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## **Standing Committee on Veterans Affairs**

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**EVIDENCE**

**Thursday, November 26, 2009**

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**Chair**

**Mr. David Sweet**



## Standing Committee on Veterans Affairs

Thursday, November 26, 2009

• (0900)

[English]

**The Chair (Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC)):** *Bonjour à tous.*

Good morning, ladies and gentlemen. Welcome to the 36th meeting of the Standing Committee on Veterans Affairs. We're studying a review of the new Veterans Charter.

We're pleased to have with us today Hugh Marlowe Fraser, from the Canadian Peacekeeping Veterans Association, as well as Louise Richard, from the Gulf War Veterans Association of Canada.

I see someone else there, but they don't have a label. Do we have another witness?

**The Clerk of the Committee (Mr. Jacques Lahaie):** He's supporting her in case she needs him.

**The Chair:** That's fine.

Now that we've named the witnesses, we'll continue. We'll start with the opening remarks.

Mr. Fraser and Madam Richard, do both of you have opening remarks?

Madam Richard, why don't you begin? Then we'll go to Mr. Fraser.

**Mr. Hugh Marlowe Fraser (Advocacy Executive Director, Canadian Peacekeeping Veterans Association):** That's fine.

**Ms. Louise Richard (Freelance advocate for disabled veterans and their families, Gulf War Veterans Association of Canada):** May I begin?

**The Chair:** You may.

**Ms. Louise Richard:** Good morning, Chair and members of the House committee on Veterans Affairs. Thank you for inviting me here today as part of your ongoing study of the new Veterans Charter.

I am Louise Richard, lieutenant, navy, retired, a registered nurse with post-graduate studies in mental health, and I am disabled as a result of my service with the Canadian Forces in the 1991 Gulf War.

I will first give my formal presentation. Then, joining me for questions will be Captain Perry Gray, retired, editor of the website VeteranVoice.info and co-author of Canada's first ever ombudsman's report on Veterans Affairs.

As the original co-founder of the Gulf War Veterans Association of Canada, I was one of the only voices speaking out for positive

change in Veterans Affairs during the mid-1990s. I was later joined by retired Captain Sean Bruyey, also an advocate for veterans' rights, who is well known for his nationally recognized efforts to positively change how disabled veterans and their families are cared for by Veterans Affairs.

It is because of efforts like ours, which have articulated the suffering and plight of disabled soldiers and their neglect at the hands of the Canadian government, that Veterans Affairs was forced to initiate the modernization task force. Please imagine the sense of abandonment and futility that I and other veterans felt when Veterans Affairs made no effort whatsoever to involve me or any other veteran in the development of the details of the new Veterans Charter.

Subsequently, in May 2005, the new Veterans Charter passed without debate in the House of Commons in less than five minutes. Never before in a parliamentary democracy has an initiative that profoundly affects the lives of so many people been passed so quickly.

In the place of public discussion about the charter, Sean Bruyey and I appeared before a rushed Senate committee hearing the next day. What quickly became clear to me during that testimony was that the speed with which this legislation was haphazardly written had prevented all politicians, and all but a handful of veterans, from understanding the details of what was passed so quickly in Parliament. That is why, almost five years later, we find ourselves in the regrettable position of attempting to force a highly resistant bureaucracy to change parts of the charter that should never have been put into the legislation in the first place.

For example, when Sean Bruyey and I testified to oppose the charter as it is written, we adamantly objected to replacing the lifelong disability pension with a one-time lump sum payment. Giving one-time compensation to an injured soldier, sailor, or airperson who will endure a disability for the remainder of his or her life is not only insensitive, it is not Canadian.

Any military member transitioning out of the forces faces a difficult time adjusting to civilian life. When that soldier is injured, especially psychologically, handing over a lump sum in the midst of such stress is negligent care at best and speaks to a disgusting lack of compassion. In certain cases, the soldier's mental disability may impede the normal decision-making process, and the money may not be wisely invested. We once again strongly urge a parliamentary committee to have Veterans Affairs immediately remove the one-time lump sum and return to a lifelong disability pension.

Four years ago, we also pointed out that the earnings loss benefit designed to replace the SISIP long-term disability unfairly forced disabled veterans to first enter the rehabilitation program before collecting a reduced salary. Forcing a disabled and highly vulnerable veteran into a rehabilitation plan to receive money for food and housing is equivalent to workfare programs, which have been universally denounced throughout the developed world.

In contrast, the SISIP long-term disability is far more compassionate, providing much-needed income first. Then, when the injured veteran and his or her family are ready, the veteran can enter the vocational rehabilitation program. We therefore urge this committee to remove the requirement that an injured veteran enter the VAC rehabilitation program in order to collect the earnings loss benefit.

• (0905)

Furthermore, this question has been raised: why are the SISIP long-term disability and the earnings loss benefit restricted to 75% of release salary? If Canada truly honours the sacrifices and the losses endured by our disabled soldiers, and if a disabled soldier is forced to leave the forces in order to live the rest of his or her life on disability while attempting to raise a family, then that veteran should be earning 100% of release salary, not 75%.

Please do not compare what we do and what we must endure to what a public servant does. We sacrifice much when we join the forces, and we give up everything we love and honour when we are forced from the military due to our disabilities.

I would like to make one final point about SISIP long-term disability and the earnings loss benefit. Both of these income loss programs unfairly deduct amounts for Pension Act disability pension payments.

DND ombudsmen have written more than six letters and reports wherein the office clearly denounces the practice of deducting Pension Act payments. The Veterans Ombudsman agrees. A majority in the House of Commons voted to stop this deduction. The Standing Committees on National Defence and the Standing Committee on Veterans Affairs also voted to stop the deductions. More recently, the Senate Standing Committee on National Security and Defence voted to stop the deductions.

Chair and members of this committee, what will it take? What will it take to have the bureaucracy do what Parliament and other representatives tell it to do? What is the purpose of having elected officials and ombudsmen if they are ignored by bureaucrats who don't seem to care if we die or are disabled in defending our country?

The stubbornness of the bureaucracy has forced the matter of the unfair deductions from SISIP to the Supreme Court. We urge this committee, as part of its study on the new Veterans Charter, to have

the deductions of Pension Act payments from SISIP LTD and earnings loss benefits cease immediately.

I had the honour of sitting on the Veterans Affairs special needs advisory group, better known as SNAG. During my time with the advisory group, SNAG produced its first report, which made more than 70 recommendations for change at VAC. Veterans Affairs has not implemented a single change. Furthermore, we were forced to sign confidentiality agreements that have prevented these reports from being made public.

It was because of this unacceptable control by Veterans Affairs, but mostly because of the many flaws in the new Veterans Charter, that I announced my resignation when the charter took effect on April 1, 2006. It is my understanding that since my resignation SNAG has produced a further three reports, with more than 150 recommendations. Due to the unnecessary secrecy that VAC has placed on the reports, as I understand it VAC has not implemented one single recommendation, and I cannot go into detail about those recommendations because I am also bound by the confidentiality agreement.

Supposedly, both the new Veterans Charter and the special needs advisory group were created to address the needs of veterans who need help the most, usually those who are pensioned above 70%. As a veteran of the Gulf War and an advocate for those who served in the Gulf, I have seen far too many disabled veterans and their families fall through the cracks while the families fall apart. Most of these veterans are overwhelmed by their symptoms and life in general.

The new Veterans Charter does nothing to improve the poor manner with which severely disabled veterans are treated and cared for by Veterans Affairs. It is a fact that the severely disabled require more medical care. However, Veterans Affairs applies the same limits to health care for severely disabled veterans as it does for those who suffer a single minor injury.

In order to receive more medical care, requests have to be made, with full justification provided by at least one medical doctor even though Veterans Affairs has the condition on file. The authorization is far from immediate. Instead, the request is passed from district to region and then to head office in Charlottetown and/or to one of the three treatment authorization centres. Even if authorization is given when the veteran is clearly suffering a severe and chronic disabling condition, the same process must be repeated each and every year.

Such bureaucratic nightmares have to end. The first step in this process is to perhaps supply a distinct and differently coded Veterans Affairs identification card to those who are severely disabled and/or require ongoing care for chronic symptoms.

● (0910)

This brings me to the issue of conditions that may not meet Veterans Affairs' highly rigid authorization guidelines for treatment approval. For example, Gulf War veterans, like many veterans of modern combat, suffer conditions that are not easily understood. Complex physical conditions are pensioned by Veterans Affairs as chronic fatigue, fibromyalgia, and even post-traumatic stress disorder.

However, giving a name to the disability does not mean that Veterans Affairs will provide treatment for the symptoms, even when treatment is prescribed by a licensed medical doctor. This practice has not changed, and indications are that treatment guidelines may be even stricter under the new Veterans Charter due to how disability awards are calculated.

This stubbornness on the part of Veterans Affairs has to end. Vastly more flexibility has to be included in medical treatment authorizations. If a medical doctor prescribes a pharmaceutical drug or a medical treatment, then Veterans Affairs must immediately authorize the treatment without making the severely injured veteran or his or her doctor jump through hoops.

As a Gulf War veteran, I monitor international efforts to improve treatment for those disabilities suffered by many men and women who served in the Gulf. Recently I was invited, at my own expense, to attend the latest American Gulf War advisory research committee meeting, in Washington, D.C. These advisory committee meetings discuss the latest in medical treatments and research. The public can attend and committee reports are published openly.

I personally contacted Deputy Minister Suzanne Tining so that Veterans Affairs Canada could send a representative to the meeting to be held in Washington. After promising to get back to me, neither Ms. Tining nor anyone else contacted me for further information. This is unfortunate.

Over the past 15 years, the U.S. has focused a great deal of resources on research, outreach, and education in order to provide care for their Gulf War veterans and veterans in general. It is sad to say that I receive far more support regarding the Gulf War illnesses from Americans than I do from the Canadian government.

To me, Ms. Tining's casual dismissal of this important opportunity to help Gulf War veterans, as well as all veterans, shows the apathy and ignorance in Veterans Affairs Canada. The combination of having the head office located in P.E.I., along with the VAC head-

office staff making little or no attempt whatsoever to know veterans issues or know personally the clients they serve, is unacceptable.

Head-office staff admit to me that they are removed from knowing the clients. To them, we are mere files and numbers. The details of the new Veterans Charter and the extreme stubbornness of the Veterans Affairs bureaucracy to change anything in the legislation that might favour the veteran tragically speaks to just how far removed Veterans Affairs decision-makers are from the veterans they falsely claim to serve.

In closing, I thank you once again for inviting me here to speak today. As my main area of specialty is the ongoing issues affecting Gulf War veterans, I have a wealth of information that I would like to present to committee at a future date. I sincerely ask that you invite me back to testify on developments in research and treatment of Gulf War-related illnesses, areas that Veterans Affairs Canada needs to address for hopefully the benefit and improved treatment of all injured veterans.

Regarding the new Veterans Charter, I urge this committee to invite Captain Sean Bruyca to testify. He was the first in Canada to study the charter in detail and report publicly on the many shortcomings in the legislation. He is one of Canada's best resources when it comes to caring for our disabled veterans and their families. Sadly, the bureaucracy and many organizations have treated Sean Bruyca with disdain for his opposition to the charter.

It is ironic that we are now sitting here four years later and virtually every veteran and every veterans group agrees with the analysis of the charter that Captain Bruyca and I presented four years ago. Veterans Affairs is alone in not understanding the charter's flaws.

In order for your study to be productive and to yield the results that Canada's veterans need, I recommend that you save Sean Bruyca's testimony until the end of your study. He has an admirable ability to see through the smoke and mirrors created by the bureaucracy.

● (0915)

Thank you.

**The Chair:** Thank you, Madam Richard.

Now we'll go to Mr. Fraser.

**Mr. Hugh Marlowe Fraser:** Hopefully you all have the opening remarks that I've put together here.

**Some hon. members:** No.

**Mr. Hugh Marlowe Fraser:** Oh, they're—

**The Chair:** Mr. Fraser, the policy of the committee is that they have to be in both official languages. It's not translated so we'll just have to take your testimony. We'll translate your remarks and distribute them after the fact.

**Mr. Hugh Marlowe Fraser:** I'm sorry. When I read the guidelines, I thought that it was remarks over 10 pages that needed translation. I apologize.

Good morning, Mr. Chair and committee members. I'm Marlowe Fraser, Executive Director of Advocacy for the Canadian Peace-keeping Veterans Association and a member of the New Veterans Charter Advisory Group. I'm also a representative on the Gerontological Advisory Council.

I would like to take this opportunity to thank the committee for allowing me to testify today and provide my view and experience as a disabled veteran who has a family that has been through the system under the Pension Act and the Canadian Forces Members and Veterans Re-establishment and Compensation Act, hereafter referred to as the new Veterans Charter.

I would like to extend my thanks to the chair of the New Veterans Charter Advisory Group, Professor Westmorland, for her excellent leadership and guidance. From Veterans Affairs Canada, I would like to acknowledge and thank Mr. Darragh Mogan, general director of the policy and programs division. Lastly, I would like to thank my fellow colleagues of the New Veterans Charter Advisory Group for their friendship and support.

By way of an introduction, I would like to provide you with a bit of my military background, injury history, and resulting medical release from the Canadian armed forces so that you may know a little more about me before questions begin. Next I would like to explain how I became a member of the New Veterans Charter Advisory Group and what I have tried to provide to the debate and discussion around the new Veterans Charter. Mainly, being a veteran myself, I would like to provide you with a veteran's perspective, as have Louise and others, on the issues and problems in respect of the new Veterans Charter.

I would like to touch on the three indicated gaps in the report—families, economic needs, and rehabilitation—not specifically with regard to the recommendations in the report, which I am sure you will have questions on, but with regard to the concerns that Canadians, along with veterans and their families, have raised to me over the years since I've been involved with the new Veterans Charter and its coming into force.

The report does provide background and information to support our decision-making towards developing the recommendations. However, I want the committee to hear today about some of the key points CPVA put forth in developing the report. Additionally, I would like to state some of the positive steps VAC has already taken since the committee formed in 2007. It is fair to suggest that VAC has been working hard alongside the New Veterans Charter Advisory Group by acting on facts as they have become available.

In closing, I would like to comment on why the recommendations of the New Veterans Charter Advisory Group need to be acted on now by government.

I joined the navy in 1982 and was medically released in 2002 as a petty officer first class marine engineering artificer. I was 17 when I joined and 38 when I was released medically. I broke my neck in the Gulf War in 1991 while working on board HMCS *Protecteur* in the Persian Gulf. The CF was my family and my life: I knew nothing else.

As you have already heard in earlier testimony, being injured and released medically from the CF is nothing close to being injured in a car accident. In fact, I would say they are diametrically opposite, other than the physical injury.

At that time in my life, I did not even know about VAC. My life was operational while I was serving my country at sea on a ship. In my case, someone was labelled sick, lame, or lazy and sent to shore to be dealt with by the medical system before release. Over the next few years, my family and I learned the hard way about applying for pensions and becoming a civilian. I wanted to give up after the second appeal; however, luckily for me, I had a mentor who came to my rescue. And yes, I mean rescue.

Several years later, I went back to school and re-entered the workforce with help from VAC. In the course of all this, I made myself a promise, which was to take what I had learned and use it to help others. As a result, I became involved with the veterans issues through the Gulf War Veterans Association as vice-president and now am involved in my current position in the CPVA.

I was recommended to the New Veterans Charter Advisory Group by retired Brigadier-General Larry Gollner, whose seat I took over in CPVA. Over the last two years in the New Veterans Charter Advisory Group, I have tried to provide the perspective of the veterans and the families of CPVA members, as well as my own experience, so that others would see the issues from what we in the navy call the coal face. I think I have accomplished that.

However, I am here today to try to do the same, because I know you have heard from our chair, VAC senior staff, and other more distinguished members of our group, who I know have already provided you with clear insight into our reasoning and rationale for the report recommendations. I know this because I have listened to the webcasts and have read the transcripts available on your website to date.

● (0920)

I would like to move on to the three major gaps that were identified in the report: families, economic needs, and rehabilitation. Each has a supporting subcommittee that took an in-depth look at the issues of all stakeholders while consulting past research and research ongoing at the time.

I was on the economic needs subcommittee. Numerous presentations were given from experts, the CF, veterans, other committees such as the special needs advisory group, and VA staff working on areas such as case management. I want to highlight some of the concerns CPVA brought to the table, along with the other members, to augment the work done by the group on the three gaps.

Families are fully impacted by veterans' disabilities. My disability is my family's disability. Being released from the CF was as big a shock for my family as it was for me as a serving member. They lost the support of the military family resource centre and their social network. In some cases, families lose their home if they are living in military housing, which was my case.

Economic support is key to the successful transition from the CF for disabled veterans and their families. It is an imperative, which is reduced to a level substantially below what members are used to having towards supporting their monthly costs, not to mention that the majority of CF members have allowances as part of their normal pay, which they lose because the income they receive is based on 75% of their base salary, taxable. For example, there are the sea duty allowance, the air crew allowance, and the living differential allowance, just to name a few. These allowances can be substantial in augmenting your income.

For rehabilitation, change is paramount. You're trying to manage your disability and at the same time you're leaving the world you know, with no job and an unclear future. If you have a psychological injury, everything just gets more difficult for you and your family, which in some cases leads to drug abuse and divorce.

I know that a lot needs to be done and that's why we were brought together to form the New Veterans Charter Advisory Group by VAC. However, a lot has already been started by VAC. Currently, they have completed a major redo of case management and are working on a VAP and a long-term case strategy. I worked on the reworking for the case management and was part of that group.

Moreover, from research completed, a review of highly disabled veterans and their families is also under way. The auditing and evaluation department of VAC is also now getting involved to provide clear measures and goals under the new Veterans Charter, another area that we identified for improvement.

My point is that since I became a member of the New Veterans Charter Advisory Group there has been great improvement by VAC for veterans and their families. We are making progress.

Finally, in my opinion, I can say that during the time I have spent working with VAC staff, I certainly observed the decisions and the commitment towards veterans and their families. As a veteran, I would like to acknowledge it and thank them for that. The main problem is government and not VAC staff.

But as we all know, our work is not done. There is a lot of catching up to be done for the years of inaction. All the recommendations are important. For that reason, the New Veterans Charter Advisory Group did not prioritize them. They all should be implemented. As I said in my introduction, the recommendations of the New Veterans Charter Advisory Group need to be acted on now by government.

As CPVA's executive director of advocacy and a member of the New Veterans Charter Advisory Group, I'll do what is requested of me to help this committee move forward on the report and recommendations. There was a clear commitment from the government and all parties that the new Veterans Charter would be a living document, which was one of the reasons it received full support from the veterans organizations that were consulted at the time, CPVA being one of them.

Government inaction cannot be justified by stating that there's no money or that it's because of the economic state of the country. Government can find and has found money for other things of lesser importance in the past. It has to be about doing what is right and reasonable for veterans and their families, not money. What veterans and their families want is a hand up, not a handout. The government needs to look at the Veterans Bill of Rights and read carefully the part about providing veterans and their families with dignity and respect.

Thank you once again for this opportunity to come before you, give testimony, and answer questions on this very important subject.

• (0925)

**The Chair:** Thank you very much, Mr. Fraser.

Now we will move to our usual rotation of questions. We will begin with the Liberal Party for seven minutes.

Mr. Oliphant.

**Mr. Robert Oliphant (Don Valley West, Lib.):** Thank you, Mr. Chair.

Thank you to our guests. I'm sorry for being late. I got held up en route.

I just want to find out who Captain Gray is, as I missed the introductions.

**Captain(N) (Retired) Perry Gray (As an Individual):** I'm here representing VeteranVoice.info. It's a website that is open to all veterans. We provide information about all things that concern the veterans' community.

I'm also the co-author of the report that was presented to this committee and also other organizations. It talked about what we needed in a veterans ombudsman. This report, along with the special needs advisory group and other organizations, was influential in getting the Office of the Veterans Ombudsman established.

**Mr. Robert Oliphant:** Thanks.

Starting out with Ms. Richard, thank you for your service to the country and also for your perseverance since that time.

I've read about SNAG, but I would like a little more help with what that group is, what it does, what your experience of it is, how it operates, and its effectiveness or ineffectiveness. That would be helpful for me.

**Ms. Louise Richard:** SNAG is to obtain input on the development of regulations for those persons who may have the greatest apparent re-establishment challenge. In examining the proposed regulatory content with actual clients, the goals would be to determine if proposals meet clients' needs, if there are variations on the proposals that would better respond to those needs, and if there are any significant gaps in the proposed government response from a benefit and service perspective.

• (0930)

**Mr. Robert Oliphant:** Is it a subgroup of the charter advisory group or is it a special group assigned to Veterans Affairs Canada?

**Ms. Louise Richard:** It's a special group.

**Mr. Robert Oliphant:** Okay. Thanks. We'll talk to the department more about that, then. I'll get the technical details.

**Ms. Louise Richard:** Yes, okay.

**Mr. Robert Oliphant:** What was your experience as a member of that group?

**Ms. Louise Richard:** It was created before the new veterans charter came into effect, basically to look into many discrepancies or...what's the word I'm looking for...I said it in my speech. I have memory issues with my illness. I apologize for that.

**Mr. Robert Oliphant:** Take your time.

**Ms. Louise Richard:** It was basically to focus on those most in need, which is 70% and more in the veteran community. It was—that's right—created after our testimony in May 2005 in regard to the new Veterans Charter.

**Mr. Robert Oliphant:** I'll give you my apologies. My memory's okay, but I wasn't here then, so I'm still playing catch-up on a lot of these issues.

We are very much indebted to you for your help on all these issues, but I may ask questions that you think I should already know the answers to.

**Ms. Louise Richard:** Yes, and we were focusing on the flaws of the new Veterans Charter because it was such a huge report, with such immense changes, and 60 years later. We wanted to make sure that it was fully reviewed and revised before the new charter would come into effect.

**Mr. Robert Oliphant:** So we are late in doing it, but we are now trying.

This question could be to either of you or to both of you. One of the main goals of the new charter was to move from a model of dependence, a sort of patronizing model that would keep people dependent on the system for a long time, to one where we try to give veterans more independence in their decision-making, in their ability to do that. What I am hearing from you is that maybe one size does not fit all.

**Capt(N) Perry Gray:** I'd like to answer that question for you.

The then minister, Albina Guarnieri, stated that the reason for the drastic rewrite of the Pension Act was that the disabled veterans had become too dependent on Pension Act benefits. First of all, it was supposed to be a rewrite of the Pension Act, not the creation of new legislation. Secondly, this was despite acknowledging that it was the minister's failure to provide supporting programs for disabled veterans and their families that created the minister's perception of dependency.

This attitude is summarized in the words of the former deputy minister, Jack Stagg, who said:

What we found in the pension system was it was a kind of perverse system, in effect, because we had quite a large number... We took a number of files between 1998 and 2002 and looked to see how many people were coming back to us for additional pensions. People were making this their life's work. We had people coming back anywhere from 9 to 17 or 18 times, looking to boost a pension...

We try, of course, in Veterans Affairs, to be fair and to judge rationally how sick or how disabled someone is from the services they rendered for Canada. They will tell us they are sicker than what we believe or what they can prove, and it becomes a kind of adversarial battle.

This is important to emphasize here: they thought we were looking for a handout rather than a hand up, as Mr. Fraser stated, and this perception permeates Veterans Affairs. It's an adversarial process rather than a collaboration between the veterans and the department. That has to be rectified.

**Mr. Robert Oliphant:** I guess what you're suggesting is that if you recognize it in that way, it's different. I think that was an attempt, an all-party agreement and attempt to rectify that situation, but you're saying it doesn't rectify it. It actually does not help.

**Capt(N) Perry Gray:** In fact, the special needs advisory group reported to the same people who said the charter was perfect. What hope is there for VAC accepting changes to the charter if the people who created it do not see that it needs to be changed?

• (0935)

**Mr. Robert Oliphant:** I think that part of it was to be a living document. Unfortunately, it has taken longer to get to this point. I'm not defending this at all, because frankly I don't need to. I'm new.

I'm trying to understand. Part of it was to be a living charter. I think all parties agreed that it might not work perfectly.

**Capt(N) Perry Gray:** In fact, when the Honourable Greg Thompson first appeared in front of this committee, as well as the Senate committee in May and June of 2006, he said that he was uncomfortable with portions of the charter and that things would change. He said that "openness and transparency" would be the case under his leadership.

I suggest that you read the minutes of that session as well as his first presentation to the Senate subcommittee.



**Mr. Robert Oliphant:** How's my time?

**The Chair:** You have about 20 seconds.

**Mr. Robert Oliphant:** Before I go, I want to acknowledge the presence of another one of our members here, Siobhan Coady from St. John's South—Mount Pearl, who has been quite interested in the review of the charter. We're a little bit of an augmented team from the Liberal Party today.

**Mr. Scott Andrews (Avalon, Lib.):** I have one quick question on SNAG. Was this a creation of the department? You mentioned that there were several reports given to the department that weren't made public. Could you elaborate on that?

**Ms. Louise Richard:** That's right.

It was created by the Senate, wasn't it?

**A voice:** [*Inaudible—Editor*]...testimony.

**Ms. Louise Richard:** Because of the Senate testimony it was created. Yes.

**Mr. Scott Andrews:** The department created it?

**Ms. Louise Richard:** That's correct.

**Mr. Scott Andrews:** And they have how many reports?

**Ms. Louise Richard:** They have four reports at this time—

**The Chair:** We'll get back to you.

**Ms. Louise Richard:** —and there were over 200 recommendations. So that's four official reports and over 200 recommendations that have yet to be implemented.

**The Chair:** Thank you, Madam Richard.

Now we're on to the Bloc Québécois.

*Pour sept minutes, Monsieur Gaudet.*

[*Translation*]

**Mr. Roger Gaudet (Montcalm, BQ):** Thank you, Mr. Chair.

I am happy to be back here. I have a few very simple questions to ask you.

Do you support the Veterans Charter?

Mr. Fraser?

[*English*]

**Mr. Hugh Marlowe Fraser:** Thank you for your question.

Our organization, the Canadian Peacekeeping Veterans Association, supports the charter and the idea that it is a living charter. The committee that we represented ourselves on... I sat on the committee for the last two years. With the implementation of the recommendations in the report that was just released by that committee, we think it's a major step forward.

By no means is that the end. There's still much more work to be done, but we are suggesting that all of the recommendations put forth now need to be adopted immediately, those requiring legislative change, and funding on the ones that don't. That would be a major step forward.

There are still issues around the lump sum payment. When you read the report, you'll see the recommendations around the

permanent impairment allowance and how it's applied. There are issues around families, caregivers, and the VIP. A ton of improvements are required. I think a major step forward would certainly be to implement the recommendations. From that perspective, we support it.

[*Translation*]

**Mr. Roger Gaudet:** Do you support the Veterans Charter, Ms. Richard?

[*English*]

**Ms. Louise Richard:** Well, I'm for the principle of improving the benefits for our modern veterans, but from what I see, the charter does not do that at this time, so in a nutshell, no. I didn't at the time and I don't at this time.

There are good parts of the new charter, but I found nothing wrong with the Pension Act. The Pension Act, along with SISIP, worked well. The Pension Act needed some tweaking done, but I don't feel that the new legislation as a whole needed to come in.

[*Translation*]

**Mr. Roger Gaudet:** What about you, Mr. Gray?

[*English*]

**Capt(N) Perry Gray:** Like Lieutenant Richard, I supported the modernization task force. What should have happened was that the department should have looked at the Pension Act and modernized it to take into account the changes that have occurred in Canada, because there should have been a continuation, not a revolution. The new Veterans Charter does not bridge the gap between what existed and what we have today.

What we needed to see was the older legislation modernized. We needed to make sure that everything that applied to veterans then applies to veterans now, with changes that reflected the changes in Canadian society and the government's responsibility.

We're saying, for example, to bring back the pensioners training regulations. That would mean that there's both vocational training and university training, so that we, people like Mr. Fraser and me, can apply to the federal government for jobs that require university education as a minimum requirement.

We also say to get rid of the lump sum and reintroduce the non-taxable benefits that were guaranteed to people back in 1945. Why is the modern veteran considered a different character than the wartime veteran?

In Canada we believe in equality. As far as I'm concerned, the new Veterans Charter may have been considered good for veterans, but it was anti-Canadian. It discriminates against people in the veterans community. When all of you in the House and the Senate supported the charter back in 2005 because you felt that it was anti-veteran not to support it, you were being anti-Canadian.

The social contract between you, the government, and us, the people, should be similar to every other social contract in this country. If you do not do away with divisions in the veterans community, then you're continuing to push forward with discrimination, and that is against basic human rights in this country.

● (0940)

[*Translation*]

**Mr. Roger Gaudet:** I was a member of this committee, as was Mr. Sweet, when the Veterans Charter was adopted in 2005 and enacted in April 2006. Now, the committee is reviewing the charter, but you do not seem pleased about this. I have a problem with that. Rarely does a government change its strategy completely in the space of two years. As I said, I was on hand when the first Veterans Charter was adopted and I did not hear any complaints like the ones I am hearing from you today. Everyone was united in their support for this initiative.

You're telling me things I was unaware of. The fact remains, however, that in 2006, we were prepared to draft a new charter. I'm prepared to accept your recommendations completely, but I think we need to allow enough time... It's all well and good to want to modernize the charter, but things were different five years ago. We did not have troops in Afghanistan, among other things. Today, I think we need to follow the standards.

I'd like to get your opinion. Do you think we failed to do our job properly, and do you think that it's simply a case of the situation evolving more quickly than we are. I can't answer that. When we adopted the charter in 2005, people praised this initiative. However, you're telling us today that it leaves much to be desired. I have a problem with that comment and I would like to get your opinion.

[*English*]

**Capt(N) Perry Gray:** I'd like to respond to your comments. The modernization task force and the development of a new Veterans Charter was supported in principle, as we've stated. However, it was an exclusive, restrictive, narrowly focused, non-transparent development that did not give appropriate time for full discussion within the veterans' community and did not reflect the stated concerns of veterans and Senate and Commons committees and subcommittees. The veterans supported the new Veterans Charter with the understanding that regular reviews would be part of the process and that changes would be implemented.

The department has not adopted any of the 200-plus recommendations made by politicians of this committee, the special needs advisory group, the Royal Canadian Legion plus other veterans groups, the DND ombudsman, and the VA ombudsman. VAC repeatedly ignores input from external sources, even those it created to advise the department, because the people who wrote the new Veterans Charter consider it perfect and will not change it.

For example, this committee created a report concerning the VA ombudsman that was unanimously supported by everybody on this committee. That report was rejected by the department.

What we have here is not a temporary problem. You can go back 60 years since the Pension Act was revised after World War II and you'll see that a series of shortcomings can be laid at the feet of that

department. There are World War II veterans who are still not getting benefits.

A senior bureaucrat in the department stated to the Senate committee in 2006 that 275,000 World War II veterans and dependants were not receiving the benefits they needed to do the things that enabled them to stay in their own home. That's the veterans independence program. This committee was told in 2006 that it would take as much as \$500 million to give that program to all those veterans.

It comes down to the fact that it costs too much money to implement all the programs that existed prior to the new Veterans Charter. Within the department, the new Veterans Charter was considered a good replacement because it would cost less money. I hope you understand that. This is a legacy of shortcomings over more than 60 years within a single government department.

● (0945)

**The Chair:** Thank you, Mr. Gray.

Mr. Gaudet, thank you.

Do any of our other witnesses want to add anything to that?

All right.

Now we'll move on to Mr. Stoffer for five minutes.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Thank you, Mr. Chairman.

Thanks very much to all of you for coming here today and thank you to Mr. Gray as well.

Louise, as long as I've been a member of Parliament, you've been at committees. I think this is my twelfth time with you at a committee. I've always admired your stamina in doing this, because as you know, as I'm sure each and every one of you knows, when a veteran calls up DVA and is refused a first time, in many cases they just say, "Well, that's it". They go away and don't fight it anymore because either they are arguing or suffering various concerns, either physical or mental, or they are aged. I dealt with an 88-year-old veteran the other day who was denied a hearing claim. He doesn't want to pursue it anymore, because he just doesn't have the wherewithal to fight it.

We have I think anywhere from 700,000 to 750,000 retired veterans and RCMP officers, with their spouses, and I believe that DVA has a client base of around 220,000, so there are many people in the veterans and retired RCMP communities who aren't receiving benefits. Maybe they're unaware of it or whatever, but I will try to defend the department as best I can.

As long as I've been here, I've noticed that there have been positive changes in the ability of Veterans Affairs to meet the needs. I honestly believe that each and every member of the department I've met has the sincerity to help veterans where possible. The problem in many cases, of course, is the legislation and the bureaucratic willingness to make that change. It is always a challenge.

One that I'd like you to comment on is the SISIP. Two DND ombudsmen, this committee, the Senate committee, and everybody else has said to fix it. It's a simple fix. I'd like to know why, in your opinion, that hasn't been done.

I always like to give a plug to folks, and I'd like to mention Albina Guarnieri, the former minister's staff, and the current folks we have now. I want to give a plug to Taylor Codie and William Olscamp, who are assistants to the current minister. Every single time I've called up with an issue, they have been there front and centre.

Was the problem resolved in the way I would have liked? Maybe not, but they at least gave me an answer in a short period of time so that I was able to move the assistance on. They are just two examples of many people within the department.

My last question, if you can answer this, is on the ability of what we call the living document. What sold many people on it was that it was a living document and could be changed. I'd like your comment on that, plus the fact that in many cases we hear the term "benefit of the doubt", such that if there is a difference of opinion between you, the veterans, and the DVA, the benefit of the doubt must apply to the veteran's case.

Louise, we've been working with a fellow in Montreal. Ask me if the benefit of the doubt has ever applied to his particular case? I will just leave that with you.

Thank you. Again, on behalf of all of us, thank you so much for your service.

● (0950)

**Mr. Hugh Marlowe Fraser:** Thank you for your comments and your support for veterans and veterans' issues.

First, as far as the SISIP issue goes, I agree. I heard a lot around the table in the two years that I was part of the committee. The talk at the time was certainly that they were moving ahead on the rehabilitation part of SISIP, that VAC was going to take it over and there was work being done in that area.

The whole insurance attitude towards dealing with veterans just doesn't work, as I stated in my opening discussion. There is a lot more debate and discussion in the report about that. It's just wrong. Let's say I serve my country, I'm injured, and I'm being released because of that. I'm trying to be rehabilitated and I'm on medication or being treated medically, but then they cut my salary by 25%, tax it, and then kick me out of an organization that I was part of since I was 17 years old. That just doesn't work.

Luckily enough, I had a wife who was working at the time and I didn't own a house, but I just about went bankrupt. I was trying to go back to school at the same time, so it was just... That's how I got involved in all of this. It was just tremendously difficult. I survived it, and then I said, "Well, you know what? We have to fix this".

The attempt with the new Veterans Charter is there, but the SISIP problem and the economic needs... It's a fundamental imperative for sustainable success for veterans. If you can't have a successful transition out of the military, that's with you for the rest of your career or the rest of your life, and then at age 65, it gets even worse. So at the two ends, at the age end and at the transitional end, it's just

a mess. We're trying to fix it. The recommendations we put forth will help in that area, but certainly the SISIP problem has to go away.

In regard to "the benefit of the doubt", well, I've been in front of the appeal board many times, and in my position now I advocate for veterans all the time. It's something that is legislated. It's in the Pension Act. They state it every time in their decision. You can appeal it, but it really doesn't carry relevance, like the legislative hammer, so to speak, where you have the benefit of the doubt. In most cases, you do not.

On the level of knowledge and communication in most cases, even in my case when I got turned down the first time, I just threw it aside. I didn't know anything about it. I thought it was done. I was just lucky enough to have somebody take me aside and say that 95% of the cases are thrown out the first time around, so no, I wasn't done. "What?", I said. It was an education to get through it. Even to this day when you go into basic training, I don't think they provide any information or communication strategies on VAC, which is going to be your major supporter if you are injured. They just don't give you that information. If you're in the navy and are injured or broken, it's, "See you later".

So the "benefit of the doubt", legislatively, in my own personal relationship with VAC, is always stated but rarely followed. In the cases on which I have advocated, it has certainly not been the case.

I hope that has answered your question.

**Mr. Peter Stoffer:** Thank you.

**Ms. Louise Richard:** I agree with what Mr. Fraser just stated.

For me as well, when I was medically released from the armed forces, I was not aware that to even receive SISIP you had to have 120 days post-release and you needed to have been medically released.

So as Mr. Fraser just said, it starts with release procedures. Many of us have not had a very good experience with that. Also, the information was minimal.

On the benefit of the doubt, I agree. It's in the Pension Act. It's stated everywhere. These are golden words that we hear all the time, but they don't seem to be applied at any time. If these words were respected and the veteran were respected, we wouldn't have any need for appeals. We wouldn't have a need for the Veterans Review and Appeal Board. We wouldn't have a need for so many bureaucrats and paper-pushers in the department, because there would be no need to appeal if the benefit of the doubt were to be applied. To me, they're fine words, but no one seems to respect them.

**Capt(N) Perry Gray:** There's another problem. Regardless of how well the legislation is written, it's overly restrictive in its administration. This is the bureaucrats' fault and it's a misunderstanding.

Time and time again, you will hear people say that they don't understand the military culture. We say that's because Veterans Affairs has turned its back on veterans in many different ways.

First of all, it doesn't give priority to hiring veterans. The people who most understand veterans are veterans. If the department that was created to service veterans is not giving priority employment to veterans, there's a fundamental problem.

Also, as I've said, the adversarial perception that Mr. Jack Stagg talked about is prevalent within the department. It seems that the first thing Veterans Affairs does when it receives an application from a veteran is to reject it. It seems to be the common belief that it's the same way that insurance companies reject claims and force customers to go back and fight it. We have to substantiate everything we claim and substantiation is not giving the benefit of the doubt. I have to go back and talk to my medical practitioners and get them to provide me with information.

The other thing that happens is that they don't properly communicate to you how you go through the appeal system. There's such a thing as a departmental review, but the department will tell you that first you have to appear in front of the Veterans Review and Appeal Board. Well, that's not true. Once you've finished the two stages of the veterans review and appeal system, the next step, they tell you, is to hire yourself a lawyer and go to a Federal Court.

The true system is that you keep submitting new information to get a departmental review so you don't have to incur out-of-pocket expenses hiring lawyers. But nobody in the department, except those who are sympathetic to veterans, will tell you that. Unless you become well educated, you don't know these problems and you don't understand things.

Why should veterans have to become as knowledgeable about veterans legislation as the members of the department that is here to serve us?

● (0955)

**Mr. Peter Stoffer:** Thank you.

**The Chair:** Thank you, Mr. Gray.

We'll now go to Mr. Kerr.

**Mr. Greg Kerr (West Nova, CPC):** Thank you.

Good morning and welcome. We're very pleased to have you here.

We all know we're dealing with difficult issues. I think it's fair to say that anybody who's a member of this committee is certainly wanting to help and be part of the solution.

In your presentations and comments, I think you've shown the kind of challenges that we all face. Anything from groups working on fixing the charter and making it better, to the fact that the charter is basically rejected because it's the wrong thing to do, is part of the challenge we face. That's the kind of question I'd like to ask.

I believe in all faith that when the former government introduced the charter the intent was to make life better for veterans. I really believe that. The present government that we're part of looked at it that way, asking where we go with this.

I will start by saying, as I've said several times, particularly on the problems with SISIP, that we are facing things we have to correct. I don't think there's any question about that.

Rather than go back into the detail again... You've expressed it very well, and I do understand the sense of frustration and emotion, I really do, and we've heard it from others. But what I'm trying to get at is that we have a charter in place now. With all due respect to Captain Gray, I wouldn't want to leave this morning saying the charter is wrong, that we have to get rid of it and start all over. That's not going to happen. That definitely will not happen.

My first question to all of you, then, is about the fact that there are 16 recommendations coming forward from veterans organizations in the veteran review process in regard to trying to make this a living document. I'll start there. We can get into the details later.

First, Ms. Richard, if those 16 recommendations put forward by the veterans group now are accepted, what difference would that make with the issues you're facing? Are you comfortable with that? I'm not trying to put you on the spot.

Or Captain Gray?

**Capt(N) Perry Gray:** Do you mean to me personally?

**Mr. Greg Kerr:** Yes.

**Capt(N) Perry Gray:** None, because I'm not covered by the new Veterans Charter. Between 2005 and 2006, 35,000 people applied to VA for benefits, so they would not be covered by the new Veterans Charter. The RCMP, which is also a member of the veterans community in this country, rejected the NVC.

I pose a question to you, sir: do you support discrimination? The reason I ask that, sir, is that you're saying the new Veterans Charter will continue to be around, yet it doesn't benefit me, it doesn't benefit Louise, and I'm not sure about Mr. Fraser. Those of us who fall through the cracks are still covered by the original Pension Act.

As a member of your party, the Honourable Greg Thompson said that "...the new charter marks a long-overdue updating of the first charter...". That was in his presentation to the Senate on May 31, 2006. He was wrong on several counts.

First of all, the new charter is a separate piece of legislation. The first legislation does not date back to 1945. It was introduced before that. So we now have two supposed charters when there's only one type of veteran. If I can't have the same benefits under one charter as I would under the other charter, that's discrimination, according to the legislation that you people produce every day.

**Mr. Greg Kerr:** Okay. I'm going to avoid getting into a debate with you about discrimination, because that's not why I'm here. We're here because we want to hear a full discussion and a full recommendation.

What I'm saying to you again is that if you're saying things have to be done separately from the charter, and you want to put it in that context, I'll listen to you. But I'm saying that we're told by the vast majority of veterans groups that we should get on with the 16 recommendations, which is the right approach to go forward. You're basically telling me that's a waste of time and I'm having some difficulty with that comment.

I guess I'll go over to Mr. Fraser.

In your view of veterans associations, are those 16 recommendations reflective of what the veterans groups want?

•(1000)

**Mr. Hugh Marlowe Fraser:** Certainly. There are six organizations represented there and they all agree that the 16 recommendations put forth were independent. I was part of the committee, I'm a veteran, I've been through all the issues myself, and let me tell you, it was independent. VAC was there as support. They didn't get involved and tell us what to do or anything like that. In fact, that's why we argued that the recommendations were all equally important. We didn't want to prioritize them.

Now, my view is not necessarily the same as Mr. Gray's. I am covered under the Pension Act, and I stated in my opening remarks that I'm also covered under the new Veterans Charter. That's my current condition. If it gets worse, I'm covered under the Pension Act. However, I just finished the rehab program under the new Veterans Charter, because as long as you have a service-related need, you still can get coverage. If you have a new disability that you haven't already applied for, you can apply under the new Veterans Charter as a veteran, post the new Veterans Charter.

So I don't necessarily agree with the comments Mr. Gray is making directly in relation to their being two separate... There certainly are two separate legislations, but Mr. Gray and I, as veterans, certainly can apply for services if we have a service-related need. That's the way the legislation reads. You have your pension under the Pension Act. That's one thing. But if you have a new injury, you can apply under the new Veterans Charter.

I agree with you in that I don't think the charter is going to be trashed. The longest journey begins with the first step and I think it's long overdue. You know, we have all those arguments out there, but I truly believe that improvement will come for veterans and their families, because the big part that was missing with the Pension Act was families. We have families covered off now and there are a lot more benefits there. There's a lot of improvement.

I have some recommendations around the lump sum issue and how to improve that. They're in the report. The permanent impairment allowance is a monthly allowance. What we're suggesting in the report is that the prerequisites be changed. Right now, a permanent impairment... I have a permanent impairment. I have a chronic condition. Every veteran who gets a disability pension must have a chronic condition. The ability to get qualified for it is the problem. If you get the permanent impairment allowance, it's a monthly annuity, tax-free, just like it was under the old Pension Act.

That's what we're working under now in my organization, which is the Canadian Peacekeeping Veterans Association. I'm representing

that organization here today. That's who I'm speaking on behalf of and we do support the charter. We support the recommendations. That's what we said at the committee.

Individuals have the right... I have my own personal views on some other issues. I'm not necessarily always in line because of my own personal issues, but I'm striving for the better good at the moment here to make sure we move these things forward.

That's the long answer, I think.

**Mr. Greg Kerr:** If my time's going to run out, I'll come back later, but one of the things I did want to expand on—and maybe we'll get through it before it's over—is one of the things that clearly keeps being repeated, which is the communication. That's come up in other issues related to the whole thing.

One of the things I want to stress in communications is that I very much support what our professional people in the department are trying to do with veterans. We get a lot of compliments about the work they do. I think shots at government are fair, but I want to make it clear on the record today that, as far as we're concerned, the Veterans Affairs staff are doing an incredibly good job overall.

I know you want to respond.

•(1005)

**Ms. Louise Richard:** I just wanted to add something, sir, to what was said.

We can't go back in time. This legislation is here to stay, but honestly, if I had the choice between the Pension Act and this new Veterans Charter, it would be the Pension Act, hands down.

Something was brought up that is a very serious issue. It's the lump sum disability award versus a disability pension. It's very different. With a disability pension, you receive something monthly. You have a sense of belonging. You have a sense that there's an ongoing process, that someone actually cares, and that if something happens you may have some recourse. But under this new charter and the disability award in a lump sum, it's here you go, and move on.

Where's the continuity? Where's the ongoing support? Where's the sense of belonging? In a sense, a lump sum is an abandonment, wouldn't you find? Also, when they're severely ill or disabled, many people can't manage the financial aspects of things.

As Mr. Fraser was saying, yes, the new Veterans Charter does address families. Well, for many veterans who come back and are ill, the family unit just falls apart. I don't know if this has been looked into, but what happens with this lump sum settlement? Is the wife just waiting for this big chunk of money to come home so that then she divorces him or moves on? Who's managing this? Who has the best interests of the veteran in hand here?

To me, it's serious. The lump sum needs to go and the monthly pension needs to be brought back. If that's part of the 16 recommendations, well, then, I approve of that.

**The Chair:** Thank you, Madam Richard.

Thank you, Mr. Kerr.

We'll now go to Madam Sgro.

**Hon. Judy Sgro (York West, Lib.):** Before you start the clock, I have a question, Mr. Chair. Do we have Captain Sean Bruyca on our witness list for the future? How many meetings have we set aside for the review of this charter?

**The Chair:** We have five more meetings planned, but we didn't put a limit on the number of meetings so we can continue to add witnesses.

**Hon. Judy Sgro:** Could the committee receive a list of the witnesses we have lined up or who have indicated an interest in attending?

**The Chair:** Sure.

**Hon. Judy Sgro:** Thanks very much.

To all of you, thanks very much for coming here today. I find every one of these meetings enlightening and challenging.

I have to say that I think every person who works for Veterans Affairs cares very much about the veterans. We've met them and talked to them. We always leave those meetings in Charlottetown or elsewhere feeling good because they tell us about all the great things they're doing to help and about their motivation and all of that. We always feel quite good when we come back to our meetings.

Then, as part of this review, we are hearing from people who clearly have frustrations. But that's why this is a living document. The whole intent was to pass the Veterans Charter and then start a review a short time later. It's meant to be changed. We're meant to be doing exactly what the committee is doing, which is listening to you.

Ms. Richard, I hope you will leave us a copy of your presentation.

**Ms. Louise Richard:** I have.

**Hon. Judy Sgro:** Thank you. I thought it was very informative.

I'm trying to keep my questions down to one particular area; otherwise, I'll never have enough time.

On the Pension Act, one of the issues I'm very concerned about as we look at the Veterans Charter is making recommendations specifically to do with the economic issues. We continue to be inundated with issues in and around the economic side, such as bridging and a variety of things like that. I think the Veterans Charter we're reviewing right now is a good opportunity for us to look at the kinds of changes that need to be made to ensure our veterans are getting the kind of help that all of us on this committee want. We want to ensure that they are being looked after effectively.

Specifically, Captain Gray, you mentioned rewriting the Pension Act. I'd like to hear some comments in regard to the Pension Act.

Mr. Fraser, you talked about the issue of permanent impairment.

Could the two of you elaborate a bit on the economic side of those issues, please?

• (1010)

**Mr. Hugh Marlowe Fraser:** Thank you.

I was on the economic subcommittee, so I can cover off on most of the points covered in the report.

One of them is the permanent impairment allowance issue. We totally agree with veterans organizations that the lump sum issue

needs to be dealt with. It's in the report because it's just not equitable. We have people out... I'm in a program now with homeless veterans in Victoria. We're supporting them and we have a house that a local developer has given us. Three of them received a lump sum payment and within a month it was gone; the wife has it or the ex-girlfriend has it. They're still living in the back of the truck and now we're taking care of them in the homeless shelter.

So we totally agree with this because we have people with psychological injuries and you're dumping that money into their laps. It just isn't going to work, right? That's the care and responsibility on a monthly basis that we talked about, where at least you're sustaining those people over the long term.

With the permanent impairment allowance, the qualification issue is in the report, and that's what we want to have changed. It would mean that pretty well any individual who has a chronic condition and is applying under the new charter would hopefully still get a lump sum, but then they would get categorized under the permanent impairment allowance at a 5%, 10%, or 15% annuity that would cover off during their lifetime, which they could appeal, just like under the Pension Act. The problem right now is that when it came out we only had three or four people, I think, who ever qualified for it because it's so stringent to meet the qualifications. That's one issue.

The other one is the transitional amount of money you get, the 75%, and that's the insurance-based issue. There are ways of getting around that, too, with the economic earnings allowance. But we all want to see 100%, right? Whatever you're making at the time, you get two years to get out and get your life together, get your rehabilitation done, and get a new job or whatever. If your condition is severe, well, then it continues. If not, then you're in a new job, and you can sustain yourself.

But as for giving back your pension amount, your CPP, and all these other amounts that you have to qualify for and do all the work for and then to give all the money back... We had a case that I think was reported to your committee a couple of weeks ago. An RCMP officer ended up having to pay back more money than he initially got. Some of the issues are just ridiculous.

So for the economic needs, we have the permanent impairment allowance, and we have the change to the 75%, which is the base, and then we have the younger veterans who are injured while at the level of private, which is a very low amount of money. These younger veterans have children. Obviously, they sustain their injury throughout a lifetime, and what we're suggesting in the report is that if you're injured, your assessment—your base pay—is at the level of corporal so that you at least have a standard of living. Then, for the injury of an individual who loses his career for a lifetime, we're looking at the life course for benefits.

In the report what we're suggesting is that if you are a leading seaman you're going to generally make it to the level of what we call a chief petty officer or master warrant officer in the stint of a normal career. There are pay guides already out there that show this normal progression. What we're suggesting is that if you have a disability award or pension, it should be augmented and adjusted accordingly over the course of your life so that you can make up for the cost of living, the loss of pension opportunities, and other things. Because with that, at 65 you lose your income, and you have no pension entitlement and you're in the poorhouse once again.

I'm a little biased here because I was on the economic subcommittee. I wanted to be on that committee because the biggest impact for me was "show me the money" and let's talk about it. I mean, I was being rehabilitated and I had medical treatment, but no money to survive with. I mean, my wife was saying, "Your whole career is with the military and this is what they're doing to you?" At one point, I was defending the department and I was going to get kicked out of the house. It just gets... We could sit around with a coffee or a beer and I could tell you stories that you would not believe.

**A voice:** Okay.

**Mr. Hugh Marlowe Fraser:** Being a veteran and having been through the system, I've seen a lot of cases, but I think there are good recommendations in there. I truly believe that it will improve the economic state. On the lump sum, we worked on that and batted it around as best we could. Joe Sharpe was the chair and he's a great guy.

With the lump sum, if we can get the permanent impairment allowance or the earnings loss benefit adjusted, there are other mechanisms within the charter that we can adopt or change to get that monthly annuity going again to satisfy some of the major issues that other veterans organizations have. All veterans have an issue with the lump sum, let me tell you, but we know the charter is here and we're trying to work as best we can to keep that going in the right direction.

**The Chair:** Thank you, Mr. Fraser.

We're out of time, but I do know that Madam Sgro had mentioned—

**Mr. Hugh Marlowe Fraser:** Oh, I'm sorry.

**The Chair:** It's okay. Our tradition here is to allow the time limits for the members, not for those who are answering.

But I do think that you wanted some input from Mr. Gray as well, Madam Sgro.

Mr. Gray, please.

**Capt(N) Perry Gray:** I just want to make two points. First, when we consider the old and the new, there have to be similarities and things passed on. One of the problems is that the language in all the legislation is not the same. That comes down to the terminology, to the words and the definitions. For example, what is meant by "permanent severe impairment"? How is it broken into "chronic and persistent"? It should be clear to the veteran, medical professionals, and VAC what is meant by each specific term.

The other thing we have to note is the new Veterans Charter has converted non-taxable financial benefits into taxable income and that's wrong.

We're also against the fact that at the magic age of 65 you start to lose things and they're not replaced. For example, if I were still in the military and I had an impairment I could claim for SISIP. It would pay me and I would also get 100% of my salary. As soon as I retired that would drop to 75%, regardless. So a person in uniform would get 100%-plus, but a person out of uniform would get 75% or less. That's wrong. That's all I wanted to say.

•(1015)

**The Chair:** Thank you very much.

Now we'll move on to the Conservative Party for five minutes.

Mr. Wallace.

**Mr. Mike Wallace (Burlington, CPC):** Thank you, Mr. Chair.

I'm not a regular member of this committee. I've been here a couple of times, filling in on this particular topic. I'm actually a member of the finance committee, which I will have to run out to in 45 minutes or so.

My questions will be to you, Mr. Fraser, just so I understand what you're asking for here.

I would also like to say that my experience with the minister has been very positive. I'm from Burlington, Ontario, and the VAC staff in Hamilton have been very helpful to the veterans in my area. I want to put on the record that they've been very good.

On the ELB, if you don't mind me asking some specific questions, the change you're asking for is to go to 100% fully taxed. Is that correct?

**Mr. Hugh Marlowe Fraser:** That's correct.

**Mr. Mike Wallace:** Was there a discussion about leaving it at 75% but reducing the tax burden?

**Mr. Hugh Marlowe Fraser:** There was.

**Mr. Mike Wallace:** What was the reasoning?

**Mr. Hugh Marlowe Fraser:** I'll tell you exactly what the reasoning was. It was to get away from the ideology of the insurance-based mindset. If we were to try to bring that forward and keep it non-taxable, it would look as if we were trying to go that way. We say it should be just 100% taxable. You're in the military, you're injured, and you're being released, but you're in a transitional phase for two years. You're just kept on the record as being paid, instead of getting into—

**Mr. Mike Wallace:** So they should continue to treat you as an employee?

**Mr. Hugh Marlowe Fraser:** It's semantics.

**Mr. Mike Wallace:** Okay. I appreciate that. I've heard from a number... Obviously, it's in the recommendations.

The salary based on your rank when you leave, are asked to leave, or are unable to continue to work, is an interesting concept to me. I have relatives in the forces and some are veterans, but I've never been involved myself. Is there an actual career path expectation? If I become a private in the armed forces tomorrow, do I have a reasonable expectation of making corporal or whatever? Is there a formula that's used? Are you applying that formula to decide where benefits should fall out on this? That's my first question.

Second, for a veteran who's asked to leave, do you expect that to progress over time or is than an immediate piece?

**Mr. Hugh Marlowe Fraser:** Yes, we use the same model. If you go into the Canadian Forces they have a pay scale. You join as a private. There's an expectation that over a certain number of years you'll be promoted, and that within a 20-year period you will be a chief petty officer, like in my case, for example, in retirement. Your pay is adjusted quarterly to that and is paid out for the length of your disability. After five years, you are re-evaluated at what your expectation would have been at that time and what the pay scale is saying, indexed, and then a formula has to be built, of course.

On the base salary issue, when you join as a private or "private trained" you're still kind of in the early stages of your career. It takes about three to four years to get what you call "corporal trained" or "leading-seaman trained". The difference is \$55,000 compared to \$23,000, so if you're injured at that younger age and you have to survive on that with a family, it's very difficult.

• (1020)

**Mr. Mike Wallace:** I'm more familiar with, for example, the firefighting force in Burlington, where you can get promotions based on length of service. Is that similar to the armed forces?

**Mr. Hugh Marlowe Fraser:** Generally speaking, it's the length of time served and training you have to complete, but normally within a four-year period you expect you're going to be a leading seaman or a corporal. That's controlled locally. There are no numbers. The captain of a ship or the CO of a base could promote everybody to leading seaman without any justification to Ottawa. That's why we're using it as a base.

**Mr. Mike Wallace:** I appreciate it.

The other one that's of interest is the ELB limits. They're not considered in earned income; that's what it says in this report. So this would mean that when we calculate your RRSP eligibility that earned income is not included.

**Mr. Hugh Marlowe Fraser:** That's right.

**Mr. Mike Wallace:** So that reduces your ability to have room for RRSP contributions. This might be a tough question, but more than 60% of Canadians aren't using their space now. Is that really an issue, to be honest? Do veterans have the income to add to the space or are they using up all their space at present?

**Mr. Hugh Marlowe Fraser:** It's the least of our worries. We don't have the extra income, generally speaking, for investment considerations. If you're on a disability pension, you're making... It's pretty tight if you're raising a family. It's all relative, of course, depending on the level of disability, and I know people who have more severe injuries than I have. I had a cervical spinal fusion and I have my limitations, but for a lot of people, it doesn't even come close in a lifetime.

When I lost my career, what I had to do, and not to even get back to the pay scale I was at before I retired years ago... I gave up a lot. I can only speculate what it's like out of 100% or whatever for somebody who has lost both legs or has post-traumatic stress disorder. The economic benefit doesn't come close to compensating.

As I said in my opening statement, we want dignity and respect, and what's reasonable. Nobody is here for a handout. We want to be treated with dignity and respect by our government, and what's right, and with the commitment our government made what's right is to treat us fairly.

**The Chair:** Mr. Wallace, I'm sorry. The time has gone very fast. You're well over.

**Mr. Mike Wallace:** I'm just going to tell them one thing about pensions.

**The Chair:** There will be two spots afterwards.

**Mr. Mike Wallace:** The finance committee is going to be looking at pensions at the beginning of the new year and maybe starting at the end of this year. It might be an issue you may want to bring forward.

**The Chair:** Thank you, Mr. Wallace.

[*Translation*]

We will now go to the Bloc Québécois. You have five minutes, Mr. Roy.

**Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ):** Thank you, Mr. Chair.

Mr. Wallace, I agree with you that it would be nice to invite veterans to come and share their views on pensions with the Standing Committee on Finance.

My first comment is directed to Mr. Fraser. You stated that no particular priority was assigned to the 16 recommendations. As I'm listening to you speak, I sense that there are at least three major themes coming out of this morning's discussions.

First of all, there are the financial considerations which obviously are very important to you. Family and personal security are important.

Then there is the culture of the department, that is the way the department operates. I'm not comfortable talking about the culture of the department because the public service is merely enforcing laws and policies. I'm tempted to use employment insurance as an example. Changes have been made to the EI system and a client who comes into an EI office and who has made a mistake is almost automatically accused of fraud. The same holds true for taxes. It's more the way policies are devised that ensures that under these systems, the client is almost automatically considered guilty, even before he has the opportunity to state his case. It's true of the Income Tax Act and of employment insurance and I'm sure it must be the same for veterans.

However, you have to understand that public servants are only applying the law. The politicians are the ones who make the law. I have some personal views on this subject. The system needs to be changed so that clients are not automatically deemed guilty before they even have an opportunity to defend themselves.



The third point concerns follow-up measures, or the help veterans receive when they are discharged from the forces after being injured and when they want to return to civilian life. To my way of thinking, it is critically important that each person receive personalized help. You say that you become mere numbers and that follow-up measures are impersonal. As a result, you find yourself all alone dealing with the bureaucracy. Some people are unable to handle this.

Have I summed up the three priority areas you identified for us this morning? I'd like to get the opinion of the three witnesses.

• (1025)

[English]

**Mr. Hugh Marlowe Fraser:** Thank you for your insight.

I would say that my three priorities are economic needs, families, and rehabilitation. You spoke generally about all three. These are the three major gaps and there are areas within each one. I'm partial to the economic needs because I was on the committee and I know about the direct impacts, but they're all important and they all need to be implemented.

It's individual, as you say. If you asked me as an individual and not as a representative of the Canadian Peacekeeping Veterans Association, I would give you my opinion on what I think is a priority. But as far as the report goes, they're all important and they all carry validity. We're representing the masses on the committee and we try to do it in a fair and equitable way. That's my answer.

**Ms. Louise Richard:** I just want to add to what Mr. Marlowe said.

That was a very good question, sir.

When the new Veterans Charter was implemented, there were over 8,000 cases to be heard under the Pension Act. You already had a system that was overwhelmed and very backlogged. Then, in comes the new Veterans Charter, with all these new programs and legislation. Even the staff admitted that to wrap their brains around this new Veterans Charter, it was so complex. There were many different levels of this and that. There were already three classes of veterans and all these subclasses of veterans. I mean, it's endless. No one seems to be treated equally. There are all these different things.

Although there are some good people within the department who are clearly willing to help veterans and guide them through this, they themselves are overwhelmed. Also, many of them who are caring and willing to put forth the necessary effort to help us have themselves never been approached for their own input into the new Veterans Charter. So they kind of feel they are doing everything they can for us, but their voices are not being heard either.

**Capt(N) Perry Gray:** I want to make one comment about what happens from one district to the next. The problem is a concern that was raised by a number of veterans and other groups. All the programs may not be applied equally across Canada, and the interpretation of policy, doctrine, and legislation, whatever you want to call it, may not be applied equally across Canada. When veteran A and veteran B get together and figure out that they are being treated differently, that's a problem.

There is no quality assurance practised by Veterans Affairs. When we get together to make comments, Charlottetown is not ensuring

cross-Canada equality in the provision of services and how everybody understands these things. As Louise said, it's complicated because there's so much information that has to be utilized in day-to-day operations. There are 45 separate pieces of legislation alone that concern veterans.

**The Chair:** Thank you very much.

I'd like to advise the committee that we have only four spots left. As long as we stay disciplined and stay close to our time, we should be fine in making sure that every member gets an opportunity to ask questions.

Now we'll go over to Mr. Storseth for five minutes.

**Hon. Judy Sgro:** Could we have two minutes at the end of the meeting to do some quick business?

**The Chair:** That may not be possible at this point, but I'll try.

Mr. Storseth.

**Mr. Brian Storseth (Westlock—St. Paul, CPC):** Thank you very much, Mr. Chair, for protecting my time.

I want to thank everybody for coming today. It was a very interesting discussion. I think it is very important that we hear the pros and cons. I think that a lot of the discussion we had today was very positive.

I'm a new member on the committee, so to start I'd like to get a grasp on who we're talking to.

Mr. Marlowe, you represent the Canadian Peacekeeping Veterans Association. Roughly how many veterans do you represent?

• (1030)

**Mr. Hugh Marlowe Fraser:** We have a signed membership of 500 to 1,000 individuals, but we represent all veterans and families. We don't really carry the numbers on that. We represent anybody who comes my way or through the door.

**Mr. Brian Storseth:** I'm sure that you would all represent anybody.

**Mr. Hugh Marlowe Fraser:** Yes. To be fair, the number is close to 1,000. It's about 800 to 1,000. I'm not the membership chair, so—

**Mr. Brian Storseth:** Thank you.

**Mr. Hugh Marlowe Fraser:** That's as close as I have.

**Mr. Brian Storseth:** Ms. Richard, you represent the Gulf War Veterans Association of Canada. How many—

**Ms. Louise Richard:** No.

**Mr. Brian Storseth:** Sorry. That's what the paper in front of me says.

**Ms. Louise Richard:** It's stated there, but no, I'm a freelance advocate for disabled veterans and families. I happen to be a disabled Gulf War veteran. I co-founded the original Gulf War association. It would be interesting to follow up on that aspect, but no, I represent all veterans. I stood up in the early 1990s when I realized...

**Mr. Brian Storseth:** And that's indeed a long history of representing veterans.

**Ms. Louise Richard:** Yes.

**Mr. Brian Storseth:** I thank you for that.

Captain Gray.

**Capt(N) Perry Gray:** Like Louise, I represent the veterans who are not represented by formal organizations, and I'd like to remind everybody on the committee that the majority of veterans do not belong to any formal group.

**Mr. Brian Storseth:** I think that's why I'm questioning you on this. One of the problems we have, of course, is that a lot of our young veterans are 19 and 20 years old. They come in from Afghanistan and other postings and they sometimes have a hard time relating to organizations. I'm just wondering about relative numbers and the kinds of groups that you would be working with.

**Capt(N) Perry Gray:** For example, VeteranVoice.info, which is a website, has over 100,000 subscribers. Even that is only a fraction of the total veterans community, which numbers in excess of 800,000, and family members.

**Mr. Brian Storseth:** Would you have any ideas on the demographics of the veterans that you're helping? It seems to me that a website is something the newer veterans would be more inclined to go to in the beginning. Would you have any idea of the demographics that you're representing?

**Capt(N) Perry Gray:** Not on hand, because that number of 100,000 is veterans and non-veterans. As I said, the number the committee should be considering is the number of veterans in Canada, which, as I said, is 800,000-plus.

**Mr. Brian Storseth:** Certainly. My questions were for my own thoughts in trying to figure out where some of these newer veterans are going.

Perhaps I could go to Mr. Fraser for a second. I represent two military bases in my riding, 4 Wing Cold Lake and Edmonton Garrison.

With Cold Lake being such a beautiful community, we get a lot of veterans who retire in that area. I often find that one of the concerns is post-traumatic stress disorder. A lot of guys voluntarily leave the forces and then a year or two later, or five years later, like a gentleman I'm dealing with now, they are diagnosed with PTSD. Of course, he doesn't have access to anything, as he would have had if he had been diagnosed immediately, while he was still in the forces. So he goes to the insurance companies to help deal with this and I find it tremendously frustrating dealing with these organizations.

Would you have any history on that? Do you have any thoughts on any recommendations we can put in here for that?

**Mr. Hugh Marlowe Fraser:** Certainly, I do. Being a Gulf War veteran myself, I deal with post-traumatic stress disorder all the time. It's a growing issue. What I would suggest is that there is a

mechanism in place now to help other veterans as an advocate. They can go back to the organization, that being the Canadian military. There is an application process. If he needs advocacy or whatever, he can certainly contact me and we can walk him through the process. He can go back and apply for a medical discharge if that diagnosis can be proven to be before his release or the cause of his release. Then he gets a medical release and there are a lot of benefits that come with that. He gets into the rehab program.

But even now, if he has a diagnosis and it's relative to his service, he has benefits and services. Once again, he probably doesn't know it, right?

**Mr. Brian Storseth:** That gets to my next question. We talk here about veterans who are voluntarily released from the forces and who discover they have a medical condition later. But it seems to me that one of the things we really lack is the ability for... It's like the other day when we were talking the other day about security issues in the airport. Well, who actually knows what their actual rights are when you're going through a security screening, right? A lot of these veterans, especially the ones who have been out of the service for nine or ten years and haven't kept up with the changes, don't realize what their rights are and what their abilities are.

I think it's something that we have to make sure we consider very seriously, especially considering the numbers of young men and women who we have coming back from Afghanistan and other points of service. At 20 years old, they are type A personalities, and they're going to get out there, get a job, and get going. It makes it very difficult. I'll talk to you afterwards about that.

• (1035)

**Mr. Hugh Marlowe Fraser:** Yes, certainly.

**Mr. Brian Storseth:** I also have a question in regard to—

**The Chair:** Mr. Storseth—

**Mr. Brian Storseth:** I sometimes find that the chair doesn't like our side of this committee, but that's all right. I'll talk to you afterwards.

**The Chair:** Thank you very much. As you know, colleagues sometimes are the toughest to deal with.

There's one more spot here and then we'll go over to the Liberals. I believe it's Mr. Mayes and then we'll have Mr. Andrews after that.

Mr. Mayes.

**Mr. Colin Mayes (Okanagan—Shuswap, CPC):** Thank you, Mr. Chair.

Thanks to all of our witnesses who are here today.

I'd just like to ask Mr. Marlowe Fraser a few questions.

On the one-time lump sum, it's obvious that the reason that was put in place was to kind of help with that transition. There was a compromise, maybe, on the 75% of the income that was.... Basically, you're getting some of that benefit upfront; let's put it that way. That was the approach and I'm hearing that it's not the best approach.

If that were taken away and there were 100% earnings so that, as you said before, you could continue with your normal pay and you could get by, do you think there would be some push-back afterwards if we did that? Would there be people saying they'd like to have a lump sum so that they could have some adjustment? Did you discuss that and its implications?

**Mr. Hugh Marlowe Fraser:** Certainly, and you just have to do a little bit of math to find out quite quickly... The maximum right now is \$254,000, I think, for 100% disabled. There are mostly 20%, 40%, and 60% cases. There are severe cases, of course, but even at that, if you do the math compared to what somebody at a 30% level is receiving on a monthly basis, taxable, let's say at 38 years old, it's quickly well exceeded. The monthly annuity is way more economically beneficial to the individual than the lump sum. That's beyond question in more than most cases.

On the issue of supporting through the transition, the 100% will definitely do it. If they wanted to keep the lump sum around and then a small annuity, I think there's flexibility there. It needs to be discussed. We have recommendations in the report that will meet the short-term goals of trying to make it better, but I think it needs more discussion, as Louise and the others here have suggested, and at the finance committee. We'll be happy to bring it to discussion at any point, but it definitely needs to be discussed more.

**Mr. Colin Mayes:** I appreciate your work on trying to make the charter better. It's interesting. I was here when they first started the charter, then I went away, and now I'm back again. Everybody was excited when we first started putting the charter together. There were witnesses who were very complimentary of our government and of moving forward on the charter.

There were things that were put into the charter... There was an understanding that there would be an ombudsman to help those veterans, as Captain Gray mentioned. There are veterans who don't know what their entitlements are. So that was the reason for the ombudsman: it was to be able to have somebody as a resource person for veterans. I just think that the charter has been of great value to veterans. That's not to say that it doesn't need to be improved.

I think we've acknowledged that the biggest challenge, though, is with those who have disabilities and with some of the challenges they have. In the first project, we increased the budget for veterans benefits with \$350 million from the government and increased the scope of benefits that veterans can appreciate.... One of the advantages of those benefits is that they're not taxable. In your review of those benefits, have they been successful? Has the scope of those benefits been large enough that they really meet the needs of veterans?

• (1040)

**Mr. Hugh Marlowe Fraser:** No.

**Mr. Colin Mayes:** Oh. Okay.

**Mr. Hugh Marlowe Fraser:** That's a short answer.

No, there's a lot more debate that needs to go on around that issue. It has improved. We met with the minister. We weren't too happy about the last budget in 2008, where they just came in with this introduction of how they're extending VIP and you had to actually go to the federal tax revenue services and qualify for the disability amount before you could go back and get \$300 in lawn care. In VAC, it was ridiculous. Nothing was said about the increases that we put forward.

A lot has been done, but you know, with neglect for 60 years, it doesn't take a chunk of change to make it go away. It needs constant nurturing.

**Mr. Colin Mayes:** I just want to say that in going around and talking to my constituents who are vets, they have been very appreciative of the increase and have said that it's better. It's not the best, but it's better. So I think we're going in the right direction and I think that's why this whole process is happening here now: it's to continue to make it better, but we have to recognize that there are some challenges as far as identifying is concerned.

I just want to make a statement. I've always felt that in government it isn't so much that we treat everybody equally, because the situations are different. It's that we treat everybody fairly. That's what we must try to attain here. You can't just broad-brush and say that these benefits are going to be the same right across the country. I think that there are individual situations and that there needs to be some discernment, but the discernment must end up to be fair. I think that's important.

**The Chair:** Thank you, Mr. Mayes.

Madam Richard.

**Ms. Louise Richard:** I just wanted to make a point, if I may. Let's take post-traumatic stress, for instance. For our World War II veterans with PTSD, back then unfortunately, they didn't have the diagnosis. That's thanks to the modern veterans who have made that happen, but what difference is it for an older gentleman's post-traumatic stress disorder and a 20-year-old today? The treatment approach is different and the attitudes are different.

One must realize, too, when we're talking about our young men and women in uniform, that at ages 18 to 22, their brains have not completed development, so these people are basically set up to have post-traumatic stress disorder or to come back with some kind of brain injury. I mean, it's kind of a given that this will be an ongoing issue.

Also, it's become also a catch-all term, this post-traumatic stress disorder, because, as I was saying earlier, there are many who have chronic illnesses or complex symptoms that don't fit in the box of what Veterans Affairs acknowledges or recognizes. So you're thrown in under this label of post-traumatic stress disorder or depression or some kind of psychiatric condition.

The problem is that PTSD, yes, is a severe anxiety disorder, and there are many issues under that alone, but there are a lot of physical things happening with an individual who suffers from serious post-traumatic stress disorder. For these physical ailments that are secondary to the primary diagnosis, if I may say it that way, we're struggling immensely to get these conditions treated, approved, or even just some compassion from the department in understanding that it's not a clear-cut label, that there's a lot that goes under this, and that one must tread with care.

I think that people who are psychologically injured or who have severe disabilities need to be in a separate category. Right now, for our card, it's a K number; it's for everyone under the sun. Everyone kind of has the same process. I think that for people with special needs we should look at a second category on our card, something like P, for "Priority", because it's permanent, what we have. If we can acknowledge it once, and say, "Yes, you have this, and we'll treat it"... Let's not repeat it every single year, ongoing, which adds to the trauma of the condition.

Thank you.

**The Chair:** Mr. Gray.

**Capt(N) Perry Gray:** Sir, I also agree that you cannot treat everybody the same, but there has to be some standardization, and that's the problem: things have to be applied objectively, not subjectively. What we're seeing is that there's too much subjective application, which results in constantly wearing the veteran down as they grieve that they didn't receive it for this and they didn't receive it for that.

There has to be a very clear and universal application, be it for financial benefits or other benefits, and it shouldn't be based on where you served, when you served, or how long you served.

•(1045)

**The Chair:** Thank you, Mr. Gray.

Now we have just two members left for questions.

Mr. Andrews, for five minutes.

**Mr. Scott Andrews:** Thank you very much.

I'm going to go quickly. As you know, five minutes is not long in going.

I'm a new member as well, of Parliament and of this committee, so please bear with me and some of my questions. It's a learning process for us. I'm very interested in going forward. We have to learn from the past, but we need to move forward.

Mr. Fraser, I think this document is fabulous. I think it really outlines everything that's in here and we need to take a serious look at it. Can you give me one more recommendation that's not in here but that you would like to see?

**Mr. Hugh Marlowe Fraser:** I can give you a few, but one of my newest issues is the treatment authorization centre, and that follows up on what Louise and Perry are saying. What happens is that Blue Cross is a contracted service for your treatment benefits, your medications, and all those benefits once you get your card. A lot of the problems are that we have chronic conditions, some severe, and some not so severe, but in any case, they're chronic, and every year

there's a reapplication. You go to a service provider and let them know you're a veteran and they... Most people go in there with a credit card and get their treatment, but with us, there are forms, they're waiting for funding payments, and the treatment authorization centres just don't have the information.

I was injured in 1991. They have a couple of pieces of information on me about my initial injury diagnosis, but they don't even know that I have a cervical spine fusion. They don't have any of the information. These are the people making the economic decisions on your aids to daily living, your prescriptions, and your treatment benefits. It has to be re-examined. You need to have people in the department, or the decision has to go to the case manager or your counsellor, who may know a little more about your case, because it's extremely frustrating every year when you have to go back for treatment benefits.

I was 38 when I got injured and I'm now 46, and every year... I get denials all the time. It simply blows my mind. I bring it back to the policy-makers, like Darragh and the people I sit on the committee with. "Oh, that can't be", they say. I bring them the letters your department sends me and they're like, "Oh, yeah." And a lot of the issues, decentralization... They need a better communication structure. We can go on and on.

Communication would be my next point. It's great to dust off the Prime Minister and the minister and get them out there when they have PR issues with regard to veterans on Remembrance Day, but for communication on veterans issues and benefit grids to their clients, it's almost a don't ask and don't tell attitude. That's kind of from the Second World War, when you weren't allowed to have any money, and that ideology kind of transferred over into the department, right? It's not an income test any more, but back in the old days, for the Second World War vets, it was. That's why some of them are still hiding out in the woods. You mention VAC and they run, because they still think they're going to lose something.

**Mr. Scott Andrews:** Okay.

**Mr. Hugh Marlowe Fraser:** So for two issues that are outside of the report, one is communication and the other is the treatment authorization centres.

**Mr. Scott Andrews:** Gotcha. Thank you so much.

Ms. Richard, have you read the recommendations in this report?

**Ms. Louise Richard:** Yes, I briefly went through it.

**Mr. Scott Andrews:** There are two things. The special needs advisory group was a part of the New Veterans Charter Advisory Group. Do you believe they've missed something in helping to put together this particular document? You know what recommendations are in here. From your point of view, what is missing?

Again, it's a similar question: what is missing? The special needs advisory group did have input into this particular document.

**Ms. Louise Richard:** Absolutely they did and they have more than one recommendation. The thing is, we have yet to see recommendations implemented, and I think that's kind of the pattern of what's happening here. We need to see some action. You know, it's words, it's nice, and it looks good, but let's see some action. Let's see things happen.

**Mr. Scott Andrews:** Okay.

Mr. Gray, are you a veteran yourself, sir? I'm at a loss on the two charters and your comments about why you're not covered under one, or you're covered under one or under two. I don't understand it at all. I don't know if you could try to give it to me in simple terms why there are two charters and why you are not covered under the charter. I'm at a loss on your comments about that.

**Capt(N) Perry Gray:** You're not the only one. I am too. What I said at the beginning when I was making my first comments is that originally this was supposed to be a modernization of the Pension Act. It then mutated into the creation of a new piece of legislation, but it didn't bridge, it didn't continue the old charter material.

As I said, there are 45 separate pieces of legislation concerning veterans. The primary ones that you're probably familiar with are the Pension Act and the new Veterans Charter. What should have been done when the modernization task force was established was to look at what was existing in legislation, update that, and make sure that everybody received the same consideration. It didn't get done.

As I said, the recommendations that are in the report that you're talking about reflect the fact that things were not carried forward from the old to the new. Until such time as those recommendations are implemented, there's going to be disparity between the various categories of veterans.

• (1050)

**Mr. Scott Andrews:** Are you saying the recommendations in here are a good thing?

**Capt(N) Perry Gray:** I don't know because I haven't read the report.

**Mr. Scott Andrews:** You haven't read them?

**Capt(N) Perry Gray:** I'm saying that the over 200 recommendations have to be considered and discussed. If this new Veterans Charter is truly living legislation, then changes have to be made, and the attitude has to be that this is not a perfect piece of legislation.

**The Chair:** Thank you, Mr. Gray.

Finally, we'll go to Mr. Lobb for five minutes.

**Mr. Ben Lobb (Huron—Bruce, CPC):** Thank you very much.

There are two topics I want to touch upon, if you'll bear with me. One is the financial aspects and the other is communication. Hopefully we will have time for both.

The advisory group lays out some pretty specific pieces in there about finance. Today you've mentioned some of your own opinions as well as those of people who have presented some of the financial shortcomings. We take those as a committee and they will be in our report.

I'd like to focus on the relationship, which we've mentioned, with the youth among our CF members and so forth. When I was in Wainwright this summer, it just dawned on me how young they are and how old I'm getting.

I want to get your thoughts on something, seeing as you're all former CF members. Is there a component that the Department of National Defence and Veterans Affairs Canada can add with regard to financial literacy? I would suggest, and my own experience would suggest, that no matter how much money you receive, or how much

money you're paid, if you don't have those tools, it may never be enough. It may never be invested or spent the right way. This isn't directed at CF members. This is directed at a whole population.

Mr. Fraser, perhaps you'd like to start on that.

**Mr. Hugh Marlowe Fraser:** We do mention communication in the report, but outside of the report, there are always all kinds of strategies in the Department of National Defence, which my colleagues could... There are messaging systems and there is information we give out in a very effective way. I've brought to the attention of VAC the point that they should really start utilizing these, because we're operationalized.

When you're in uniform and it's mission on, you're not thinking about disability pensions and that kind of thing. There are seminars. There are retirement seminars. They have to get out there and effectively manage the information, with financial management being part of it, to say that if you get injured, you're going to get this money, and this is what you should be thinking about, and these are some of the strategies.

Nobody knows. Even today, I'm on base out there, and I have individuals I sail with, and they still don't even know what VAC is. A communication strategy really has to be developed and the department is aware of that. We've told them at committee. That's what I would say. I don't want to take up all the time here.

**Capt(N) Perry Gray:** When I was an officer, a part of my responsibilities was to make sure that the personnel under my command had financial counselling if they needed it. One of the problems within Veterans Affairs Canada is that the caseloads of the area counsellors, the primary service-givers to the clients, are just too heavy to allow the counsellors to do financial counselling on top of everything else.

An area counsellor will have anywhere from 500 to 1,200 clients. There is just no way that they can see that number of people and make sure they are being financially responsible. It's a case of either creating another task for these people or hiring more people to make sure there's financial counselling. That's a question that still needs to be asked.

**Mr. Ben Lobb:** Thank you for those comments.

Again, I can understand that, honestly speaking, with everything going on, if you are in that situation, it is probably the last thing you're thinking about. That's why I say that relationship between DND and VAC needs to be developed. This isn't the first thing you do when the injury happens. It's something that becomes part of your life steps or your life process.

The second piece is communication. That was touched on. I think everybody struggles with communication, whether it's in your business world or with your staff or whatever. Being honest here, I think everybody can improve on their communication.

I just wonder... There are some things in here about rehabilitating relationships and so forth. From your own experience, can you say there is something that worked for you or something that you have seen work for a colleague as far as communication goes? It's very vague. I wonder if you can give us some specifics about what worked for you guys.

• (1055)

**Mr. Hugh Marlowe Fraser:** I have related some points in the report and to VAC, but I'll give you just one that I think is valid. At the basic recruiting level, when you first sign up—and everybody goes through basic recruiting—you get the culture, the rank structure, and all this information taught to you in an intense atmosphere. I can tell you that I still remember all that stuff.

There's not a word about VAC, but that's the time when it should be introduced. We need to say that this is their disability insurance, that if they get injured this is the department that looks after them, and that if they ever get injured, here are some scenarios of what will happen. That's the crux. Get it in at the lower levels when you first join and you will remember it for your whole career. Of course, updates are needed, but I would say that should be the one point of communication.

**Mr. Ben Lobb:** That's a great suggestion.

Mr. Gray.

**Capt(N) Perry Gray:** I concur with Mr. Fraser.

**Ms. Louise Richard:** You were talking about the financial aspect of all of this. There's been one big difference in the new definition of a CF veteran. In our time, we had to leave the military before we even started addressing our issues with the Department of Veterans Affairs. Now, the member is in uniform receiving a full salary and is also entitled to receive a disability benefit from VAC.

It causes a great problem, because, as Mr. Fraser was saying earlier, there's a two-year transitional period now when you're still in uniform. So you have these benefits, this money, and these salaries. When the uniform comes off, it becomes a problem, because the salary is no longer there. Issues change very quickly and it is absolutely a concern of ours.

**The Chair:** Thank you very much.

Captain Gray, Lieutenant Richard, and Chief Petty Officer Fraser, there are two things for which we want to sincerely thank you.

First, I know that you feel most sincerely—and I would, too, if I were in your position—that you are continuing a fight that you don't think should be necessary. We thank you for continuing that.

Secondly, it's apparent to every member of this committee, by looking at your chests, what extraordinary service you've given to this country, and we'd like to thank you for that. We appreciate that.

**Some hon. members:** Hear, hear!

**The Chair:** Madam Sgro.

**Hon. Judy Sgro:** Thank you, Mr. Chair.

I'd just like to ask that our December 8 meeting be televised.

**The Chair:** If members can wait one minute, we're going to deal with some business now.

Our witnesses don't need to be burdened by that.

Thank you very much.

**Hon. Judy Sgro:** We'll lose the committee; I'm looking at the time.

**The Chair:** Just one minute, folks. Madam Sgro is suggesting that the December 8 meeting be televised.

**Mr. Greg Kerr:** I don't think that would be a problem. I know that we have no motive for being televised at all, so...

**Hon. Judy Sgro:** I think it's an issue that it would be good for Canadians should know about.

**The Chair:** It can only be agreed upon by unanimous consent. Madam Sgro has asked for the December 8 meeting to be televised. Do we have unanimous consent?

**Some hon. members:** Yes.

**The Chair:** Okay. It's agreed.

The meeting is adjourned.

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