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Chair

Mr. David Sweet

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• (1135)

[English]

The Chair (Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC)): Good morning, ladies and gentlemen; *bonjour à tous*.

We're already behind, so I want to try to get things started. I know members are getting some lunch; go ahead and proceed with that. We're down to 45 minutes per witness because of the vote that's happened.

We'll allow Mr. Henwood to go ahead right now. He's chair of the special needs advisory group.

Mr. Henwood, I didn't have a chance to speak with you beforehand. You have some opening remarks. Are they less than 10 minutes?

Mr. Bruce Henwood (Ad Hoc Advisory Group on Special Needs): They're about 10 minutes.

The Chair: Okay. After that we'll go to a standard round of questioning. After the first round of questioning, we'll ascertain how much time we have left. We'll try to save 45 minutes for our second group of witnesses from the 22nd Regiment.

Mr. Henwood, without any further delay, please proceed.

Mr. Bruce Henwood: Mr. Chair and members of the Standing Committee on Veterans Affairs, as the chair of Veterans Affairs Canada's special needs advisory group, it is a pleasure to appear here today, even though our time is a bit compressed, to discuss issues related to the new Veterans Charter and, more specifically, how the charter relates to special needs veterans.

Special needs veterans are those veterans with significant injuries or disabilities and who have the greatest medical rehabilitation, re-establishment, financial, and family needs. These veterans are the ones who have been assessed by Veterans Affairs Canada to be pensioned at 78% or higher. The focus of my presentation today is not on the entire veteran population. We just don't have time or space to do that, so I'm just drilling into the special needs veterans themselves.

Many of the issues you'll hear today I am sure you've heard before from the Legion, from Veterans Affairs officials, from other chairs of VAC's advisory groups, and from individual representations. So in many ways, the points I raise are a repeat of what you may have heard, except for one significant point; I, myself, am a special needs veteran, so I can speak first-hand about the challenges facing those

veterans who are at a significant disadvantage in comparison to their peers.

I do some consulting work for Veterans Affairs, so I'm sure I'm going to be ripped apart by these guys later on, but I have an innate ability to figure out how things are going to go, and I can see how the new Veterans Charter can, and will, fail the special needs veteran. I say that even with the utmost respect for those who designed the charter and all the work they put into it, but there have been some unintended consequences that bear particularly on the special needs veterans. It's not on the whole population, but on the ones who need it the most.

I should preface my comments by saying I'm not an expert on the new Veterans Charter or its predecessor, the Pension Act. I've been privileged to have worked with Veterans Affairs for the last five years, looking solely at the new Veterans Charter from a special needs perspective as the chair of their special needs advisory group and identifying to the department the shortcomings and gaps in the charter.

While there are many areas we could discuss, I'm only going to be able to talk about one, and it's financial. There are other equally important issues, but unfortunately, we probably will not have time to drill into that. So here we go.

Here I'm going to piss off Veterans Affairs by saying Veterans Affairs is all about money. That's it. That's what they do, and don't let them fool you. Is anyone here from Veterans Affairs? Okay, good. I hope they hear it, because they'll probably fire me, and that's okay.

All they do is provide money to pay for programs, benefits, and services. They are the distributor of cash. So what about the money? The special needs advisory group, or its beautiful acronym, SNAG, has been beaten down by Veterans Affairs for the last five years, to the point where we rarely discuss financial issues. But it remains the single largest component of the new Veterans Charter that the younger cohort of veterans despise. I use that word "despise"—or loathe, hate, fear. VAC, in my opinion, has not demonstrated unequivocally that the new Veterans Charter is as good as, if not better than, its predecessor, the Pension Act, in terms of financial stability and security for the veteran and the veteran's family.

First, we must remember that seriously disabled veterans are, by virtue of their injuries, at a permanent financial disadvantage when compared to their uninjured peers. In particular, the charter does not take into account in a specific sense, for those specific veterans, lost career progression or lost potential earnings in the workforce, any workforce.

VAC may say there's a whole suite of programs under the charter that did not exist with the Pension Act that will assist in ensuring financial stability and opportunities for the future. I say that's smoke and mirrors. While it may be true in some instances, when you start drilling into the facts, there are a lot of holes.

• (1140)

VAC will say there's vocational training and job placement, but these do not work well for special needs veterans who are permanently disabled.

Let your imagination run wild, to a quadriplegic who is blind. How on God's earth is he going to get back in the workforce and have a reasonable chance of earning something? Not likely. I use that as a gross example, but there are lots like that.

Special needs veterans, by virtue of the new Veterans Charter, will be relegated to a subsistence level of quality of life, and I think that's wrong. From a special needs perspective, under the Pension Act there were a lot of financial elements that were available and provided support and stability. You'll hear from my colleagues later on because they'll be talking about similar, parallel issues. If you keep hearing it, something's wrong. If you keep taking your car back because there's a problem with it, chances are there's a problem with your car. It's the same here. If you hear about it, there's a problem.

Let me just run some quick numbers. You can look them up on the web or you can get them from your analysts. Under the Pension Act, if you were 78% or higher disabled, you would be receiving a monthly disability pension from between \$1,900 and \$2,300 a month, tax free for life. Other financial benefits I'll skip over because of time, but rest assured that financial stability was provided under the Pension Act. If the individual passed away—died of old age or as a result of injuries—all those benefits and allowances would accrue to the family and to the spouse for the rest of their lives, or until they turned 18, and it would be tax free.

The disability pensions and allowances have all disappeared with the new Veterans Charter—ALL, in capitals, in case you haven't got it. All of it is gone. VAC will tell you not to compare the Pension Act to the new Veterans Charter. You'll hear that. You'll hear that from them, that you cannot compare apples to asphalt. Well, there are some good elements of the charter, such as vocational training and job placement, but I would submit to you, as I mentioned candidly, that the most seriously injured and permanently disabled veterans may not be able to fully utilize those programs. So the special needs veterans are left with very little under the new Veterans Charter that helps them. The disability and family pensions and allowances are gone. I believe these financial changes were implemented under the new Veterans Charter as a cost-savings measure, and you as parliamentarians voted on that.

I think there were some unintended consequences that came out of this. The special needs disabled veteran no longer receives a disability pension, and there is no financial security for the family under the new Veterans Charter. I can't stress that enough. We're screwing the young guys.

I've provided copies of my notes. I don't know if they've been handed out or not.

The new Veterans Charter is fundamentally different from the Pension Act. The Pension Act provides a safety financial network for life for those who need it the most. The new Veterans Charter has failed to provide this safety network. The new Veterans Charter does provide a one-time disability award for pain and suffering—for pain and suffering that will last a lifetime, mind you—and some financial support and income replacement. But this income replacement ends; this ceases at age 65. It stops. At 65, the special needs veterans, who are already financially disadvantaged over their life course, will only have CPP and OAS and perhaps a small RRSP to fall back on in their golden years.

The new Veterans Charter is all up front. It's like front-end loading your RRSP. It's all up front. And SNAG foresees problems with this front-end loading down the road.

Veterans Affairs will tell you there's a permanent incapacity allowance—PIA, for short—that special needs veterans may qualify for. This is an allowance for life, but it is taxed. The main drawback is it's so restrictive in its eligibility criteria that I think to date three PIAs have been awarded. It might be five now, but it's a very small number. So it's smoke and mirrors.

Many permanently disabled special needs veterans simply will not qualify for PIA. I mentioned the disability award. It is a one-time lump sum award that recognizes a lifetime of pain and suffering. It's great that there's recognition for pain and suffering, but I would submit that that has varying degrees, and duration is an issue. This award needs to be reviewed to ascertain whether it is fair, based upon age, marital status, family circumstances, and severity of injury.

• (1145)

Now, let me just go off my notes for a second here and say the following. If you're a double amputee, which I am, you will receive from Veterans Affairs \$276,000 as a disability award, whether you're single or married. The new Veterans Charter keeps talking about the new Veterans Charter and the families. I cannot see how the disability award can be the same, whether or not you're married, irrespective of your age, and whether or not you have kids, given all of the allowances that accrue to spouses and children, a point I skipped in my presentation.

We have a serious failing here with the new Veterans Charter. It needs to have a better award method. It should not be a one-time lump sum, because the guys are blowing it. They're blowing the money. You're going to hear that next. I'm going to read you an excerpt from an e-mail I got a couple of days ago.

But first, if I were 20 years old and someone gave me \$276,000, which VAC does.... You actually get the cheque in the mail; you don't even get it by hand. So you get this award for your sacrifice, your loss, pain, and suffering, and then you're told by the same people who gave it to you, "Don't spend it. It has to last you for the rest of your life. Don't spend it." Well, if you're 20 years old, the temptation is to get a car. You might get a house, a big house or a small house, and then you will worry about the mortgage payments later on down the road—though I come from Calgary, where you can't get a house for \$276,000.

Here's the e-mail I received the other day. I took the names out to protect the innocent. It reads:

Last week Cpl X approached me somewhat distressed re the "Lump-sum" payment issue. He indicated that a number of his colleagues who had received the lump-sum payment (and spent it) were now in dire straights. And stated that it "wasn't fair that a triple amputee received the same as a double amputee"—he thought it (triple) should be more.

These things are now in the undercurrents out there in the veterans community. They're criticizing this lump sum. There's no security for them. Once it's gone, it's gone. Under the Pension Act, you may not have received such a large amount, but you got something every month that you could take to the bank. You could show your bank that you're getting five hundred bucks a month, and that was perhaps enough to cover your mortgage. You don't get that now.

The new Veterans Charter's "ethereal financial aspects", as I call them, are very different from the tangible ones covered by the Pension Act, and very few people can tell you—or maybe three or four within Veterans Affairs can—how it all works, because it has such a complicated calculation matrix. However, for the new veteran and a special needs new veteran, they feel cheated, they feel ripped off, and they feel marginalized compared with the traditional veteran—and we have two here. They feel a huge amount of distrust for Veterans Affairs—they think the wool has been pulled over their eyes—and they feel very vulnerable about their financial security over their life course.

As mentioned, there is no financial support whatsoever for spouses and families under the new Veterans Charter compared with what was there under the Pension Act. The new Veterans Charter overuses the term "family". It's as if the word "family" has been added every time you see the word "veteran". But show me it; go back to the beginning and show me the money.

What is needed, in my opinion, Mr. Chair, is an independent fiduciary review of the new Veterans Charter to determine if, as a minimum, it is equal to the Pension Act in terms of financial security. No matter which way you crunch the numbers, it appears that under the new Veterans Charter the veteran is at a distinct disadvantage in terms of their financial security when compared with the veteran under the Pension Act. The veterans under the new Veterans Charter do not have a financial safety network for life. They're screwed in many ways.

Given the time available, I will restrict my comments just to the financial side, though there's so much more with the charter that could and should be discussed.

Under the new Veterans Charter, the financial security safety network for life that was previously available under the Pension Act has been removed. The argument made by Veterans Affairs for the termination of benefits at age 65 is that Canada has the CPP and OAS, which will carry on. Unfortunately, this will relegate the veterans with the greatest needs to a bare minimum standard of living, whatever OAS and CPP provides them, \$1,100 or \$1,200 a month for life.

What is being heard in veterans' communities, particularly among those with special needs and the highly disabled, is that Canada's veterans are being treated no differently than the average Canadian in terms of CPP and OAS. I would ask, is there some obligation on the part of Canada to ensure that our special needs veterans, those with the greatest needs, are adequately looked after, not marginalized

or relegated to a subsistence-level quality of life? I would say that under the Pension Act this was not the case; they were protected and they were okay through their life course, right to the moment they died. When they died, the benefits accrued to their spouse. This is gone under the new Veterans Charter.

• (1150)

One can see how the special needs veterans are feeling vulnerable and marginalized, despite their service to Canada, by what is not being offered or provided by the new Veterans Charter. It is up to all of us, and I challenge all of you to ensure that special needs veterans of today, supported by the new Veterans Charter, are receiving, as a minimum, what the traditional veteran received in terms of financial security for themselves and their families, and that the support is for life.

The Chair: Thank you, Mr. Henwood.

Mr. Bruce Henwood: Did I take my 10 minutes?

The Chair: You took 15 minutes, sir, but with your service to the country, I think everybody here would be in agreement that you could have that flexibility.

We have enough time for one round of questions, to respect our second guest from the 22nd Regiment.

Mr. Oliphant for seven minutes.

Mr. Robert Oliphant (Don Valley West, Lib.): We may share time, since there's only one round.

Thank you, Major, and thank you for, obviously, both your work with the Special Needs Advisory Group and for your military service. It's appreciated, even though sometimes I'm sure you wonder whether it is.

Mr. Bruce Henwood: I've never doubted it.

Mr. Robert Oliphant: Are you still the chair of the SNAG?

Mr. Bruce Henwood: Maybe for another five minutes. Yes.

Mr. Robert Oliphant: I was just confused, because our briefing notes say you're here as an individual. I was just a little confused about that. I had assumed you were still chair of the Special Needs Advisory Group.

Mr. Bruce Henwood: I assumed I was here in that capacity.

Mr. Robert Oliphant: Right. That's why you're here. I just want to get that on the record, that you're not here simply as an individual.

How long have you been on the SNAG?

Mr. Bruce Henwood: Five years.

Mr. Robert Oliphant: Five years. And that's when it was first....

Mr. Bruce Henwood: From the very first meeting. I became the chair after about a year.

Mr. Robert Oliphant: So 2005.

One witness previously told us there were four reports from the advisory committee, with over 200 recommendations. My staff has given me three reports, which I've been through. Am I missing one?

Mr. Bruce Henwood: You may be missing report number four. The first three reports were a bit lengthy and it was hard to find the actual points. The fourth report...I had an academic help me. It's more succinct. I brought a copy, which I can leave with you.

Mr. Robert Oliphant: Perfect.

Mr. Bruce Henwood: It's only in English.

Mr. Robert Oliphant: We can get it. That would be very helpful for us.

They are thick reports, but they're actually very helpful. I think your committee has done some very good work. In this parliamentary committee we're not an independent judicial committee, but we are a committee of Parliament really delving into this charter. Frankly, our work won't be finished until we're satisfied that we understand it and can make recommendations to the government to improve it. The recommendations you have made are obviously fundamental for us, because the special needs veterans are one component that, I would say, is paramount in our minds. That would be our first thing.

What is the relationship now of the Special Needs Advisory Group with Veterans Affairs Canada? What's the tone of it?

Mr. Bruce Henwood: Fine. We march to their drum. We can provide all our recommendations and observations, but we are an advisory group, so if Veterans Affairs chooses not to do anything, that's their call.

I think they appreciate our reports. You've seen my candour today. I let it all hang out. I think they appreciate the front-end blast. It catches their attention.

Mr. Robert Oliphant: Does the group still meet quarterly?

Mr. Bruce Henwood: No. Veterans Affairs is in the process of changing all their four advisory groups, so we met in December, and we may meet again in November.

Mr. Robert Oliphant: In 2005 I think our original intent was four times a year—

Mr. Bruce Henwood: Right.

Mr. Robert Oliphant: —and it's now going to be down to one time a year.

Mr. Bruce Henwood: For this year, yes.

Mr. Robert Oliphant: That tells us something.

Some of these reports weren't released right away, either. Were you aware that they weren't released until a later date?

● (1155)

Mr. Bruce Henwood: I don't believe Veterans Affairs had any intention of releasing them until it became evident to groups like this that these reports were around. Then they started asking the department for them.

Mr. Robert Oliphant: So they were released subsequently.

I'm glad they were released because I think they're very helpful for us and for Canadians to recognize this as a Canadian problem.

When the group first started, one of the first tasks was to hold ten focus groups with special needs veterans. An independent company,

I understand, was hired to do these focus groups. Have they formed a lot of the body of work that you've done? Were they helpful?

Mr. Bruce Henwood: The focus groups were done before the charter was very much public, before the charter came into legislation. They were done in 2005 by Corporate Research Associates. I haven't looked at their report in a long time. It was touchy-feely, with a lot of comparisons to the Pension Act. Many things in the new Veterans Charter hadn't been totally solidified, so they were just testing the waters to see what the feedback would be.

I can say that by the time that report came out, the charter in its first draft was already in circulation, so the chances of incorporating changes, in my opinion, were probably slim to nil. But you are all aware that the new Veterans Charter is also called the living charter, and that changes should be possible.

Mr. Robert Oliphant: That's exactly what I was going to say. It was meant, I think, with all-party agreement, to become a living document. The goals of it were to make improvements, not to make things worse. It was to encourage integration into the full economic and business and social life of the country for returning veterans.

Do you think that's still a valid goal?

Mr. Bruce Henwood: I know that Veterans Affairs is working very hard on formulating some changes to bring to government.

Mr. Robert Oliphant: Have any changes been made in four years?

Mr. Bruce Henwood: None have that I'm aware of.

Mr. Robert Oliphant: Okay.

The Chair: Ms. Crombie.

Mrs. Bonnie Crombie (Mississauga—Streetsville, Lib.): Mr. Henwood, I thought the situation you described was almost immoral and unconscionable, and I can't believe what's been done to our disabled vets. I want to know, why isn't Veterans Affairs listening to you and considering the kinds of changes that are necessary—and moral, frankly?

Mr. Bruce Henwood: Ask them. The issue, I believe, boils down to—my first premise—money. I believe that in all the changes that Veterans Affairs looks at implementing, they look at the fiscal deficit and run those numbers over 20, 30, or 40 years, to the point where they're unfathomable; therefore, they go back and try to rejig things to see what they can do.

I think they're over-engineering the changes, to the point where nothing can happen. They're just mired.

Mrs. Bonnie Crombie: So, Mr. Henwood, you would say that it's a cost-saving measure at the expense of our most disadvantaged veterans?

Mr. Bruce Henwood: Unless someone can prove me wrong, I'll have to stand by those words.

The Chair: Thank you, Madam Crombie and Mr. Henwood.

Now we go on to Mr. Vincent for seven minutes.

[Translation]

Mr. Robert Vincent (Shefford, BQ): Thank you, Mr. Chair.

Thank you, Mr. Henwood, for coming here today.

My first question to you is as follows: Have you compared the new veterans charter to existing workmen's compensation legislation, both in Ontario and in other provinces? If you have noted that there are additional benefits for these people that veterans do not have, what benefits would you like to change for veterans?

[English]

Mr. Bruce Henwood: In comparison with workers' compensation and those provincial programs, I believe Veterans Affairs has looked at what the various provinces do. I'm not sure we can equate workers' compensation boards and those types of policies and insurance plans to veterans' plans and to either the Pension Act or the new Veterans Charter. They are very different. The injuries are the same, but the cause is different. I'm not sure any one or more of them is better than the other. Certainly all of them have pros and cons.

I don't know whether that answers your question.

• (1200)

[Translation]

Mr. Robert Vincent: At one point, you criticized lump sum payments. You talked about financial support for the family and old age security. I would like you to elaborate on your comments and indicate what type of changes need to be made to help this group of individuals.

[English]

Mr. Bruce Henwood: What I did not put in my brief—I took them out because of time—were some numbers. What has gone out of the new Veterans Charter is a spousal allowance. It wasn't a large allowance, but it recognized the spouse and the support the spouse provided to their married partner. As a disabled veteran, I can't take a shower unless my wife is around, in case I fall. So it's a handicap for her to look after my handicap. But she was remunerated in a small sense for that.

As a Pension Act veteran, my kids received what was called a children's allowance. It wasn't a lot, but as a double amputee, I can't play road hockey very well, but I could take the kids to hockey games. So I used the children's allowance for that. This is stuff the family does.

For those who are even more highly disabled, which I qualify for, there was also an attendant's allowance. It allowed us to bring in help every now and then, if needed, and do those things around the house that I just can't do.

Those have all been removed in the new Veterans Charter. There is nothing tangible that the family can hold on to now. There is a low, lump sum, front-end payment.

[Translation]

Mr. Robert Vincent: Are you telling me that the new charter takes away benefits that you once had, such as assistance for shoveling the driveway, cutting the lawn, repainting the interior of the house?

[English]

Mr. Bruce Henwood: No, we didn't quite get that right. Both the Pension Act and the new Veterans Charter have a program called the veterans independence program for things like snow removal and housekeeping services. That has not changed. But there was an attendant's allowance. If my wife wanted to take me out, we could take a taxi. We could use the bus for the disabled if we needed to. The attendant's allowance, the spousal allowance, and the children's allowance were financial resources we could tap into to do those things that we either couldn't do as a family or couldn't do by virtue of my disability.

So painting the house is a little bit of a problem. Veterans Affairs doesn't help me out with that, and didn't help before, but I could use those pensions that came in on a monthly basis to assist with that. Under the new Veterans Charter they're gone.

[Translation]

Mr. Robert Vincent: There are allowances for adapting your vehicle because disabled individuals still need cars. I suppose that your car has been adapted for you and the necessary equipment installed so that you can get around as you want.

[English]

Mr. Bruce Henwood: Once again, there are specific programs, benefits, and services within Veterans Affairs. Yes, there is an allowance for car adaptation. It changed in November and is now more restrictive. I'm going through this argument right now with Veterans Affairs, so from a personal perspective, I have some challenges with being reimbursed for some of the things done to my vehicle. But that is not part of an attendant's allowance or a spousal allowance. Those are aids to daily living for which Veterans Affairs does provide some support. They're all being reviewed, and certain things are being capped and cut back. That's a whole different argument, but you're in the right frame of mind.

[Translation]

The Chair: Mr. André, you have one minute.

Mr. Guy André (Berthier—Maskinongé, BQ): I have just a brief question. In your opinion, what is the main difference between the accidental dismemberment insurance plan and the lump sum veterans disability award? Is there any difference between these programs in the way that injuries sustained during a mission are assessed?

• (1205)

[English]

Mr. Bruce Henwood: The Canadian Forces has an accidental dismemberment plan, not Veterans Affairs. Veterans Affairs has the lump sum award, which this year is \$276,000. It covers paraplegia, quadriplegia, blindness, and loss of limb. They are two different and separate programs.

The Chair: Thank you, Mr. Henwood.

Thank you, Monsieur André.

Now we will go to Mr. Stoffer for five minutes.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Major Henwood, first of all, thanks for your service, sir, and thank you for being here today and talking openly and frankly.

Pierre Allard of the Legion was here last week. He said the last report the ad hoc committee had done was actually given to the DVA in June of last year. Is that more or less correct?

Mr. Bruce Henwood: It was in January of 2009.

Mr. Peter Stoffer: They received the report from your committee in January.

Mr. Bruce Henwood: Yes.

Mr. Peter Stoffer: Okay. Have you had a response in writing from them on your recommendations? He said that after all this time they haven't received a written response to their recommendations. Is that true?

Mr. Bruce Henwood: That is true.

As a caveat, as an advisory group, we are not expected to receive a response. We only provide advice. If the department chooses to respond, they can do so.

They responded verbally. They have briefed us. They briefed us on what they learned from the report and what they were doing in a macro sense, but it was not a specific written response.

Mr. Peter Stoffer: You've done four reports since the committee began years ago, and they haven't provided written responses to your written reports.

Mr. Bruce Henwood: No.

Mr. Peter Stoffer: Don't you think that seems rather unusual?

Mr. Bruce Henwood: We started as an ad hoc advisory group. We took it to mean we would give them the information. We're ad hoc. They do not therefore have to respond back. We're only providing information.

It would take them a lot of time to provide a response on every item. I'm not surprised.

Mr. Peter Stoffer: Okay. Sir, obviously, you've focused over time on the financial restraints, and you've made some very good points.

One of the reasons all the opposition parties at the time, including the Conservative Party at the time, supported the new Veterans Charter was that it was a step up from only giving money to helping to rehabilitate people to get back into society, along with their families. More importantly, it was a living document. When these problems arose, as you said, with unintended consequences, the

government of the day could look into it and make suitable changes. The charter would actually become an improvement and not a reversal of support for these veterans. It's the reason that all the parties unanimously moved forward on this. Unfortunately, it's now 2010 and a number of recommendations haven't yet been adopted.

It's very clear regarding the lump sum, but many people have told us that you can't give young people some \$200,000 and expect them to be fiscally responsible. As you said, they'll go out and buy a car, or a house, or something, and the money is gone. What happens then? I'd like to hear your comments on that.

Secondly, Okill Stuart of the National Council of Veterans Association was featured in *The Gazette*, basically highlighting the fact that the government is transferring Ste. Anne's over to the Province of Quebec. It will mean that future veterans will not have access to hospital beds that some of our World War II and Korean veterans now have access to. Although he didn't say this, the premise will be that the medical care for modern-day veterans, in terms of what World War II and Korean veterans now get at the Perley, Colonel Belcher, Camp Hill, Ste. Anne's, etc., will eventually be transferred to the provinces.

Would you agree with a statement like that? Modern-day veterans under care will not be allowed access to hospital beds that are paid for by the federal Department of Veterans Affairs. Do you agree with that statement?

Mr. Bruce Henwood: I'm out of my league on that one.

Mr. Peter Stoffer: Okay. That's fair enough.

Mr. Bruce Henwood: Funding for long-term care beds and the number of beds are an issue that we have not yet dealt with for the special needs veterans, because most special needs veterans under the new Veterans Charter are 20 years, 30 years, or 40 years of age.

• (1210)

Mr. Peter Stoffer: I'm thinking of the peacekeepers, the guys who are now in their late sixties or early seventies.

Mr. Bruce Henwood: The chances are that if they have pension conditions, it would be the Pension Act, not the new Veterans Charter. As for contract beds or long-term care beds, I've been assured there will be beds, but I don't know who will pay for them.

Mr. Peter Stoffer: Okay. What about the aspect of the lump sum?

Mr. Bruce Henwood: We had recommended that instead of providing a lump sum up front, they perhaps structure it over the life course, do it as an annuity, as a structured payment, or in lump sums, but smaller lump sums at 25, 30, 35, 40. We provided these recommendations to the department as a way to work around the lump sum legislation, because they're struggling. It's in law; they just can't unilaterally change it. They have to come with a proposal, and they have to be careful not to upset the apple cart from what was voted by all parties. They have to sort of meander through those minefields, so to speak, on how to keep it within the spirit of the law yet provide a service to the veteran.

We have a challenge here. When you look at the numbers, the dollar signs, it's the financial stability. I'm not an old guy yet. But I have an amount deposited in a bank account once a month. It's a roll-up of the kids, the spousal, the attendant's allowance, and my disability pension. It comes in once a month. When I went to get a mortgage, I could prove that I had dollars. Whether you call it an income or a pension or an allowance or an award, there were dollars and they were coming in from the Government of Canada on a monthly basis. You could take it to the bank.

These new guys get a one-time lump sum award. Whether they put it in the bank or lock it in an annuity, when they go to get a mortgage, when they're 30 or 35 years old, they can't prove income. They can prove wealth. They can prove an amount. But it's harder to get things like a mortgage. So there's a fundamental difference between a lump sum versus even a small amount on a monthly basis.

Take a 20-year-old and \$276,000. If the 20-year-old lives for 50 years, when you crunch the numbers, get the calculator out, it's not quite the same as getting \$25,000 or \$30,000 a year for 60 years, where you have the stability, and when you die, you know your spouse will be looked after. Under the new Veterans Charter, when you die, that's it. Your spouse gets CPP and OAS. There's not even a survivor benefit.

So there have been changes. And the lump sum is not working there. There are many examples now of these young guys.... They're single. They're not looking down the road. Let's say they get married 10 years on; they find that special person who will marry them despite their disabilities. They've spent their lump sum award; therefore, now they're even further challenged raising a family on nothing.

And Veterans Affairs—let me give a balance here—has, for the special needs veteran, the permanent incapacity allowance. It's a taxable benefit ranging from \$500 to \$1,500 a month for life. It doesn't pass over to the spouse upon death, but it's for life. It's taxed—that's fine—but the three degrees of accessing that PIA are very restrictive. So it's possible to be permanently incapacitated, unable to work, and not be able to qualify for PIA.

The Chair: Thank you, Mr. Henwood.

Now on to Mr. Kerr.

Mr. Greg Kerr (West Nova, CPC): Thank you very much, Mr. Chair.

Mr. Henwood, we really welcome you. And I don't think you're in any danger with Veterans Affairs. Your candour is welcome.

Mr. Bruce Henwood: They tell me all the time.

Mr. Greg Kerr: I know that. I know you're sincere in pointing out what you did.

I have to point out that I wouldn't agree with Ms. Crombie's assessment that it's immoral that the previous government set up this charter. I think we probably all agree it was the right way to go. It needs a lot of change. That's why we're all here, to see how we can make improvements to it.

I would like to ask you at the outset, before I ask you about individual suggestions.... And I like what you said at the very last, the permanent income allowance. There's something that should be looked at in that regard.

If the charter did disappear now—in other words, if the answer was just to get rid of it, because you had suggested that sometimes it would be better if it weren't there at all—what do you think would be lost if there was no charter, in terms of what you're presenting today? What would be lost that's available now?

• (1215)

Mr. Bruce Henwood: My first inclination would be nothing.

Mr. Greg Kerr: Really?

Mr. Bruce Henwood: But backing up a bit, what would be lost would be health care for the families. The member pays for that. What was found was that a lot of the Canadian Forces veterans who were leaving were not necessarily entitled to access the public service health care plan. So that would be lost. Job placement and location rehabilitation elements would be lost, but some of those were already covered by SISIP through the Canadian Forces. The Canadian Forces, or DND, and VAC are at loggerheads on how to absorb, massage, or change SISIP, moving forward.

Boy, I'd say go back to the Pension Act.

Mr. Greg Kerr: Okay. I just want to clarify, because that's a fairly large jump, as you can imagine, to go back.

Mr. Bruce Henwood: No one has asked me that question before, so I haven't synthesized it thoroughly through. I've listed two or three things that would be gone. Out of those two or three things, only one might accrue to the special needs veteran. That might be the health care.

When it comes to job placement, we're already disadvantaged. Vocational rehabilitation training for a quadriplegic who is blind is minimal. I'm giving extremes here just to showcase. The ability—and Veterans Affairs will say this—to transfer vocational rehabilitation or job placement to your spouse is very cool, but from a special needs perspective, that spouse may be looking after the loved one and may not be able to leave the house or move on.

Mr. Greg Kerr: We're not going to have time to get into a lot of detail, obviously, but if you were to pick your top five, six, or ten things, in order, that you would have done, could you list them? We're looking at improving the charter. That's what the whole process is about. If you can't today, perhaps—

Mr. Bruce Henwood: I'll give you the top five.

Mr. Greg Kerr: Let's say the top five then, sure. What would be the top five improvements you'd want us to be looking at recommending?

Mr. Bruce Henwood: Fix the lump sum disability award.

Mr. Greg Kerr: Fix the lump sum. Great. Yes.

Mr. Bruce Henwood: The second one is to provide tangible support to families. And I would leave it at that.

Mr. Greg Kerr: Well, that's pretty simple. Those would be the two most important—

Mr. Bruce Henwood: The families part you can then subdivide into a whole series of things.

Mr. Greg Kerr: Exactly.

Mr. Bruce Henwood: Our report number four was all focused on families.

Mr. Greg Kerr: Yes, and we've heard that from different witnesses. The family piece of this has to be looked at.

Mr. Bruce Henwood: I might toss in—and you could put this under families—that we giveth with one hand and we faileth with the other. We gave the public service health care plan to those veterans who are disabled and to any transitioning Canadian Forces member, but what was not given was the pensioners' dental services plan. I emphasize the very first word: pensioners'. Any young family that's going through life will have their need to get antibiotics, the odd shot, some pills and all that, but the biggest expense—and I found it to be so, and maybe you've found it in raising your families—is when those kids need braces, have cavities, or break a tooth in sports. Dental is very expensive. That's not included in the new Veterans Charter. So they brought in health care for the family, but they didn't do dental. We mentioned that right at the outset.

When you're talking about a lump sum award—and I guess I'm drilling into one through five—there's an earnings loss benefit in the new Veterans Charter. So if you're unable to work and you've been through a rehabilitation plan or program, you may be entitled to 75% of your pre-injury income, reduced by what other sources of income you may be getting. That's all fine and dandy, but that 75% is actually kind of discriminatory, because a lieutenant-colonel's 75% is certainly different from a corporal's 75%. Once again, none of these are recognizing the family. So the corporal or the colonel will get 75%, but where's the family? This is an element that has been misplaced.

Mr. Greg Kerr: Okay. I appreciate that.

How am I doing?

The Chair: You have one and a half minutes.

Mr. Greg Kerr: Well then, just quickly, as I said—and I think Mr. Stoffer mentioned it—regardless of where it comes from or where we end up, I think all members certainly want to see improvements and recognize.... A number of these issues have been repeated over

and over again, not quite as strongly as you put it, in one context. Most are saying how they could improve the charter, which is where we have to actually go first, obviously.

It's not only the lump sum that comes up over and over again, but the focus on the young veterans. That is a whole different ballgame. It's a whole different relationship and so on. I'm just asking as a general question, because you have raised the issue of them specifically, whether that is a big learning curve, in spite of what we do with the charter, for anybody who's working with or dealing with them, that there's a whole different way of dealing with veterans when you look at the young ones.

● (1220)

Mr. Bruce Henwood: I would say yes. I think you would have to look at demographics. We have pre-baby-boomers, baby boomers, next-gens, Y-gens, X-gens. Industry will tell you they all have different outlooks on life. There's the “me now” generation; there's the generation of instant communications. We haven't talked about that. The younger cohort coming through feel they should be... maybe not entitled, but they feel they should receive something in recognition of what's happened to them, and they shouldn't have to struggle or fight, they shouldn't have to wait years, and there should be something that will look after them.

The only place they're looking is at their predecessors. They're looking at the World War II veterans and the Korean veterans and asking what's different. What is different is the World War II veterans...it was a different era, a different climate. They had a single, focused enemy, the nation had rallied, and they were all the same age. They were all post-Depression era. They all came back, and there was a mass cohort of a million veterans. Now we've got veterans from 50-plus different missions. They don't have a single voice. So these demographics are fitting in.

I think the majority are asking what was wrong with the old plan. Maybe the old plan needed to be tweaked to bring in some vocational training and some rehab and some job placement—not a clean slate—and now we're struggling with what we're going to do, especially when these guys hit age 65 and everything drops off.

Mr. Greg Kerr: Thank you very much.

The Chair: Thank you, Mr. Henwood. Again, our apologies that your time was cut short because of the vote in the House. Certainly, if you have any additional testimony you'd like to submit to the clerk, then we'll analyze that, and it will be part of the testimony we'd look at with regard to our final report and recommendations.

Mr. Bruce Henwood: If you've got the first three reports, would you like the fourth?

The Chair: Yes. Since it's only in English, and you have one copy, submit it to the clerk, please, and then we'll have it translated and distributed to the committee members.

Mr. Bruce Henwood: The department may have had it translated already. I don't know.

The Chair: I'm getting a nod, so we'll be able to get it from the department in both official languages.

Mrs. Bonnie Crombie: We already have it, actually.

The Chair: Thank you very much, Mr. Henwood.

I'm not going to pause, because we're in such a time constraint.

I'm going to ask Monsieur Renaud and Monsieur Sylvestre to come to the table and take their place as witnesses. These fine gentlemen have served our nation well. They're from the Royal 22nd Regiment's association.

[*Translation*]

In French, this will be the Association du Royal 22^e Régiment.

Mr. Elphège Renaud (President, Association du Royal 22^e Régiment): The chair has just said that we did not have much time so I will try to get right to the point.

Good afternoon to all committee members. Let me introduce myself. My name is Elphège Renaud and I am 78 years old. I am president of the Quebec branch of the Association du Royal 22^e Régiment. I served in the Royal 22nd Regiment from 1949 to 1954 as a paratrooper. I was a volunteer in the Korean War from 1951 to 1953, when I was severely injured after stepping on a mine.

Today I am appearing before this parliamentary committee tasked with amending the veterans' charter in order to make some constructive suggestions. On the whole, the charter is not bad. Some parts of it are nearly perfect. I would especially like to focus on the way that we compensate soldiers who have been severely injured, such as those soldiers who are coming back from Afghanistan after being injured in the theatre of operations. If the government has the means to send troops to this region in order to meet its commitments to the United Nations and to fight terrorism in the world, it should also have the financial means to provide adequate compensation to injured soldiers who come back with disabilities they will have their entire life.

Let us use my example. I have been suffering from my injuries for 57 years. I did not lose my legs, but they have no feeling in them and I am in constant pain. I have been taking pain medication, morphine for 57 years. I have not had a normal life like everyone else. I have been on medication my entire life to deal with all kinds of complications from the injuries I sustained.

Following the Valcartier visit of the veteran's ombudsman, Colonel Patrick B. Stogran, who was appointed by the federal government in November 2007, and at the request of the association's Quebec branch, I have made the required presentations in order to amend the new veterans' charter.

With respect primarily to the compensation given to a soldier who has been injured or contracted an illness while on active duty in the

theatre of operations, such as in Afghanistan, the current lump sum payments do not provide lifetime financial stability for veterans. A monthly payment would achieve this because of the fact that payments are made on a regular basis. A study was done on people who had won a great deal of money playing the lottery, sometimes millions of dollars, and most of them did not have any money after five years. I do understand that some winners did make mistakes, but the fact is, some of them wound up on the street, whereas a monthly payment cannot be spent until it has been received. So that provides stability and financial security.

I would like to talk about the lump sum payments. I believe—and everybody else also thinks as I do—that these lump sum payments probably came about in order to enable the government to save some money. The maximum amount is \$276,000, which is far from being enough to provide a reasonable pension of between \$3,000 to \$4,000 per month for life, to a veteran. In addition, even if this were an adequate amount generating a reasonable monthly income, it is not safe to pay such an amount of money, in one lump sum, to a veteran who is not necessarily equipped to manage his or her finances properly, in order to ensure that he or she has lifetime financial security. The government must think for the individual. The government is responsible for the veteran as long as he or she is alive. I strongly believe—and I know what I'm talking about—that the government must pay, as it has done from the time of the Second World War to the conflict in Afghanistan, a monthly pension, for life, and not a lump sum payment as it began doing since the beginning of the conflict in Afghanistan in 2006.

I would like to draw your attention to the duties of the ombudsman, and I quote: "...will not review decisions made by the VRAB". This quote was taken from a government document outlining the duties of the ombudsman. In documentation distributed by the Office of the Ombudsman, the opposite is said. It states: "...to review systematic issues related to the Veterans Review and Appeal Board". Who is right? The government or the ombudsman?

Why does England provide a maximum of \$800,000 to a disabled soldier who is 100% disabled whereas Canada pays only \$276,000? Even if this maximum amount paid out by Canada were earning reasonable interest in accordance with market rates, the amount would not be enough to provide the veteran with a reasonable income after 10 years. And after that, how is he supposed to live? He is supposed to live on the small amount provided by social assistance that is given to everybody.

• (1225)

Since he risked his life, does he not deserve better? It is absolutely shameful for a country like Canada. I have met several veterans who were seriously injured, who lost one or both legs. The compensation they received was completely laughable, and they are just 23, 24 or 25 years old.

To show you the extent to which previous governments looked after the financial security of war veterans, I would like to talk to you about a program which does not exist anymore. It was a program included in the Veterans Land Act. Under this program, if a veteran did not want land for farming, he could choose to buy a new home, which he built himself. To protect the veteran, his downpayment was the land. The land title belonged to Veterans Affairs Canada. So Veterans Affairs Canada was the owner, and it rented out the house for 25 years to the veteran. After 25 years, sometimes earlier, if the mortgage was paid off, the title was transferred to the veteran, who took full and clear possession of the home, and who then was completely free of debt. During the 25 years, the veteran could not sell, mortgage or borrow against the house, since he was a renter and not the owner. Veterans Affairs Canada lent us \$12,000, and our downpayment was the land. We paid Veterans Affairs Canada \$8,000, and the balance of \$4,000 was given to us because we had served our country well. This was proof positive that the government cared about the security and financial stability of its war veterans. Our monthly payment was \$46.64, since there was a 3% interest charge on the \$8,000. This approach really helped the war veterans in a concrete way. I benefited from the program, and the house I built is easily worth \$250,000 today.

In conclusion, Mr. Chairman, I hope the government stops compensating war veterans with lump sum payments, and goes back to the former approach, mainly a monthly pension for life, assessed every three years, which can be increased, if necessary. The government can provide compensation in two stages; first, a minimum lump sum payment, and second, a monthly pension to ensure that war veterans have a degree of financial stability. The government also needs to improve compensation for smaller claims, like those for glasses, prostheses, and so on, since Charlottetown is doing all it can to avoid making these payments, and uses the most ridiculous excuses as a pretext. We should have a booklet outlining our benefits, and then we should be able to claim them. Charlottetown has to stop doing what it is doing, mainly grasping for any excuse not to pay.

I have several other examples for you, but the worst thing is that the ombudsman cannot intervene in the VRAB's, the administrative tribunal's, decisions. For instance, I filed a claim for \$350. I was reimbursed \$150 for medication, and the \$200 was for the fees charged by the physician who had withdrawn from the government system. I was told to seek compensation from the government, but the doctor had withdrawn from the system. So I had to pay \$200 out of my own pocket, since I could not receive compensation. If we appeal, the response will be the same, as always: the ruling is upheld.

Thank you. I tried to be brief, since the chairman said we did not have much time. Perhaps I spoke too quickly, but you have my brief which you can take your time reading later on.

•(1230)

[English]

The Chair: Thank you very much, Mr. Renaud. Amazingly, the translator kept up with you.

Mr. Sylvestre, do you have some opening remarks, sir?

[Translation]

Mr. Claude Sylvestre (First Vice-President, Association du Royal 22e Régiment): My name is Claude Sylvestre. I am a veteran of the war of 1939-1945. I was wounded in Italy while I was fighting with the Royal 22nd Regiment. I will only give you an overview, but I will include some details. The rest you have in your copies. I am sorry, but at 20 cents a word, having the brief translated into English would have cost a fortune.

The Veterans Review and Appeal Board, located in Charlottetown, is one of the only organizations in the world with a mandate to deliver extremely important rulings for war veterans, and to simultaneously decide whether a decision is valid, including all of its details. In other words, the board is both judge and jury. I have included copies of the legal provisions which are always ignored under the act.

The authorities in Charlottetown seem to have carte blanche to do what they want: hire staff, give themselves promotions, prohibit us from entering district offices. The War Veterans Allowance Act does not seem to exist for them. They seem to feel they have all the evidence they need. They even managed to include restrictions on the duties of the ombudsman, and in so doing completely paralyzed his work, since a war veteran must appeal a decision, yet when a ruling is made, he is not allowed to touch it — I would invite you to read the ombudsman's duties; there are only two.

Contrary to the description which was copied and distributed to everyone at a meeting in Valcartier, people were appointed to the board in Charlottetown who seem to have been directed to settle any case which might be brought to the attention of the ombudsman in which no appeal was allowed. Therefore, they can control the ombudsman, who must do as the authorities say, which completely robs him of his independence.

When he studied my case, the ombudsman called me and assured me he would recommend to the minister that I receive compensation following surgery. Please refer to the document you were given. The ruling was upheld under the act and the regulations. It is impossible to find out which regulations were invoked, since there was no appeal.

In 2000, according to Google, there were over 37,485 public servants. But now, there are approximately 40,000 across Canada. Google cannot reveal that information; Charlottetown has seen to that. It took over the duties of district office employees and hired staff, and it has opened satellite offices — which are completely useless and must cost a fortune — favouring friends and increasing their pensions.

Incidentally, no deputy minister understands a word of French. So a lower-ranking correspondence officer writes a letter in French, which is dictated by a superior. This is what he has the deputy minister saying: “The changes to the district offices were made in the interest of freeing up staff to help you.” That is a good one, because, as it now stands, these offices are not allowed to serve Second World War veterans. We cannot get any service, we cannot even phone. I will talk about trying to call them later on.

This decision, which was taken in 2000, was catastrophic for dozens of war veterans, because until 2000, the district office employees visited the veterans in their homes, whereas the veterans who could still walk could go to the small district office. Charlottetown closed the office in 2000. Deprived of any kind of help, dozens of veterans, including some who were decorated for acts of bravery, died in total misery and penury. They never said anything, and they lived on welfare. They could not do anything because most of them were illiterate. They could not communicate in writing, and even less by phone.

I helped a fellow veteran from the Royal 22nd Regiment who was completely at a loss and whom I felt sorry for. I knew him very well, since he had been by my side on the Bren machine gun. We were being heavily bombarded, and another soldier was hit directly; his head landed in the ditch a metre away from my friend. A switch went off in my friend's head and he was never the same again. You can read his story in the file I gave you, which is entitled: "The Tragedy of a soldier of the Royal 22nd Regiment". Six doctors tried to help him, but nothing worked.

•(1235)

We are extremely grateful to the Hon. Jean-Pierre Blackburn, who deigned to meet with us during a meeting at Valcartier. To my knowledge, it was the first time that a minister ever visited a group of soldiers. The following Wednesday, at our weekly lunch at Place-de-la-Capitale, in Quebec, the men celebrated by drinking a better kind of coffee. It was unprecedented!

My final recommendation would be that Ms. Sheila Fraser should carry out an administrative investigation of the way in which this surprise package works. They have always been free to do whatever they want, without any supervision. We, who belong to the veterans group that participated in the 1939-1945 war, are considered as a second class group. We are completely forgotten.

The famous Colonel Charles Forbes, who spent 18 months in combat and was one of the most highly decorated Canadians, recently asked for help from the district office, but he did not get any. They are not allowed to provide help to a veteran of the 1939-1945 war or to a veteran of the Korean War. If you try to get in touch with these people by telephone, you have to go through Kirkland Lake, where you have to tell your life story.

I called them and I said that I wanted to speak to Ms. Such-and-Such, who is a nurse. The operator then asked me why I wanted to meet a nurse. Frankly, there must be a limit! She never agreed to transfer my call, even if I knew very well that the nurse was in her office. She left a message on her answering machine. From that moment on, the nurse had two days to answer us. However, she had to make a report to Kirkland Lake. In fact, all the veterans of the 1939-1945 war and of the Korean War were transferred to Kirkland Lake. This is where their file ends up, no matter what they have to say about it, and they do not have the right to say very much about it.

We finally ended up taking care of the colonel. We tried to make some arrangements with soldiers from the 22nd Regiment who could help him and with women personnel who could help his wife, but nothing worked. We are forgotten citizens.

The file that I submitted to you contains all the explanations. However, I am sorry that I could not translate it.

Gentlemen, I have said what I had to say.

•(1240)

[*English*]

The Chair: Thank you, Mr. Sylvestre.

Some documents that were submitted by still have to be translated. The translation normally takes about five to 10 days, and then the documents are distributed to the committee.

We'll entertain questions now, Monsieur Renaud and Monsieur Sylvestre.

We have about 16 minutes. That's about four minutes per party.

We'll go to Madam Crombie for four minutes.

Mrs. Bonnie Crombie: Monsieur Renaud and Monsieur Sylvestre, it's just a delight to meet both of you and to be acquainted with you. I want to thank you on behalf of all of us for the service you've given to our great country and making us the great nation we are.

You've come forth with some very interesting observations, and I have some questions on some key areas.

First and foremost, we've heard from Mr. Henwood before you, and many groups, about the lump sum disability payment and the negative impact it's had on the lives of our veterans. We know that Francine Matteau also says that she believes the federal government made a mistake when it abandoned the monthly pension payments, and she called for a return to the monthly pension benefits versus the lump sum. I wondered if you could both comment on that.

As we know, the new Veterans Charter was always meant to be a living charter. It was always meant to be something we could make revisions and changes to as we saw necessary. Now that we've identified this significant flaw, the onus is on us to make the changes to correct this for our veterans.

I wonder if you want to comment on that.

[*Translation*]

Mr. Elphège Renaud: Even if those people have already received a lump sum payment, there would be some way of coming back to a pension. It would be assessed on a case-by-case basis, more or less in the same way as when an individual receives too much money from the employment insurance system. He goes on receiving his benefits, but a certain amount is clawed back from his cheque. If, for example, an individual has received \$200,000, there would be some way of changing this formula into one of monthly payments, while clawing back a certain amount each month in order to recover the \$200,000 that was previously received.

I met with a group of five young people aged 23 or 24, who had both legs amputated above the knees. Myself, when I was injured at the age of 20, I did not think like an 80-year-old. These specialists told me that when I would be 50, 60 or 70, I was going to eat "candy". I am against medication, but this specialist told me that I would do just like everybody else and that when it would really hurt, I would take the medicine, and that is what I do.

These young people do not have much foresight. I asked them directly how much money they had left. They all answered me that they had completely run out of money. These are normal reactions. They purchased a big vehicle worth between \$35,000 and \$40,000. This is a poor investment, and I would perhaps have done the same thing. The government must do their thinking for them to make sure that their financial future is secure. We are currently creating homeless people. When these veterans reach the age of 50 or 60, even if they have received money, they will not have any more. Even if we talked until midnight and repeated that they should not have done this or that, the government must do their thinking for them, as it did for the veterans of the Second World War or of the Korean War, like myself. However, if they had given me \$200,000 or \$300,000, I would perhaps have done the same thing as these young people did and I would be broke today.

I am fighting for the benefit of others because in fact, I was treated very well by Veterans Affairs Canada. I think that I receive a reasonable pension. During my entire life, there have been a few hiccups, as I just mentioned, when I had to pay. I kept silent because they did not want to understand that the physician had withdrawn from the system. That is why the provincial government is not paying him. Perhaps we should take a look at the Charlottetown administration. Perhaps we might find a few surprises because there is a certain arbitrary element, but what do you want us to do? We are alone, whereas they form an entire group specialized in the art of blocking payments.

We can say that this is not a matter of life and death, but if I could only win in this case...

I am sorry for talking too long, but I was a lawyer for 36 years and I am driven by the force of habit.

• (1245)

[English]

The Chair: Madam Crombie, your time has expired.

Monsieur Renaud, if you would finish your answer, I have a suspicion that Monsieur Sylvestre wants to comment as well.

[Translation]

Mr. Claude Sylvestre: I would like to say a word about security. When you receive a 50% pension, it amounts to \$25,000 a year. If you have 45%, at the time of your demise, your spouse only receives half of that. If you have 50%, when you die, your spouse will continue receiving the same amount and if you have 100%, you will receive \$50,000 a year until the end of your life, and not only till the age of 70. With regard to the charter, we are not that much affected by it, but that must be the reason why we are being abandoned. We have to pay extra amounts. Previously, we did not have to pay for a pair of glasses and we did not have to pay for dental care. Now, pursuant to the established legislation and regulations, we are required to pay \$103 for dental care.

However, do not try to get a copy of the regulations, it is impossible.

The Chair: Thank you, Mr. Sylvestre.

Mr. André, you have four minutes.

Mr. Guy André: Thank you for being here this morning.

We are very familiar with your file as well as with that of Ms. Matteau, from the Quebec region, who is asking for a return to the monthly payment.

This lump sum payment is something new in the new charter. You have been involved in the movement for several years. Have you received more complaints regarding this single lump sum payment than you received about the old charter? I would like to hear what you have to say about this.

Aside from this, you have gone through many procedures in order to help other veterans to get services, and this seems to be complicated. The Charlottetown administration is an institutional organization. Was it easy for you to get service in French?

Mr. Elphège Renaud: They are practically non-existent. It is something very rare. As far as we are concerned, we can muddle through, but that will not necessarily be the case for someone who belonged to the 22nd Regiment, which is a French-Canadian regiment. During the entire period of his service, even if it lasted five or ten years, the soldier worked in French, he had no opportunity to learn any English. As far as I am concerned, I took some courses that were given in English only. I did not understand a word of English, but I went to the courses anyway. During my paratrooper training course, I told them to put a parachute on my back so that they could see what a guy from the 22nd Regiment was capable of. Even so, I did not understand a word of the entire course.

Mr. Guy André: When you communicate with the people in Charlottetown to defend your cases and those of the people around you, you have difficulty obtaining services in French?

Mr. Elphège Renaud: Yes, when we are able to get in touch with them. We do not have access to the people in Charlottetown. When we call, someone in Montreal answers us, and then we are transferred somewhere. It is rather like a maze, it is complex. What does someone who is not too familiar with those things do? He gives up. I am president of the association. On Wednesday mornings, between 7 and 10 a.m., coffee time, there is a line-up in front of me. Because I was a lawyer, people think that I can solve all of their problems, but that is not the case. Most of the time they are petty claims. People tell me that they claimed something but that payment was refused. The only thing they are told is that they can file an appeal. Even if they do so, if they have no new information to bring forward, the decision remains the same.

As my colleague said, they are judge and jury. We can never win with them. I am not talking about pensions or those kinds of things, given that lawyers defend veterans and I believe—I think we need to be honest about this—that they do so very well. I am talking here about petty claims. I do not want to fight for these petty claims because people can manage even if they have to pay. However, it is another story when the lump sum payment offered to a youngster aged 23, 24 or 25 who has lost both legs above the knee is \$200,000. That is not very much money per inch.

• (1250)

Mr. Guy André: The Australians, for example, have changed their system. They used to pay a lump sum, but they went back to the former system for the reasons you explained. But you, on the ground, did you receive fewer complaints concerning the monthly payments under the former system?

Mr. Elphège Renaud: There were none. Well, in fact there were a few. It is normal; it is only human. Some people found that they never received the amount they wanted, for example, if they were expecting an increase of 10% or 15% and they were offered 5%. That is only human. It was easy to solve. We argued that it was not a legal matter, that physicians has assessed that percentage, had made the decision, and that the department had offered the percentage in question. I am not negative, on the contrary. When the department is right, I do not contradict it. I tell the client that the department is right. I tell him, for example, that his injury does not justify a pension in the same amount as someone who has lost both his legs. We have to be logical. I also defend the department. There is no use blaming it all the time.

As I said in my little presentation, the charter is not all bad. I said so when the ombudsman came. I had the opportunity to speak for much longer. The minister was there. I told them that the charter was not all bad. The people who adopted it are not all stupid. We must not go too far. What I find very important is the lump sum amount. For the same injury, England offers \$800,000, whereas Canada offers \$276,000. Why? If the \$800,000 is wisely invested, it can generate a considerable income, at least much more than \$276,000 can.

When I came here to testify, I did not expect everything to be solved. I believe that if we could just settle the question of the lump sum amount, that would be a major victory. What exists now must be done away with. It is unthinkable.

Mr. Guy André: We would have to go back to the old compensation system.

Mr. Elphège Renaud: The current system is unthinkable.

The Chair: Thank you, Mr. Renaud and Mr. André.

[English]

Mr. Stoffer has a brief response.

Mr. Peter Stoffer: In the interests of time, to allow the parliamentary secretary to ask his question, I want to thank you both for your service.

Mr. Sylvestre, I notice you're wearing the Dutch pin. My parents were liberated by good people like you. So thank you, and thank you for your service. Thank you for raising the issue of the modern-day veterans, those who need the help.

Merci beaucoup.

Mr. Claude Sylvestre: I'll be in Holland at the end of the month.

Mr. Peter Stoffer: All right. Excellent.

Mr. Claude Sylvestre: That's the last time they'll have a military ceremony. I'm going by myself, though. I've gone the last five times.

Mr. Peter Stoffer: Wonderful.

Merci, monsieur. Thank you so much.

The Chair: We'll move on to Mr. Lobb for four minutes.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you, gentlemen, for coming here today.

Just on the lump sum benefit, you've talked about how, in your experience, you've witnessed that there have been many who've

spent all their lump sum payment and so forth, and you're suggesting that it be spread over a period of time. You're suggesting that it run parallel with the earnings loss benefit, then. They would maintain the earnings loss benefit, but also have a separate payment for the lump sum, which is for pain and suffering. Is that the suggestion?

[Translation]

Mr. Elphège Renaud: When I say that there could be a two-pronged approach to payments, I mean that there could be a lump sum payment that would be the final one. It could be in the amount of \$50,000, or something like that, that would be used as a downpayment on a property, as start-up funds for a small business, or something like that. Compensation must not take the form of the final and comprehensive payment of a lump sum. A small amount could be given. The person is leaving their environment and leaving the military to start a new life. This could therefore be helpful. It is just a suggestion. Following that, the person would be granted a monthly pension. The important thing is to ensure the person's financial security.

I understand that even if the department gave \$2 million to a person who had lost both legs, it would be a commendable gesture on the part of the state, but it would be bad in a way. This would not serve the individual well because the state has to think for him or her. If the persons spends that money, they will find themselves in the street. In 25 years' time, if the soldier has nothing left because he acted badly, he cannot blame all of this on the department. If he acted inappropriately, he acted inappropriately. The state must think for him. It must therefore be a monthly pension.

Moreover, I do not believe there were problems relating to Second World War or Korean War soldiers whose cases were settled. Personally, I have nothing to say in that regard. It is true that I had injuries that justified the pension I was given. It was not difficult to evaluate.

As I said earlier on in my presentation, if the department had given me \$200,000 at the age of 20, I might have reacted in the same way as these young people. I think that the lump sum payment should be eliminated. Sometimes people say that the applicants are not acting in good faith or with bad intentions, but in fact, that is not true. I met with people who, like you, were sitting around a table. They were wearing shorts, so that we could see their legs. When we know that a person has been granted \$200,000 for those kinds of injuries at the age of 20, it is hard to swallow in a country like ours, in Canada. I think the country is on the wrong track in this affair. That is my opinion.

● (1255)

[English]

Mr. Ben Lobb: Thank you. I have one final, quick question.

I'm sure in the news you see, likely in the sports pages, from time to time that hockey players who have just recently retired may file for bankruptcy after earning millions and millions of dollars, likely under the same premise you make.

Would you support a lump sum payment if the veteran could lay out a clear plan about how they would like to invest their money or spend their money? If they had a clear plan on how they would like to use their money, would you support a lump sum payment at that time, if they could clearly lay out the plan they'd like to follow?

[*Translation*]

Mr. Elphège Renaud: I would agree with any formula that would protect the veteran so that their financial security would be assured for life, in connection with the injuries they suffered. If you believe that the solution is a lump sum payment, you will have to prove it to me. However, as I have stated and I will repeat, the state must think on behalf of the individual. Human beings being what they are, it is so easy to spend.

Any formula could be established, but personally, I am seeking the financial security of the individual and young people today do not have that. That is not what we are in the process of creating. As we speak, they no longer have the money they received. If they do not do something else in life, they are already the future homeless. Any formula could be the right one as long as it ensures the financial security of the individual.

The Chair: Thank you, Mr. Renaud and Mr. Sylvestre.

[*English*]

Also, since Mr. Henwood is still in the room, a couple of members have alluded to this, but just let me say on behalf of the entire committee that one of the things we would most want you to hear is that we have a deep gratitude for your service to this country. We're very aware that the rights and freedoms and democracy we enjoy today are there because you were willing to serve. We want to thank you very much, not only for your testimony but for your service.

[*Applause*]

[*Translation*]

Mr. Elphège Renaud: Thank you very much, Mr. Chairman.

I would also like to thank the members of the committee for listening to us.

[*English*]

The Chair: You're welcome.

The meeting is adjourned.

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