless the context otherwise requires, shall or may be made by the director, subject to the general direction of the Secretary of the Treasury.

(1) Editorial Note. This section has been amended by the Act of 9 August 1921 establishing a Veterans’ Bureau to which all the services relating to disabled men and veterans have been transferred. See section 1 of the Act of 9 August 1921 in Appendix VII.

(2) Editorial Note. Section 13 has been amended by the Act of 9 August 1921, section 2. See Appendix VIII.
The director shall adopt reasonable and proper rules to govern the procedure of the divisions and to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right to benefits of allowance, allotment, compensation, or insurance provided for in this Act, the forms of application of those claiming to be entitled to such benefits, the methods of making investigations and medical examinations, and the manner and form of adjudications and awards: Provided, however, That payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers shall not exceed $3 in any one case: And provided further, That no claim agent or attorney shall be recognised in the presentation or adjudication of claims under articles two, three, and four, except that in the event of disagreement as to a claim under the contract of insurance between the bureau and any beneficiary or beneficiaries thereunder an action on the claim may be brought against the United States in the district court of the United States in and for the district in which such beneficiaries or any one of them resides, and that whenever judgment shall be rendered in an action brought pursuant to this provision the court, as part of its judgment, shall determine and allow such reasonable attorney's fees, not to exceed five per centum of the amount recovered, to be paid by the claimant in behalf of whom such proceedings were instituted to his attorney, said fee to be paid out of the payments to be made to the beneficiary under the judgment rendered at a rate not exceeding one-tenth of each of such payments until paid.

Any person who shall, directly or indirectly, solicit, contract for, charge, or receive, or who shall attempt to solicit, contract for, charge, or receive any fee or compensation, except as herein provided, shall be guilty of a misdemeanour, and for each and every offence shall be punishable by a fine of not more than $500 or by imprisonment at hard labour for not more than two years, or by both such fine and imprisonment.

Section 14 (\(\text{(3)}\)). — That the bureau and its divisions shall have such deputies, assistants, actuaries, clerks, and other employees as may be from time to time provided by Congress. The bureau shall, by arrangement with the Secretary of War and the Secretary of the Navy, respectively, make use of the services of surgeons in the Army and Navy. The Secretary of the Treasury is authorised to establish an advisory board consisting of three members skilled in the practice of insurance against death or disability for the purpose of assisting the Division of Military and Naval Insurance in fixing premium rates and in the adjustment of claims for losses under the contracts of insurance provided for in article four and in adjusting claims for compensation under article three; compensation for the persons so appointed to be determined by the Secretary of the Treasury, but not to exceed $20 a day each while actually employed.

Section 15. — That for the purposes of this Act, the director, commissioners, and deputy commissioners shall have power to issue subpoenas for and compel the attendance of witnesses within a

(3) Editorial Note. This section has been amended by section 4 of the Act of 9 August 1921. See Appendix VIII.
radius of one hundred miles, to require the production of books, papers, documents, and other evidence, to administer oaths and to examine witnesses upon any matter within the jurisdiction of the bureau. The director may obtain such information and such reports from officials and employees of the departments of the Government of the United States and of the States as may be agreed upon by the heads of the respective departments. In case of disobedience to a subpoena, the bureau may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court, within the jurisdiction of which the inquiry is carried on, may, in case of contumacy or refusal to obey a subpoena issued to any officer, agent, or employee of any corporation or other person, issue an order requiring such corporation or other person to appear before the bureau, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Any person so required to attend as a witness shall be allowed and paid the same fees and mileage as are paid witnesses in the district courts of the United States.

Section 16 (4). — That the director shall submit annually to the Secretary of the Treasury estimates of the appropriations necessary for the work of the bureau.

Section 17. — That for the purpose of carrying out the provisions of this Act there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $100,000, for the payment of all expenses incident to the work authorised under this Act, including salaries of the director and commissioners and of such deputies, assistants, accountants, experts, clerks, and other employees in the District of Columbia or elsewhere, as the Secretary of the Treasury may deem necessary, travelling expenses, rent and equipment of offices, typewriters and exchange of same, purchase of law books and books of reference, printing and binding to be done at the Government Printing Office, and all other necessary expenses. With the exception of the director, the commissioners, and such special experts as the Secretary of the Treasury may from time to time find necessary for the conduct of the work of the bureau, all employees of the bureau shall be appointed from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil service law. Such fees, allowances, and salaries shall be the same as are paid for similar services in other departments of the Government.

Section 18. — That there is hereby appropriated from any money in the Treasury not otherwise appropriated, the sum of $141,000,000, to be known as the military and naval family allowance appropriation, for the payment of the family allowances provided by Article II. Payments out of this appropriation shall be made upon and in accordance with awards by the Commissioner of the Division of Military and Naval Insurance.

Section 19. — That there is hereby appropriated, from any money in the Treasury not otherwise appropriated, the sum of

(4) Editorial Note. All sums appropriated for guaranteeing the provisions of the War Risk Insurance Act and amendments thereto have been transferred to the Veterans' Bureau (Act of 9 August 1921, section 8). See Appendix III.
$12,150,000, to be known as the military and naval compensation appropriation, for the payment of the compensation, funeral expenses, services, and supplies provided by Article III. Payments out of this appropriation shall be made upon and in accordance with awards by the director.

Section 20. — That there is hereby appropriated, from any money in the Treasury not otherwise appropriated, the sum of $23,000,000, to be known as the military and naval insurance appropriation. All premiums that may be collected for the insurance provided by the provisions of Article IV shall be deposited and covered into the Treasury to the credit of this appropriation. Such sum, including all premium payments, is hereby made available for the payment of the liabilities of the United States incurred under contracts of insurance made under the provisions of Article IV. Payments from this appropriation shall be made upon and in accordance with awards by the director.

Section 21. — That there shall be set aside as a separate fund in the Treasury, to be known as the military and naval pay deposit fund, all sums held out of pay as provided by section two hundred and three of this Act. Such fund, including all additions, is hereby made available for the payment of the sums so held and deposited, with interest, as provided in section two hundred and three, and the amount necessary to pay interest is hereby appropriated.

Section 22. — That for the purpose of this amendatory Act the marriage of the claimant to the person on account of whom the claim is made shall be shown:

1. By a duly verified copy of a public or church record; or
2. By the affidavit of the clergyman or magistrate who officiated; or
3. By the testimony of two or more eyewitnesses to the ceremony; or
4. By a duly verified copy of the church record of baptism of the children; or
5. By the testimony of two or more witnesses who know that the parties lived together as husband and wife, and were recognized as such, and who shall state how long, within their knowledge, such relation continued: Provided, That marriages, except such as are mentioned in section forty-seven hundred and five of the Revised Statutes, shall be proven in compensation or insurance cases to be legal marriages according to the law of the place where the parties resided at the time of marriage or at the time when the right to compensation or insurance accrued; and the open and notorious illicit cohabitation of a widow who is a claimant shall operate to terminate her right to compensation or insurance from the commencement of such cohabitation: Provided further, That for the purpose of the administration of Article II of this Act marriage shall be conclusively presumed, in the absence of proof that there is a legal spouse living, if the man and woman have lived together in the openly acknowledged relation of husband and wife during the two years immediately preceding the date of the declaration of war, or the date of enlistment or of entrance into or employment in active service in the military or naval forces of the United States if subsequent to such declaration.
In Articles II, III, and IV of this Act unless the context otherwise requires—

(1) The term "child" includes—

(a) A legitimate child;
(b) A child legally adopted;
(c) A stepchild, if a member of the man's household;
(d) An illegitimate child, but, as to the father only, if acknowledged in writing signed by him, or if he has been judicially ordered or decreed to contribute to such child's support, or has been judicially decreed to be the putative father of such child.

(2) The term "grandchild" means a child as above defined of a child as above defined.

(3) Except as used in section four hundred and one and in section four hundred two the terms "child" and "grandchild" are limited to unmarried persons either (a) under eighteen years of age, or (b) of any age, if insane, idiotic, or otherwise permanently helpless.

(4) The term "parent" includes a father, mother, grandfather, grandmother, father through adoption, mother through adoption, stepfather, and stepmother, either of the person in the Service or of the spouse.

(4a) The terms "father" and "mother" include stepfathers and stepmothers, fathers and mothers through adoption, and persons who have stood in loco parentis to a member of the military or naval forces at any time prior to his enlistment or induction for a period of not less than one year: Provided, That this subdivision shall be deemed to be in effect as of 6 October 1917.

(5) The terms "brother" and "sister" include brothers and sisters of the half blood as well as those of the whole blood, stepbrothers and stepsisters, and brothers and sisters through adoption.

(5a) The terms "brother" and "sister" include the children of a person who, for a period of not less than one year, stood in loco parentis to a member of the military or naval forces of the United States at any time prior to his enlistment or induction, or another member of the same household as to whom such person during such period likewise stood in loco parentis: Provided, That this subdivision shall be deemed to be in effect as of 1917.

(6) The term "commissioned officer" includes a warrant officer, but includes only an officer in active service in the military or naval forces of the United States.

(7) The terms "man" and "enlisted man" mean a person, whether male or female, and whether enlisted, enrolled or drafted into active service in the military or naval forces of the United States, and include non-commissioned and petty officers, and members of training camps authorised by law.

(8) The term "enlistment" includes voluntary enlistment, draft, and enrolment in active service in the military or naval forces of the United States.
(9) The term "commissioner" means the Commissioner of Military and Naval Insurance.

(10) The term "injury" includes disease.

(11) The term "pay" means the pay for service in the United States according to grade and length of service, excluding all allowances.

(12) The term "military or naval forces" means the Army, the Navy, the Marine Corps, the Coast Guard, the Naval Reserves, the National Naval Volunteers, and any other branch of the United States service while serving pursuant to law with the Army or the Navy.

Section 23. — That when, by the terms of this amendatory Act, any payment is to be made to a minor, other than a person in the military or naval forces of the United States, or to a person mentally incompetent, such payment shall be made to the person who is constituted guardian or curator by the laws of the State of residence of claimant, or is otherwise legally vested with responsibility or care of the claimant.

If any person entitled to receive payments under this Act shall be an inmate of any asylum or hospital for the insane maintained by the United States, or by any of the several States or Territories of the United States, or any political subdivision thereof, and no guardian or curator of the property of such person shall have been appointed by competent legal authority, the director, if satisfied after due investigation that any such person is mentally incompetent, may order that all moneys payable to him or her under this Act shall be held in the Treasury of the United States to the credit of such person. All funds so held shall be disbursed under the order of the director and subject to his discretion, either to the chief executive officer of the asylum or hospital in which such person is an inmate, to be used by such officer for the maintenance and comfort of such inmate, subject to the duty to account to the Bureau of War Risk Insurance and to repay any surplus at any time remaining in his hands in accordance with regulations to be prescribed by the director; or to the wife (or dependent husband if the inmate is a woman), minor children, and dependent parents of such inmate, in such amounts as the director shall find necessary for their support and maintenance, in the order named; or, if at any time such inmate shall be found to be mentally competent, or shall die, or a guardian or curator of his or her estate be appointed, any balance remaining to the credit of such inmate shall be paid to such inmate, if mentally competent, and otherwise to his or her guardian, curator or personal representatives.

Section 24. — That the Bureau of War Risk Insurance, so far as practicable, shall upon request furnishing information to and act for persons in the military or naval service, with respect to any contracts of insurance whether with the Government or otherwise, as may be prescribed by regulations. Said bureau may upon request procure from and keep a record of the amount and kind of insurance held by every commissioned and appointive officer and of every enlisted man in the military or naval service of the United States, including the name and principal place of business of the company, society, or organization in which such insurance is held, the date of the policy, amount of premium, name and relationship
of the beneficiary, and such other data as may be deemed of service in protecting the interests of the insured and beneficiaries.

Section 25. — That whoever in any claim for family allowance, compensation, or insurance, or in any document required by this Act or by regulation made under this Act, makes any statement of a material fact knowing it to be false, shall be guilty of perjury and shall be punished by a fine of not more than $5,000, or by imprisonment for not more than two years or both.

Section 26. — That if any person entitled to payment of family allowance or compensation under this Act, whose right to such payment under this Act ceases upon the happening of any contingency, thereafter fraudulently accepts any such payment, he shall be punished by a fine of not more than $2,000, or by imprisonment for not more than one year, or both.

Section 27. — That whoever shall obtain or receive any money, check, allotment, family allowance, compensation, or insurance under Articles II, III or IV of this Act, without being entitled thereto, with intent to defraud the United States or any person in the military or naval forces of the United States, shall be punished by a fine of not more than $2,000, or by imprisonment for not more than one year, or both.

Section 28. — That the allotments and family allowances, compensation, and insurance payable under Articles II, III, and IV, respectively, shall not be assignable; shall not be subject to the claims of creditors of any person to whom an award is made under Articles II, III, or IV; and shall be exempt from all taxation: Provided, That such allotments and family allowances, compensation, and insurance shall be subject to any claims which the United States may have, under Articles II, III, and IV, against the person on whose account the allotments and family allowances, compensation, or insurance is payable.

That the provisions of section 28 of the War Risk Insurance Act shall not be construed to prohibit the assignment by any person to whom converted insurance shall be payable under Article IV of such Act of his interest in such insurance to any other member of the permitted class of beneficiaries.

Section 29 (5). — That the discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien, conscientious objector, or a deserter, or as guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct shall terminate any insurance granted on the life of such person under the provisions of Article IV, and shall bar all rights to any compensation under Article III or any insurance under Article IV.

Section 30. — That this Act may be cited as the War Risk Insurance Act.

Section 31 (6). — That if after induction by the local draft board, but before being accepted and enrolled for active service,
the person died or become disabled as a result of disease contracted or injury suffered in the line of duty and not due to his own wilful misconduct involving moral turpitude, or as a result of the aggravation, in the line of duty and not because of his own wilful misconduct involving moral turpitude, of an existing disease or injury, he or those entitled thereto shall receive the benefits of compensation payable under Article III: Provided, That any insurance application made by a person after induction by the local draft board but before being accepted and enrolled for active service shall be deemed valid.

ARTICLE II

Allotments and Family Allowances

Section 200. — That the provisions of this article shall apply to all enlisted men in the military or naval forces of the United States, except the Philippine Scouts, the insular force of the Navy, and the Samoan native guard and band of the Navy.

Section 201. — That allotment of pay shall, subject to the conditions, limitations, and exceptions hereinafter specified, be compulsory as to wife, a former wife divorced who has not remarried and to whom alimony has been decreed, and a child, and voluntary as to any other person; but on the written consent of the wife or former wife divorced, supported by evidence satisfactory to the bureau of her ability to support herself and the children in her custody, the allotment for her and for such children may be waived; and on the enlisted man’s application or otherwise for good cause shown, exemption from the allotment may be granted upon such conditions as may be prescribed by regulations.

The monthly compulsory allotment shall be $15. For a wife living separate and apart from her husband under court order or written agreement, or for a former wife divorced, the monthly compulsory allotment shall not exceed the amount specified in the court order, decree, or written agreement to be paid to her, and for an illegitimate child, to whose support the father has been judicially ordered or decreed to contribute, it shall not exceed the amount fixed in the order or decree.

If there is a compulsory allotment for a wife or child, then a former wife divorced who has not remarried and to whom alimony has been decreed, shall not be entitled to a compulsory allotment, but shall be entitled to a family allowance as hereinafter provided.

Section 202. — That the enlisted man may allot any proportion or proportions or any fixed amount or amounts of his monthly pay or of the proportion thereof remaining after the compulsory allotment, for such purposes and for the benefit of such person or persons as he may direct, subject, however, to such conditions and limitations as may be prescribed under regulations to be made by the Secretary of War and the Secretary of the Navy, respectively.

(7) Editorial Note. This section in the amended form appearing in the text came into force on 1 July 1918.
Section 203. — That in case one-half of an enlisted man's monthly pay is not allotted, regulations to be made by the Secretary of War and the Secretary of the Navy, respectively, may require, under circumstances and conditions as may be prescribed in such regulations, that any proportion of such one-half pay as is not allotted shall be deposited to his credit, to be held during such period of his service as may be prescribed. Such deposit shall bear interest at the same rate as United States bonds bear for the same period, and, when payable, shall be paid principal and interest to the enlisted man, if living, otherwise to any beneficiary or beneficiaries he may have designated, or if there be no such beneficiary, then to the person or persons who, under the laws of the State of his residence, would be entitled to his personal property in case of intestacy.

Section 204. — That a family allowance of not exceeding $50 per month shall be granted and paid by the United States upon written application to the bureau by such enlisted man or by or on behalf of any prospective beneficiary, in accordance with and subject to the conditions, limitations, and exceptions hereinafter specified.

The family allowance shall be paid from the time of enlistment to death in or one month after discharge from the service, but not for more than four months after the termination of the present war emergency. No family allowance shall be made for any period preceding 1 November 1917. The payment shall be subject to such regulations as may be prescribed relative to cases of desertion and imprisonment and of missing men.

Class A. In the case of a man to his wife (including a former wife divorced) and to his child or children—

(a) If there is a wife but no child, $15;

(b) If there is a wife and one child, $25;

(c) If there is a wife and two children, $32.50, with $5 per month additional for each additional child;

(d) If there is no wife, but one child, $5;

(e) If there is no wife, but two children, $12.50;

(f) If there is no wife, but three children, $20;

(g) If there is no wife, but four children, $30, with $5 per month additional for each additional child;

(h) If there is a former wife divorced who has not remarried and to whom alimony has been decreed, $15.

Class B. In the case of a man or woman to a grandchild, a parent, brother, or sister—

(a) If there is one parent, $10;

(b) If there are two parents, $20;

(c) If there is a grandchild, brother, sister or additional parent, $5 for each.

In the case of a woman, the family allowances for a husband and children shall be in the same amounts, respectively, as are payable, in the case of a man, to a wife and children, provided she makes a voluntary allotment of $15 as a basis therefor, and provided, further,
that dependency exists as required in section two hundred and six (').

Section 205. — That family allowances for members of Class A shall be paid only if and while a compulsory allotment is made to a member or members of such class. The monthly family allowance to a former wife divorced shall be payable only out of the difference, if any, between the monthly family allowance to the other members of Class A and the sum of $50, and only then if alimony shall have been decreed to her. For a wife living separate and apart under court order or written agreement or to a former wife divorced the monthly allowance, together with the allotment, if any, shall not exceed the amount specified in the court order, decree, or written agreement to be paid to her. For an illegitimate child, to whose support the father has been judicially ordered or decreed to contribute, it shall not exceed the amount fixed in the order or decree.

Section 206. — That family allowances to members of class B shall be paid only if and while the members are dependent in whole or in part on the enlisted man, and then only if and while the enlisted man makes a monthly allotment of his pay for such members in the following amounts:

(a) If an enlisted man is not making a compulsory allotment for class A the allotment for class B required as a condition to the family allowance shall be $15;

(b) If an enlisted man is making a compulsory allotment for class A the additional allotment for class B required as a condition to the family allowance shall be $5, or if a woman is making an allotment of $15 for a dependent husband or child the additional allotment for the other members of class B required as a condition to the family allowance shall be $5 (9).

Section 207. — That the amount of the family allowance to members of class B shall be subject to each of the following limitations:

(a) If an allowance is paid to one or more beneficiaries of Class A, the total allowance to be paid to the beneficiaries of Class B shall not exceed the difference between the allowance paid to the beneficiaries of Class A and the sum of $50.

(b) The total monthly allowance to beneficiaries of Class B added to the enlisted man's monthly allotment to them shall not exceed the average sum habitually contributed by him to their support monthly during the period of dependency but not exceeding a year immediately preceding his enlistment or the enactment of this amendatory Act.

Section 208. — That as between the members of Class A and as between the members of Class B, the amount of the allotment and family allowance shall be apportioned as may be prescribed by regulations.

(8) Editorial Note. This section in the amended form appearing in the text came into force on 1 July 1918.

(9) Editorial Note. This section in the amended form appearing in the text came into force on 1 July 1918.
Section 209. — The War and Navy Departments, respectively, shall pay over to the Treasury Department monthly the entire amount of such allotments for distribution to the beneficiaries, and the allotments and family allowances shall be paid by the bureau to or for the beneficiaries.

Section 210 (9). — That upon receipt of any application for family allowance, the commissioner shall make all proper investigations and shall make an award, on the basis of which award the amount of the allotments to be made by the man shall be certified to the War Department or the Navy Department, as may be proper. Whenever the commissioner shall have reason to believe that an allowance has been improperly made or that the conditions have changed, he shall investigate or reinvestigate and may modify the award. The amount of each monthly allotment and allowance shall be determined according to the family conditions existing on the first day of the month.

Section 211. — That all family allowances and allotments payable by the Bureau of War Risk Insurance under the authority of this article shall be discontinued at the end of the fourth calendar month after the termination of the present war emergency, as declared by proclamation of the President of the United States, and thereafter all allotments of pay shall be voluntary and shall be made under such regulations as may be prescribed by the Secretary of War and the Secretary of the Navy, respectively.

ARTICLE III
Compensation for Death or Disability

Section 300 (11). — That for death or disability resulting from personal injury suffered or disease contracted in the line of duty, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay compensation as hereinafter provided; but no compensation shall be paid if the injury or disease has been caused by his own wilful misconduct: Provided, That for the purposes of this section said officer, enlisted man, or other member shall be held and taken to have been in sound condition when examined, accepted, and enrolled for service: Provided further, That this section, as amended, shall be deemed to become effective as of 6 April 1917.

Section 301. — That if death results from injury—
If the deceased leaves a widow or child, or if he leaves a mother or father either or both dependent upon him for support, the monthly compensation shall be the following amounts:

(10) Editorial Note. This section has been amended by section 17 of the Act of 9 August 1921. See Appendix VIII.

(11) Editorial Note. This section has been amended by section 18 of the Act of 9 August 1921. See Appendix VIII.
(a) If there is a widow but no child, $25;
(b) If there is a widow and one child, $35;
(c) If there is a widow and two children, $42.50, with $5 for each additional child up to two;
(d) If there is no widow, but one child, $20;
(e) If there is no widow, but two children, $30;
(f) If there is no widow, but three children, $40, with $5 for each additional child up to two;

(g) If there is a dependent mother (or dependent father), $20, or both, $30. The amount payable under this subdivision shall not exceed the difference between the total amount payable to the widow and children and the sum of $75. This compensation shall be payable for the death of but one child, and no compensation for the death of a child shall be payable if the dependent mother is in receipt of compensation under the provisions of this article for the death of her husband. Such compensation shall be payable whether the dependency of the father or mother or both arises before or after the death of the person, but no compensation shall be payable if the dependency arises more than five years after the death of the person.

If death occur or shall have occurred subsequent to 6 April 1917, and before discharge or resignation from service, the United States shall pay for burial expenses and the return of body to his home a sum not to exceed $100, as may be fixed by regulations.

The payment of compensation to a widow shall continue until her death or remarriage.

The payment of compensation to or for a child shall continue until such child reaches the age of eighteen years or marries, or if such child be incapable, because of insanity, idiocy, or being otherwise permanently helpless, then during such incapacity.

Whenever the compensation payable to or for the benefit of any person under the provisions of this section is terminated by the happening of the contingency upon which it is limited, the compensation thereafter for the remaining beneficiary or beneficiaries, if any, shall be the amount which would have been payable to them if they had been the sole original beneficiaries.

As between the widow and the children not in her custody, and as between children, the amount of the compensation shall be apportioned as may be prescribed by regulation.

The term "widow" as used in this section shall not include one who shall have married the deceased later than ten years after the time of injury, and shall include a widower, whenever his condition is such that, if the deceased person were living, he would have been dependent upon her for support (*).

Section 302. — That if disability results from the injury—

(12) Editorial Note. Section 10 of the Act to amend and modify the War Risk Insurance Act provides as follows: "That section 301 of the War Risk Insurance Act, as amended, shall be deemed to be in effect as of April 6, 1917: Provided, however, That before compensation thereunder shall be paid there shall first be deducted from said sum so to be paid the amount of any payments such person may have received by way of gratuities or payments under pension laws in force and existence between April 6, 1917, and October 6, 1917".
(1) If and while the disability is rated as total and temporary, the monthly compensation shall be the following amounts:

(a) If the disabled person has neither wife nor child living, $80.
(b) If he has a wife but no child living, $90.
(c) If he has a wife and one child living, $95.
(d) If he has a wife and two or more children living, $100.
(e) If he has no wife but one child living; $90, with $5 for each additional child.
(f) If he has a mother or father, either or both dependent on him for support, then, in addition to the above amounts, $10 for each parent so dependent.

(2) If and while the disability is rated as partial and temporary, the monthly compensation shall be a percentage of the compensation that would be payable for his total and temporary disability, equal to the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per centum.

(3) If and while the disability is rated as total and permanent, the rate of compensation shall be $100 per month: Provided, however, That the loss of both feet, or both hands, or the sight of both eyes, or the loss of one foot and one hand, or one foot and the sight of one eye, or one hand and the sight of one eye, or becoming helpless and permanently bedridden, shall be deemed to be total, permanent disability: Provided further, That for double, total, permanent disability the rate of compensation shall be $200 per month.

(4) If and while the disability is rated as partial and permanent, the monthly compensation shall be a percentage of the compensation that would be payable for his total and permanent disability equal to the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per centum.

A schedule of ratings of reductions in earning capacity from specific injuries or combinations of injuries of a permanent nature shall be adopted and applied by the bureau. Ratings may be as high as 100 per centum. The ratings shall be based, as far as practicable, upon the average impairments of earning capacity resulting from such injuries in civil occupations and not upon the impairment in earning capacity in each individual case, so that there shall be no reduction in the rate of compensation for individual success in overcoming the handicap of a permanent injury. The bureau in adopting the schedule of ratings of reduction in earning capacity shall consider the impairment in ability to secure employment which results from such injuries. The bureau shall from time to time readjust this schedule of ratings in accordance with actual experience.

(5) If the disabled person is so helpless as to be in constant need of a nurse or attendant, such additional sum shall be paid, but not exceeding $20 per month, as the director may deem reasonable.

(6) In addition to the compensation above provided, the injured person shall be furnished by the United States such reasonable governmental medical, surgical, and hospital services and with such supplies, including wheeled chairs, artificial limbs, trusses,
and similar appliances, as the director may determine to be useful and reasonably necessary, which wheeled chairs, artificial limbs, trusses, and similar appliances may be procured by the Bureau of War Risk Insurance in such manner, either by purchase or manufacture, as the director may determine to be advantageous and reasonably necessary: Provided, That nothing in this Act shall be construed to affect the necessary military control over any member of the military or naval establishments before he shall have been discharged from the military or naval service (12).

(7) Where the disabled person and his wife are not living together, or where the children are not in the custody of the disabled person, the amount of the compensation shall be apportioned as may be prescribed by regulations.

(8) The term "wife" as used in this section shall include "husband" if the husband is dependent upon the wife for support.

(9) That the Bureau of War Risk Insurance is hereby authorised to furnish transportation, also the medical, surgical, and hospital services and the supplies and appliances provided by subdivision (6) hereof, to discharged members of the military or naval forces of those Governments which have been associated in war with the United States since 6 April 1917, and come within the provisions of laws of such Governments similar to the War Risk Insurance Act, at such rates and under such regulations as the Director of the Bureau of War Risk Insurance may prescribe; and the Bureau of War Risk Insurance is hereby authorised to utilise the similar services, supplies and appliances provided for the discharged members of the military and naval forces of those Governments which have been associated in war with the United States since 6 April 1917, by the laws of such Governments similar to the War Risk Insurance Act, in furnishing the discharged members of the military and naval forces of the United States who live within the territorial limits of such Governments and come within the provisions of subdivision (6) hereof, with the services, supplies, and appliances provided for in such subdivision; and any appropriations that have been or may hereafter be made for the purpose of furnishing the services, supplies, and appliances provided for by subdivision (6) hereof are hereby made available for the payment to such Governments or their agencies for the services, supplies, and appliances so furnished at such rates and under such regulations as the Director of the Bureau of War Risk Insurance may prescribe.

(10) That section 302 of the War Risk Insurance Act as amended shall be deemed to be in effect as of 6 April 1917: Provided, That any person who is now receiving a gratuity or pension under existing law shall not receive compensation under this Act unless he shall first surrender all claim to such gratuity or pension.

Section 303. — That every person applying for or in receipt of compensation for disability under the provisions of this Article shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of

(13) Editorial Note. The general conditions for the organisation of medical care, treatment, hospitalisation, dispensary and convalescent care are fixed by sections 9, 11, 12 and 13 of the Act of 9 August 1921. See Appendix VIII.
the United States or by a duly qualified physician designated or approved by the director. He may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the director, be paid his reasonable travelling and other expenses and also loss of wages incurred in order to submit to such examination. If he refuses to submit himself for, or in any way obstructs, any examination, his right to claim compensation under this Article shall be suspended until such refusal or obstruction ceases. No compensation shall be payable while such refusal or obstruction continues, and no compensation shall be payable for the intervening period.

Every person in receipt of compensation for disability shall submit to any reasonable medical or surgical treatment furnished by the bureau whenever requested by the bureau; and the consequences of unreasonable refusal to submit to any such treatment shall not be deemed to result from the injury compensated for.

Section 304. — [This section was repealed by Act of 27 June 1918—Vocational Rehabilitation Act—Public, No. 178, 65th Congress.]

Section 305 (14). — That upon its own motion or upon application the bureau may at any time review an award, and, in accordance with the facts found upon such review, may end, diminish, or increase the compensation previously awarded, or, if compensation has been refused or discontinued, may award compensation.

Section 306 (15). — That no compensation shall be payable for death or disability which does not occur prior to or within one year after discharge or resignation from the service, except that where, after a medical examination made pursuant to regulations, at the time of discharge or resignation from the service, or within such reasonable time thereafter, not exceeding one year, as may be allowed by regulations, a certificate has been obtained from the director to the effect that the injured person at the time of his discharge or resignation was suffering from injury likely to result in death or disability, compensation shall be payable for death or disability, whenever occurring, proximately resulting from such injury.

Section 307. — That compensation shall not be payable for death in the course of the service until the death be officially recorded in the department under which he may be serving. No compensation shall be payable for a period during which the man has been reported “missing” and a family allowance has been paid for him under the provisions of Article II.

Section 308. — That no compensation shall be payable for death inflicted as a lawful punishment for a crime or military offence except when inflicted by the enemy. A dismissal or dishonourable or bad conduct discharge from the service shall bar and terminate all right to any compensation under the provisions of this Article.

(14) Editorial Note. This section has been amended by section 19 of the Act of 9 August 1921. See Appendix VIII.

(15) Editorial Note. This section has been amended by section 20 of the Act of 9 August 1921. See Appendix VIII.
Section 309. — That no compensation shall be payable unless a claim therefor be filed, in case of disability, within five years after discharge or resignation from the service, or, in case of death during the service, within five years after such death is officially recorded in the department under which he may be serving: Provided, however, That where compensation is payable for death or disability occurring after discharge or resignation from the service, claim must be made within five years after such death or the beginning of such disability.

The time herein provided may be extended by the director not to exceed one year for good cause shown. If at the time that any right accrues to any person under the provisions of this Article, such person is a minor, or is of unsound mind or physically unable to make a claim, the time herein provided shall not begin to run until such disability ceases.

Section 310. — That no compensation shall be payable for any period more than two years prior to the date of claim therefor, nor shall increased compensation be awarded to revert back more than one year prior to the date of claim therefor.

Section 311. — [This section was repealed by Act of 25 June 1918. The substance is now included in section 28.]

Section 312. — That compensation under this Article shall not be paid while the person is in receipt of service or retirement pay. The laws providing for gratuities or payments in the event of death in the service and existing pension laws shall not be applicable after the enactment of this amendment to any person in the active military or naval service on the sixth day of October, nineteen hundred and seventeen, or who thereafter entered the active military or naval service, or to their widows, children, or their dependents, except in so far as rights under any such law have heretofore accrued.

Compensation because of disability or death of members of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) shall be in lieu of any compensation for such disability or death under the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September seventh, nineteen hundred and sixteen.

Section 313. — (1) That if an injury or death for which compensation is payable under this Article is caused under circumstances creating a legal liability upon some person other than the United States or the enemy to pay damages therefor, the director, as a condition to payment of compensation by the United States, may require the beneficiary to assign to the United States any right of action he may have to enforce such liability of such other person, or if it appears to be for the best interests of the beneficiary the director may require him to prosecute the said action in his own name, subject to regulations. The director may require such assignment or prosecution at any time after the injury or death, and the failure on the part of the beneficiary to so assign or to prosecute said cause of action in his own name within a reasonable time, to be fixed by the director, shall bar any right to compensation on account of the same injury or death. The cause of action so assigned to the United States may be prosecuted or compromised by the director, and any money realised or collected thereon, less
the reasonable expenses of such realisation or collection, shall be placed to the credit of the military and naval compensation appropriation. If the amount placed to the credit of such appropriation in such case is in excess of the amount of the award of compensation, if any, such excess shall be paid to the beneficiary after any compensation award for the same injury or death is made.

If a beneficiary or conditional beneficiary shall have recovered, as a result of a suit brought by him or on his behalf, or as a result of a settlement made by him or on his behalf, any money or other property in satisfaction of the liability of such other person, such money or other property so recovered shall be credited upon any compensation payable, or which may become payable, to such beneficiary, or conditional beneficiary, by the United States on account of the same injury or death.

(2) If an injury or death for which compensation may be payable under this Article is caused under circumstances creating a legal liability upon some person, other than the United States or the enemy, to pay damages therefor, then, in order to preserve the right of action, the director may require the conditional beneficiary, at any time after the injury or death, to assign such right of action to the United States, or, if it appears to be for the best interests of such conditional beneficiary, to prosecute the said cause of action in his own name, subject to regulations. The failure on the part of the beneficiary to so assign or to prosecute the said cause of action in his own name within a reasonable time, to be fixed by the director, shall bar any right to compensation on account of the same injury or death. The cause of action so assigned may be prosecuted or compromised by the director, and any money realised or collected thereon, less the reasonable expenses of such realisation or collection, shall be paid to such beneficiary, and be credited upon any future compensation which may become payable to such beneficiary by the United States on account of the same injury or death (16).

(3) The bureau shall make all necessary regulations for carrying out the purposes of this section. For the purposes of computation only under this section the total amount of compensation due any beneficiary shall be deemed to be equivalent to a lump sum equal to the present value of all future payments of compensation computed as of the date of the award of compensation at four per centum, true discount, compounded annually. The probability of the beneficiary's death before the expiration of the period during which he is entitled to compensation shall be determined according to the American Experience Table of Mortality.

A conditional beneficiary is any person who may become entitled to compensation under this Article on or after the death of the injured person. Nothing in this section shall be construed to impose any administrative duties upon the War or Navy Departments.

Section 314. — That from and after the passage of this Act the rate of pension for a widow of an officer or enlisted man of the Army, Navy, or Marine Corps of the United States who served in the Civil War, the War with Spain, or the Philippine Insurrection, now on the
pension roll or hereafter to be placed on the pension roll, and entitled to receive a less rate than hereinafter provided, shall be $25 per month; and nothing herein shall be construed to affect the additional allowance provided by existing pension laws on account of a helpless child or child under sixteen years of age: Provided, however, That this Act shall not be so construed as to reduce any pension under any Act, public or private: And provided further, That the provisions of this section shall be administered, executed, and enforced by the Commissioner of Pensions (17).

ARTICLE IV

Insurance

Section 400. — That in order to give to every commissioned officer and enlisted man and to every member of the Army Nurse Corps (female) and of the Navy Nurse Corps (female) when employed in active service under the War Department or Navy Department greater protection for themselves and their dependents than is provided in Article III, the United States, upon application to the bureau and without medical examination, shall grant insurance against the death or total permanent disability of any such person in any multiple of $500, and not less than $1,000 or more than $10,000, upon the payment of the premiums as hereinafter provided.

Section 401. — That such insurance must be applied for within one hundred and twenty days after enlistment or after entrance into or employment in the active service and before discharge or resignation, except that those persons who are in the active war service at the time of the publication of the terms and conditions of such contract of insurance may apply at any time within one hundred and twenty days thereafter and while in such service: Provided, That any person in the active service on or after the 6th day of April, 1917, and before the 11th day of November, 1918, who while in such active service made application for insurance after the expiration of more than one hundred and twenty days after 15 October, 1917, or more than one hundred and twenty days after entrance into or employment in the active service, and whose application was accepted and a policy issued thereon, and from whom premiums were collected, and who become, or had become totally and permanently disabled, or dies or has died, shall be deemed to have made legal application for such insurance and the policy issued on such application shall be valid. Any person in the active service on or after the 6th day of April, 1917, and before the 11th day of November, 1918, who, while in such service, and before the expiration of one hundred and twenty days after 15 October, 1917, or one hundred and twenty days after entrance into or employment in the active service, becomes or has become totally or permanently disabled, or dies or has died, without having applied for insurance, shall be deemed to have applied for and to have been granted insur-

(17) Editorial Note. Section 22 of the Act of 9 August 1921 adds to Article III of the War Risk Insurance Act a new section to be known as section 315. See Appendix VIII.
ance, payable to such person during his life in monthly instalments of $25 each; and any person inducted into the service by a local draft board after the 6th day of April, 1917, and before the 11th day of November, 1918, who while in such service, and before being accepted and enrolled for active military or naval service, becomes or has become totally and permanently disabled, or dies or has died, without having applied for insurance, shall be deemed to have applied for and to have been granted insurance, payable to such person during his life in monthly instalments of $25 each. If he shall die either before he shall have received any of such monthly instalments or before he shall have received two hundred and forty of such monthly instalments, then $25 per month shall be paid to his widow from the time of his death and during her widowhood; or if there is no widow surviving him, then to his child or children; or if there is no child surviving him, then to his mother; or if there be no mother surviving him, then to his father, if and while they survive him: Provided, however. That no more than two hundred and forty of such instalments, including those received by such person during his total and permanent disability, shall be so paid. The amount of the monthly instalments shall be apportioned between children as may be provided by regulations: Provided further. That each officer and enlisted man attached to the United States ship Cyclops on the 4th day of March 1918, and every officer and enlisted man who on said date was a passenger on said vessel shall be deemed to have been granted insurance in the sum of $5,000 permitted under the War Risk Insurance Act.

Section 402(18). — That the Director, subject to the general direc-

(18) Editorial Note. This section has been considerably modified by the Act to amend and modify the War Risk Insurance Act (Public, No. 104, 66th Congress), approved on 24 December 1919.

Sections 13-19 of the last-mentioned Act which deal especially with the modification of the classes of beneficiaries for War Risk Insurance are as follows:

Section 13. — That the permitted class of beneficiaries for insurance as specified in section 402 of the War Risk Insurance Act is hereby enlarged so as to include, in addition to the persons therein enumerated, uncles, aunts, nephews, nieces, brothers-in-law and sisters-in-law of the insured. This section shall be deemed to be in effect as of 6 October 1917: Provided, That nothing herein shall be construed to interfere with the payment of the monthly instalments authorized to be made under the provisions of said War Risk Insurance Act, as originally enacted and subsequently amended, up to and including the second calendar month after the passage of this Act: Provided further, That all awards of insurance under the provisions of the said War Risk Insurance Act, as originally enacted and subsequently amended, shall be revised as of the first day of the third calendar month after the passage of this Act, in accordance with the provisions of the said War Risk Insurance Act as modified by this amendatory Act.

Section 14. — That if no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly instalments payable and applicable under the provisions of Article IV of the War Risk Insurance Act.

Section 15. — That if any person to whom such yearly renewable term insurance has been awarded dies, or his rights are otherwise terminated after the death of the insured, but before all of the two hundred and forty monthly instalments have been paid, then the monthly instalments payable and applicable shall be payable to such person or persons within the permitted class of beneficiaries as would, under the laws of the State of residence of the insured, be entitled to his personal property in case of intestacy;
tion of the Secretary of the Treasury, shall promptly determine upon and publish the full and exact terms and conditions of such contract of insurance. The insurance shall be payable only to a spouse, child, grandchild, parent, brother or sister, and also during total and permanent disability to the injured person, or to any or all of them. The insurance shall be payable in two hundred and forty equal monthly instalments. Provisions for maturity at certain ages, for continuous instalments during the life of the insured or beneficiaries, or both, for cash, loan, paid up and extended values, dividends from gains and savings, and such other provisions for the protection and advantage of and for alternative benefits to the insured and the beneficiaries as may be found to be reasonable and practicable, may be provided for in the contract of insurance, or from time to time by regulations. All calculations shall be based upon the

and if the permitted class of beneficiaries be exhausted before all of the two hundred and forty monthly instalments have been paid, then there shall be paid to the estate of the last surviving person within the permitted class the remaining unpaid monthly instalments.

Section 16. — That if no beneficiary within the permitted class be designated by the insured as beneficiary for converted insurance, granted under the provisions of Article IV of the War Risk Insurance Act, either in his lifetime or by his last will and testament, or if the designated beneficiary does not survive the insured, then there shall be paid to the estate of the insured the remaining unpaid monthly instalments; or if the designated beneficiary survives the insured and dies before receiving all of the instalments of converted insurance payable and applicable, then there shall be paid to the estate of such beneficiary the remaining unpaid monthly instalments.

Section 17. — That the Bureau of War Risk Insurance may make provision in the contract for converted insurance for optional settlements, to be selected by the insured, whereby such insurance may be made payable either in one sum or in instalments for thirty-six months or more. The bureau may also include in said contract a provision authorising the beneficiary to elect to receive payment of the insurance in instalments for thirty-six months or more, but only if the insured has not exercised the right of election as hereinbefore provided; and even though the insured may have exercised his right of election, the said contract may authorise the beneficiary to elect to receive such insurance in instalments spread over a greater period of time than that selected by the insured.

Section 18. — That all premiums paid on account of insurance converted under the provisions of Article IV of the War Risk Insurance Act shall be deposited and covered into the Treasury to the credit of the United States Government life insurance fund and shall be available for the payment of losses, dividends, refunds, and other benefits provided for under such insurance. Payments from this fund shall be made upon and in accordance with awards by the director.

The Bureau of War Risk Insurance is hereby authorised to set aside out of the fund so collected such reserve funds as may be required, under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is hereby authorised to invest and reinvest the said United States Government life insurance fund, or any part thereof, in interest-bearing obligations of the United States and to sell the obligations for the purposes of the said fund.

Section 19. — That the amount of the monthly instalments of allotment and family allowance, compensation, or yearly renewable term insurance which has become payable under the provisions of the War Risk Insurance Act but which has not been paid prior to the death of the person entitled to receive the same may be payable to the personal representatives of the deceased person.
American Experience Table of Mortality and interest at three and one-half per centum per annum, except that no deduction shall be made for continuous instalments during the life of the insured in case his total and permanent disability continues more than two hundred and forty months. Subject to regulations, the insured shall at all times have the right to change the beneficiary or beneficiaries of such insurance without the consent of such beneficiary or beneficiaries, but only within the classes herein provided. If no beneficiary within the permitted class be designated by the insured, either in his lifetime or by his last will and testament, or if the designated beneficiary does not survive the insured, the insurance shall be payable to such person or persons within the permitted class of beneficiaries as would under the laws of the State of the residence of the insured be entitled to his personal property in case of intestacy. If no such person survive the insured, then there shall be paid to the estate of the insured an amount equal to the reserve value, if any, of the insurance at the time of his death, calculated on the basis of the American Experience Table of Mortality and three and one-half per centum interest in full of all obligations under the contract of insurance.

Section 403. — That the United States shall bear the expenses of administration and the excess mortality and disability cost resulting from the hazards of war. The premium rates shall be the net rates based upon the American Experience Table of Mortality and interest at three and one-half per centum per annum.

Section 404(19). — That during the period of war and thereafter until converted the insurance shall be term insurance for successive terms of one year each. Not later than five years after the date of the termination of the war as declared by proclamation of the President of the United States, the term insurance shall be converted, without medical examination, into such form or forms of insurance as may be prescribed by regulations and as the insured may request. Regulations shall provide for the right to convert into ordinary life, twenty-payment life, endowment maturing at age sixty-two and into other usual forms of insurance and shall prescribe the time and method of payment of the premiums thereon, but payments of premiums in advance shall not be required for periods of more than one month each and may be deducted from the pay or deposit of the insured or be otherwise made at his election.

Section 405. — [This section was repealed by Act of 20 May 1918. The substance is now included in section 13.]

Sections 406, 407, 408, 409, 410 and 411. — [New sections so numbered have been added to this Act by sections 25, 26, 27, 28, 29 and 30 of the Act of 9 August 1921. See Appendix VIII.]

(19) Editorial Note. This section has been amended by section 24 of the Act of 9 August 1921. See Appendix VIII.
APPENDIX VIII

UNITED STATES

Public, No. 47—67th Congress

An Act to establish a Veterans' Bureau and to improve the facilities and service of such Bureau, and further to amend and modify the War Risk Insurance Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

TITLE I

Veterans' Bureau

Section 1. — There is hereby established an independent bureau under the President to be known as the Veterans' Bureau, the director of which shall be appointed by the President, by and with the advice and consent of the Senate. The director of the Veterans' Bureau shall receive a salary of $10,000 per annum, payable monthly. The word "director", as hereinafter used in this Act, shall mean the Director of the Veterans' Bureau.

The powers and duties pertaining to the office of the Director of the Bureau of War Risk Insurance now in the Treasury Department are hereby transferred to the director, subject to the general direction of the President, and the said office of the Director of the Bureau of War Risk Insurance is hereby abolished.

There shall be included on the technical and administrative staff of the director such staff officers, experts, and assistants as the director shall prescribe; and there shall be in the Veterans' Bureau such sections and subdivisions thereof as the director shall prescribe.

Section 2. — The director, subject to the general direction of the President, shall administer, execute, and enforce the provisions of this Act, and for that purpose shall have full power and authority to make rules and regulations not inconsistent with the provisions of this Act, which are necessary or appropriate to carry out its purposes, and shall decide all questions arising under this Act except as otherwise provided herein.

Section 3. — The functions, powers, and duties conferred by existing law upon the Bureau of War Risk Insurance are hereby transferred to and made a part of the Veterans' Bureau.

The functions, powers, and duties conferred upon the Federal Board for Vocational Education by the Act entitled "An Act to provide for vocational rehabilitation and return to civil employment..."
of disabled persons discharged from the military or naval forces of the United States, and for other purposes", approved June 27, 1918, and amendments thereto, are hereby transferred to and made a part of the Veterans' Bureau.

Section 4. — All personnel, facilities, property, and equipment, including leases, contracts, and other obligations and instrumentalties in the District of Columbia and elsewhere of the Bureau of War Risk Insurance, of the United States Public Health Service, as described and provided in a written order of the Treasury Department issued and signed by the Secretary of the Treasury on April 19, 1921, and designated "Order relative to the transfer of certain activities of the United States Public Health Service, relating to the Bureau of War Risk Insurance, including the trainees of the Rehabilitation Division of the Federal Board for Vocational Education", and of the Rehabilitation Division of the Federal Board for Vocational Education, as a result of the administration of the Act approved June 27, 1918, and amendments thereto, are hereby transferred to and made a part of the Veterans' Bureau under the control, management, operation, and supervision of the director, and subject to such change in designation and organisation as he may deem necessary in carrying out the provisions of this Act; Provided, That all commissioned personnel detailed or hereafter detailed from the United States Public Health Service to the Veterans' Bureau shall hold the same rank and grade, shall receive the same pay and allowances, and shall be subject to the same rules for relative rank and promotion as now or hereafter may be provided by law for commissioned personnel of the same rank or grade or performing the same or similar duties in the United States Public Health Service.

Section 5. — All records, files, documents, correspondence, and other papers relating to service rendered or to be rendered by the United States Public Health Service in the medical examination, assignment to hospitals, and treatment of persons who are now or have been patients and beneficiaries of the Bureau of War Risk Insurance or of the Rehabilitation Division of the Federal Board for Vocational Education, as a result of the administration of the Act approved June 27, 1918, and amendments thereto, and as described and provided in a written order of the Treasury Department issued and signed by the Secretary of the Treasury on April 19, 1921, and designated "Order relative to the transfer of certain activities of the United States Public Health Service relating to the Bureau of War Risk Insurance, including the trainees of the Rehabilitation Division of the Federal Board for Vocational Education", shall be transferred to the Veterans' Bureau.

All records, files, documents, correspondence, and other papers in the possession of the Bureau of War Risk Insurance, and those which as a result of the administration of the Act approved June 27, 1918, and amendments thereto, are in the possession of the Rehabilitation Division of the Federal Board for Vocational Education shall be transferred to the Veterans' Bureau.

Section 6. — The director shall establish a central office in the District of Columbia and not more than fourteen regional offices and such suboffices, not exceeding one hundred and forty in number, within the territory of the United States and its outlying possessions as may be deemed necessary by him and in the best interests of
the work committed to the Veterans' Bureau and to carry out the purposes of this Act. Such regional offices may, pending final action by the director in case of an appeal, under such rules and regulations as may be prescribed by the director, exercise such powers for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, and necessary and reasonable after-care, making insurance awards, granting vocational training and all other matters delegated to them by the director as could be performed lawfully under this Act by the central office. The suboffices shall have such powers as may be delegated to them by the director, except to make compensation and insurance awards and to grant vocational training.

The regional offices and suboffices, with all authority to establish such offices, shall terminate on June 30, 1926, but nothing herein shall prevent the director from terminating any regional offices or suboffices when in his judgment this may be done without detriment to the administration of this Act, and upon such termination all records and supplies pertaining thereto shall be delivered to the central office.

Section 7. — The beneficiaries of the Bureau of War Risk Insurance and the Rehabilitation Division of the Federal Board for Vocational Education shall hereafter be the beneficiaries of the Veterans' Bureau, and a complete individual record of each beneficiary shall be kept by the Veterans' Bureau.

Section 8. — All sums heretofore appropriated for carrying out the provisions of the War Risk Insurance Act and amendments thereto, and to carry out the provisions of the Act entitled "An Act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes", approved June 27, 1918, and amendments thereto, shall, where unexpended, be made available for the Veterans' Bureau, and may be expended in such manner as the director deems necessary in carrying out the purposes of this Act, with the restrictions heretofore imposed as to number of persons that may be employed at stated salaries.

Section 9. — The director, subject to the general directions of the President, shall be responsible for the proper examination, medical care, treatment, hospitalisation, dispensary, and convalescent care, necessary and reasonable after-care, welfare nursing, vocational training, and such other services as may be necessary in the carrying out of the provisions of this Act, and for that purpose is hereby authorised to utilise the now existing or future facilities of the United States Public Health Service, the War Department, the Navy Department, the Interior Department, the National Homes for Disabled Volunteer Soldiers, and such other governmental facilities as may be made available for the purposes set forth in this Act; and such governmental agencies are hereby authorised and directed to furnish such facilities, including personnel, equipment, medical, surgical, and hospital services and supplies as the director may deem necessary and advisable in carrying out the provisions of this Act, in addition to such governmental facilities as are hereby made available.
In order to standardise the character of examination, medical care, treatment, hospitalisation, dispensary, and convalescent care, nursing, vocational training, and such other services as may be necessary for beneficiaries under this Act, the director shall maintain an inspection service, with authority to examine all facilities and services utilised in carrying out the purpose of this Act, and for this purpose, with the approval of the President, may utilise such other government or private agencies as may be deemed practicable and necessary. The head of the inspection service shall report to the director in the manner the director may prescribe the result of each examination of facilities and services, and shall recommend to him methods of standardising such facilities and services.

When, in the opinion of the director, the facilities and services utilised for the hospitalisation, medical care, and treatment of beneficiaries under this Act are unsatisfactory, the director shall make arrangements for the further hospitalisation, care, and treatment of such beneficiaries by other means.

In the event that there is not sufficient government hospital and other facilities for the proper medical care and treatment of beneficiaries under this Act, and the director deems it necessary and advisable to secure additional government facilities, he may, within the limits of appropriation made for carrying out the provisions of this paragraph, and with the approval of the President, improve or extend existing governmental facilities, or acquire additional facilities by purchase or otherwise. Such new property and structures as may be so improved, extended, or acquired shall become part of the permanent equipment of the Veterans' Bureau or of some one of the now existing agencies of the Government, including the War Department, Navy Department, Interior Department, Treasury Department, the National Homes for Disabled Volunteer Soldiers, in such a way as will best serve the present emergency, taking into consideration the future services to be rendered the veterans of the World War, including the beneficiaries under this Act.

In the event government hospital facilities and other facilities are not thus available or are not sufficient, the director may contract with State, municipal, or private hospitals for such medical, surgical, and hospital services and supplies as may be required, and such contracts may be made for a period of not exceeding five years and may be for the use of a ward or other hospital unit or on such other basis as may be in the best interest of the beneficiaries under this Act.

The President is hereby authorised, should he deem it necessary and advisable for the proper medical care and treatment of beneficiaries under this Act, to transfer to the director the operation, management, and control of specifically designated hospitals now under the jurisdiction of the Public Health Service. Such hospitals when transferred shall be used exclusively for beneficiaries under this Act and shall be under the operative control of the director for such period of time as the President may prescribe.

Section 10.—For the purpose of this Act, the director is authorised to detail from time to time clerks or persons employed in the bureau to make examinations into the merits of compensation and insurance claims, whether pending or adjudicated, as he may deem proper, and to aid in the preparation, presentation, or examination of such claims; and any such person so detailed shall have power to
administer oaths, take affidavits, and certify to the correctness of the papers and documents pertaining to the administration of this Act. Nothing in this section shall be construed to authorise a travel allowance to clerks or persons for transportation or subsistence outside of the district in which they are employed.

Section 11. — The director is hereby authorised to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals, homes, or institutions as patients or beneficiaries of said bureau during their stay in such hospitals, homes, institutions, or training centres. Penalties for the breach of such rules and regulations may, with the approval of the director, extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly instalment per month for three months, for a breach committed while receiving treatment in such hospital, home, institution or training centre as may be prescribed by such rules and regulations: Provided, That the offender shall have the right to appeal the decision involving the forfeiture of a part of his compensation to a board of three persons which shall be established and appointed by the director in September of each year for each regional district. Such board shall be known as the Board on Discipline and Morale. It shall serve without compensation, and at least one of the members of such board shall be an ex-Service man and a member of some war veterans' organisation. No person who is in the employ of the United States shall be a member of such board. The decision of such board, after hearing all the evidence presented by the offender and those charging a breach of the rules and regulations, shall be final.

Section 12. — The director may set forth in regulations to be prescribed by him the conditions and limitations whereby all patients or beneficiaries of the Veterans' Bureau who are receiving treatment through the bureau as inmates of a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

In case such inmate has not allotted three-fourths of his monthly compensation, regulations to be made by the director may provide that any unallotted portion of such three-fourths compensation may be deposited to his credit with the Treasurer of the United States to accumulate at such rate of interest as the Secretary of the Treasury may determine, but at a rate never less than 3 1/2 per centum per annum, payable for no period, however, of less than six months, and when payable shall be paid, principal and interest, to such patient if living; otherwise, to any beneficiary or beneficiaries he may have designated, or, if there be no such beneficiary, then to the executor or administrator of the estate of such deceased person: Provided, That this paragraph shall not be so construed as to prevent payment by the bureau from the amounts due to the decedent's estate of his funeral expenses, expenses of last illness, board, rent, lodging, or other household expenses for which decedent is liable, provided a claim therefor is presented by the creditors or by the person or persons who actually paid the same before settlement by the Veterans' Bureau.

The Secretary of the Treasury is hereby authorised to invest and reinvest the said allotments deposited with him, or any part
thereof, in interest-bearing obligations of the United States and to
sell the obligations for the purposes of said funds.

Section 13. — In addition to the care, treatment, and appliances
now authorised by law, said bureau also shall provide without
charge therefor hospital, dental, medical, surgical and convalescent
care and treatment and prosthetic appliances for any member of the
military or naval forces of the United States separated therefrom
under honorable conditions disabled by reason of any wound or
injury received or disease contracted, or by reason of any aggravation
of a pre-existing injury or disease, specifically noted at examination
for entrance into or employment in the active military or naval
service, while in the active military or naval service of the United
States on or after April 6, 1917: Provided, That the wound or injury
received or disease contracted, or aggravation of a pre-existing injury
or disease, for which such hospital, dental, medical, surgical, and
convalescent care and treatment and prosthetic appliances shall
be furnished, was incurred in line of duty and not caused by his
own wilful misconduct: Provided further, That application for
such care and treatment and appliances provided for in this section
shall be made within one year from date of separation from service
or from the date this Act goes into effect, whichever is the later.

Section 14.—The director shall file with the Clerk of the House
and the Secretary of the Senate on the first day of the next regular
session after this Act takes effect an itemised account of all
expenditures, classified by regional offices and suboffices, made
under this Act, including names, classifications, and salaries of all
staff officers, experts, assistants, and employees, and the nature
and terms of all contracts made under the authority of this Act,
and the names and principal place of business of the parties thereto.
Thereafter, on the first Monday in December of each year, the
director shall make a report to Congress of his doings under this
Act for the preceding fiscal year.

Any person who shall knowingly make or cause to be made, or
conspire, combine, aid or assist in, agree to, arrange for, or in
anywise procure the making or presentation of a false or fraudulent
affidavit, declaration, certificate, statement, voucher, or paper
or writing purporting to be such, concerning any claim or the
approval of any claim for compensation or the payment of any
money, for himself or for any other person, under Article III of the
War Risk Insurance Act, or any Acts amendatory of or supplemental
to such Article III, shall forfeit all rights, claims, and benefits
under such Article III, and in addition to any and all other penalties
imposed by law shall be guilty of a misdemeanour and upon conviction
thereof shall be punished by a fine of not more than $1,000 or
imprisonment for not more than one year, or by both such fine and
imprisonment, for each such offence.

**Title II**

**Amendments to the War Risk Insurance Act**

Section 15. — Section 29 of the War Risk Insurance Act is hereby
amended to read as follows:
Section 29.—The discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien, conscientious objector, or a deserter, or is guilty of mutiny, treason, spying, or any offence involving moral turpitude, or wilful and persistent misconduct, shall terminate any insurance granted on the life of such person under the provisions of Article IV, and shall bar all rights to any compensation under Article III or any insurance under Article IV: Provided, That, as to converted insurance, the cash surrender value thereof, if any, on the date of such discharge or dismissal shall be paid the insured, if living, and if dead to the designated beneficiary: Provided further, That an enemy alien who volunteered or who was drafted into the Army, Navy, or Marine Corps of the United States during the World War, and who was not discharged from the service on his own application or solicitation, by reason of his being an enemy alien, and whose service was honest and faithful, shall be entitled to the benefit of the War Risk Insurance Act and all amendments thereto: Provided further, That in case any person has been dishonourably discharged from the military or naval forces as a result of a court-martial trial, and it is thereafter established to the satisfaction of the director that at the time of the commission of the offence resulting in such court-martial trial and discharge that such person was insane, such person shall be entitled to the compensation and insurance benefits of the War Risk Insurance Act.

Section 16.—Section 31 of the War Risk Insurance Act is hereby amended by adding thereto a subsection to be known as subsection (a) and to read as follows:

"(a) Any person who between the 6th day of April 1917, and the 11th day of November, 1918, applied for enlistment or enrolment in the military or naval forces, and who was accepted provisionally and directed or ordered to a camp, post, station, or other place for final acceptance into such service, shall be deemed to have the same status as an inducted man not yet accepted and enrolled for active service during the period while such person was complying with such order or direction, and during such compliance, and until his final acceptance or rejection for enlistment or enrolment into the military or naval forces, shall be entitled to the same benefits under Article II and IV of the War Risk Insurance Acts as an inducted yet accepted and enrolled for active service."

Section 17.—Section 210 of the War Risk Insurance Act, as amended, is hereby amended to read as follows:

"Section 210. — Upon receipt of any application for family allowance, the director shall make all proper investigations and shall make an award, on the basis of which award the amount of the allotments to be made by the man shall be certified to the War Department or Navy Department, as may be proper. Whenever the director shall have reason to believe that an allowance has been improperly made or that the conditions have changed, he shall investigate or reinvestigate and may modify the award. The amount of each monthly allotment and allowance shall be determined according to the family conditions existing on the first day of the month: Provided, That whenever an award of allotment or allowance, or both, covering any period has been paid to, or on behalf of, a person designated by the enlisted man as beneficiary of his allotment, no recovery of the allotments paid in such cases
shall hereafter be made for any reason whatsoever; and no recovery of the allowances paid in such cases shall hereafter be made for any reason whatsoever except where it is shown that the person receiving the allowance does not bear the relationship to the enlisted man which is required by the War Risk Insurance Act, and except, also, in cases of manifest fraud."

Section 18. — Section 300 of the War Risk Insurance Act is hereby amended to read as follows:

"Section 300. — For death or disability resulting from personal injury suffered or disease contracted in the line of duty on or after 6 April 1917, or for an aggravation of a disability existing prior to examination, acceptance, and enrolment for service, when such aggravation was suffered and contracted in the line of duty on or after 6 April 1917, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay to such commissioned officer or enlisted man, member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) or, in the discretion of the director, separately to his or her dependents compensation as hereinafter provided; but no compensation shall be paid if the injury, disease, or aggravation has been caused by his own wilful misconduct. That for the purposes of this section every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department who was discharged or who resigned prior to the date of approval of this amendatory Act, and every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department on or before 11 November 1918, who hereafter is discharged or resigns, shall be held and taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, disorders, or infirmities, made of record in any manner by proper authorities of the United States at the time of or prior to inception of active service, to the extent to which any such defect, disorder, or infirmity was so made of record: Provided further, That an ex-service man who is shown to have an active pulmonary tuberculosis or neuropsychiatric disease (of more than 10 per centum degree of disability in accordance with the provisions of subdivision (2) of section 302 of the War Risk Insurance Act, as amended) developing within two years after separation from the active military or naval service of the United States shall be considered to have acquired his disability in such service, or to have suffered an aggravation of a pre-existing pulmonary tuberculosis or neuropsychiatric disease in such service, but nothing in this proviso shall be construed to prevent a claimant from receiving the benefits of compensation and medical care and treatment for a disability due to these diseases of more than 10 per centum degree (in accordance with the provisions of subdivision (2) of section 302 of the War Risk Insurance Act, as amended) at a date more than two years after separation from such service, if the facts of the case substantiate his claim. This section shall be deemed to be in effect as of 6 April 1917."

Section 19. Section 305 of the War Risk Insurance Act is hereby amended to read as follows:
"Section 305. — Upon its own motion or upon application the bureau may at any time review an award, and, in accordance with the facts found upon such review, may end, diminish, or increase the compensation previously awarded, or, if compensation is increased, or, if compensation has been refused, reduced, review, may or discontinued, may award compensation in proportion to the degree of disability sustained as of the date such degree of disability began, but not earlier than the date of discharge or resignation."

Section 20. — Section 306 of the War Risk Insurance Act is hereby amended to read as follows:

"Section 306. — No compensation shall be payable for death or disability which does not occur prior to or within one year after discharge or resignation from the service, except that where, after a medical examination made pursuant to regulations, a certificate has been obtained from the director at the time of discharge or resignation from the service, or within one year thereafter, or within one year after the passage of this amendatory Act, whichever is the later, to the effect that the injured person at the time of his discharge or resignation was suffering from injury likely to result in death or disability, compensation shall be payable for death or disability, whenever occurring, proximately resulting from such injury."

Section 21. — Section 313 of the War Risk Insurance Act, as amended, is hereby amended by adding thereto, immediately following subsection (2) thereof, a new subsection to be known as subsection (2 a) and to read as follows:

"(2 a) The Veterans' Bureau is hereby authorised to pay the beneficiary or other person or persons in whose name an action may have been commenced or prosecuted, and to all witnesses in such action, fees and mileage, the same as is now paid and allowed to witnesses in the United States courts, in going to, remaining at, and returning from place of trial, and without any regard to whether the action, if any, is brought or prosecuted in a court of the United States or some other court.

"In all cases of assignment of causes of action under this section, whether the assignment be heretofore, or hereafter made, where it shall appear to the director to be to the best interests of the beneficiary so to do, the director, acting for and in the name of the United States, may assign the cause of action back to the beneficiary or to his personal representatives."

Section 22. — A new section is hereby added to Article III of the War Risk Insurance Act to be known as section 315, and to read as follows:

"Section 315.—That no person admitted into the military or naval forces of the United States after six months from the passage of this amendatory Act shall be entitled to the compensation or any other benefits or privileges provided under the provisions of Article III of the War Risk Insurance Act, as amended."

Section 23. — Section 402 of the War Risk Insurance Act is hereby amended by adding thereto a subsection to be known as subsection (a) and to read as follows:

"(a) Where a beneficiary at the time of designation by the insured is within the permitted class of beneficiaries and is the
designated beneficiary at the time of the maturity of the insurance because of the death of the insured, such beneficiary shall be deemed to be within the permitted class even though the status of such beneficiary shall have been changed."

Section 24.—Section 404 of the War Risk Insurance Act is hereby amended to read as follows:

"Section 404.—During the period of the war and thereafter until converted the insurance shall be term insurance for successive terms of one year each. Not later than five years after the date of the termination of the war as declared by proclamation of the President of the United States the term insurance shall be converted, without medical examination, into such form or forms of insurance as may be prescribed by regulations and as the insured may request. Regulations shall provide for the right to convert into ordinary life, twenty-payment life, endowment maturing at age sixty-two, and into other usual forms of insurance, and shall prescribe the time and method of payment of the premiums thereon, but payments of premiums in advance shall not be required for periods of more than one month each and may be deducted from the pay or deposit of the insured or be otherwise made at his election.

"In case where an insured whose yearly renewable term insurance has matured by reason of total permanent disability is found and declared to be no longer permanently and totally disabled, and where the insured is required under regulations to renew payment of premiums on said term insurance, and where this contingency is extended beyond the five-year period during which said yearly renewable term insurance otherwise must be converted, there shall be given such insured an additional period of two years from the date on which he is required to renew payment of premiums in which to convert said term insurance as hereinbefore provided."

Section 25.—A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 406, and to read as follows:

"Section 406.—Whenever benefits under United States Government life insurance (converted insurance) become or have become payable because of total permanent disability of the insured or because of the death of the insured as a result of disease or injury traceable to the extra hazard of the military or naval service as such hazard may be determined by the director, the liability shall be borne by the United States, and the director is hereby authorised and directed to transfer from the military and naval insurance appropriation to the United States Government life insurance fund a sum which, together with the reserve of the policy at the time of maturity by total permanent disability or death, will equal the then value of such benefits. When a person receiving total permanent disability benefits under a United States Government life policy (converted policy) recovers from such disability and is then entitled to continue a reduced amount of insurance, the director is hereby authorised and directed to transfer to the military and naval insurance appropriation all of the loss reserve to the credit of such policy claim except a sum sufficient to set up the then required reserve on the reduced amount of insurance that may be continued, which sum shall be retained in the United States Government life insurance fund for the purpose of such reserve."

Section 26. — A new section is hereby added to Article IV of the War Risk Insurance Act (including therein section 14 of the Act entitled "An Act to amend and modify the War Risk Insurance Act", approved December 24, 1919), to be known as section 407, and to read as follows:

"Section 407. — If no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly instalments payable and applicable under the provisions of Article IV of the War Risk Insurance Act: Provided, That in cases where the estate of the insured would escheat under the laws of the place of his residence the insurance shall not be paid to the estate of the insured, but shall escheat to the United States and shall be credited to the United States Government life insurance fund or the military and naval insurance appropriation, as may be proper. This section shall be deemed to be in effect as of October 6, 1917."

Section 27. — A new section is hereby added to Article IV of the War Risk Insurance Act, to be known as section 408, and to read as follows:

"Section 408. — In the event that all provisions of the rules and regulations other than the requirements as to the physical condition of the applicant for insurance have been complied with, an application for reinstatement of lapsed or cancelled yearly renewable term insurance or application for United States Government life insurance, (converted insurance) hereafter made may be approved: Provided, That the applicant's disability is the result of an injury or disease or of an aggravation thereof suffered or contracted in the active military or naval service during the World War: Provided further, That the applicant during his lifetime submits proof satisfactory to the director showing the service origin of the disability or aggravation thereof and that the applicant is not totally and permanently disabled. As a condition, however, to the acceptance of an application for the reinstatement of lapsed or cancelled yearly renewable term insurance or United States Government life insurance (converted insurance) the applicant shall be required to pay all the back monthly premiums which would have become payable if such insurance had not lapsed, together with interest at the rate of 5 per centum per annum compounded annually on each premium from the date said premium is due by the terms of the policy: Provided further, That where any soldier has heretofore allowed his insurance to lapse, while suffering from wounds or disease suffered or contracted in line of service, and was at the time he allowed his said policy to lapse entitled to compensation on account thereof in a sum equal to or in excess of the amount due from him in premiums on his said insurance, and has since died from said wounds or disease without collecting or making claim for said compensation, or being allowed to reinstate his said policy on account of his physical condition, then and in that event said policy shall not be considered as lapsed, and the Veterans' Bureau is hereby authorised and directed to pay to the beneficiaries of said soldier under said policy the amount of said insurance less the premiums and interest thereon at 5 per centum per annum compounded annually in instalments as provided by law."
Section 28. — A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 409, and to read as follows:

"Section 409. — The Veterans' Bureau is authorised to make provision in accordance with regulations, whereby the payment of premiums on yearly renewable term insurance and United States Government life insurance (converted insurance) on the due date thereof may be waived and the insurance may be deemed not to lapse in the cases of the following persons, to wit:

(a) Those who are confined in a hospital under said bureau for a compensable disability during the period while they are so confined;
(b) those who are rated as temporarily totally disabled by reason of an injury or disease entitling them to compensation during the period of such total disability and while they are so rated: Provided, That such relief from payment of premiums on renewable term insurance on the due date thereof shall be for full calendar months, beginning with the month in which said confinement to hospital or temporary total disability rating begins, and ending with that month during the half or major fraction of which the person is confined in hospital, or is rated as temporarily totally disabled: Provided further, That all premiums, the payment of which when due is waived as above provided, shall bear interest at the rate of 5 per centum per annum compounded annually from the due date of each premium, and if not paid by the insured shall be deducted from the insurance when the same matures either because of permanent total disability or death."

Section 29. — A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 410, and to read as follows:

"Section 410. — Under such rules and regulations as the Director of the Veterans' Bureau and the Postmaster General may prescribe, the Postmaster General is hereby authorised to receive the premiums on yearly renewable term insurance and United States Government life insurance (converted insurance) and to act for and turn over to the Treasurer of the United States the money so received, and if the money order system is used as an agency for the transmission of such money, the Postmaster General may adopt a specially-designed money-order form for such purpose, and he also is authorised to receive and transmit to the Veterans' Bureau applications for reinstatement of lapsed insurance and applications for conversion of yearly renewable term insurance."

Section 30. — A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 411, and to read as follows:

"Section 411. — Subject to the provisions of section 29 of the War Risk Insurance Act and amendments thereto policies of insurance heretofore or hereafter issued in accordance with Article VI of the War Risk Insurance Act shall be incontestable after six months from date of issuance, or reinstatement, except for fraud or non-payment of premiums."

Approved, August 9, 1921.
APPENDIX IX

UNITED STATES

Statistics concerning pensions granted or refused to War Disabled up to September 2, 1921

(Compiled from the Fifth Monthly Circular issued by the Veterans’ Bureau to its district offices on September 10, 1921.)

Total number of disability pensions granted, either permanently or temporarily, since the outbreak of war: 299,633
Number of disability pensions refused since the outbreak of war: 176,800
Number of pensions which are still being paid: 158,772

APPENDIX X

UNITED STATES

Statistics concerning War Risk Term Insurance

Position on June 30, 1920

(Compiled from the Annual Report of the Director of the Bureau of War Risk Insurance for the fiscal year ended June 30, 1920, chapters VI and VII.)

Total number of term insurance applications: 4,631,993
Total number of term insurance certificates issued: 4,610,185
Net receipts from premiums received since the date on which the insurance was instituted: $298,756,007.66
Number of insurance claims filed by beneficiaries: 139,222
Number of claims allowed: 131,452
Total term insurance awards paid: $130,564,848.80
Difference between amount of premiums received and claims paid: $168,191,160.86

APPENDIX XI

UNITED STATES

Statistics concerning United States Government Life Insurance

Position on June 30, 1920

(Compiled from the Annual Report of the Director of the Bureau of War Risk Insurance for the fiscal year ended June 30, 1920, chapters VI and VII.)

Number of insurance applications filed: 163,210
Number of insurance certificates issued: 152,979
Average amount per policy: $3,345.70
Total receipts from premiums paid since government life insurance was instituted: $10,292,842.50
Number of claims filed: 220
Number of claims allowed: 103
Amount of claims paid to beneficiaries: $47,868.32
Difference between amount of premiums received and amount of awards paid to beneficiaries: $10,244,974.18