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# Standing Committee on National Defence and Veterans Affairs

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# **EVIDENCE**

Wednesday, November 24, 2004

Chair

Mr. Pat O'Brien

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**●** (1530)

[English]

The Chair (Mr. Pat O'Brien (London—Fanshawe, Lib.)): I would like to call to order the tenth meeting of the Standing Committee on National Defence and Veterans Affairs.

I'll start with the friendly reminder to members, visitors, witnesses, media, and staff to disarm our cellphones. This committee tries to avoid those beeps in the middle of our conversations. If we could all do that, it would be appreciated.

Today I'm very pleased to welcome the Honourable Albina Guarnieri, the Minister of Veterans Affairs.

Minister, it is a pleasure to welcome you, first time to this committee. I'll leave it to you, perhaps, to introduce your staff. I'm sure you'll have an opening statement for us, and then we'll have some questions.

Welcome.

Hon. Albina Guarnieri (Minister of Veterans Affairs): Thank you very much. Good afternoon, colleagues.

[Translation]

I am pleased to join you today to discuss spending plans and priorities for the Veterans portfolio in 2004-2005.

Let me introduce my colleagues who are here with me to give you more information about my department.

[English]

With me is Mr. Jack Stagg, the deputy minister; Mr. Victor Marchand, chair of the Veterans Review and Appeal Board; Mr. Keith Hillier, assistant deputy minister of corporate services; Mr. Brian Ferguson, assistant deputy minister of Veterans Affairs; and Mr. Robert Mercer, executive director of the public affairs branch.

Before I begin, I would like to congratulate the committee for its hard work. I know that you've been studying the estimates for a considerable time in this committee. Someone remarked that this session is a little like a remake of an old movie; the story is almost the same as the original presented to the committee last March, but the faces have changed just a little bit, with me now playing the role of John McCallum. I'm sure you see the resemblance. I hope today's production lives up to the original.

I know that we all share a common objective, to ensure that the men and women who put their lives on the line for this country will receive the care they need and the recognition they deserve. It is indeed my privilege to head a department that has the singular purpose of serving those who have served Canada.

[Translation]

This is my first appearance before your committee. I know that we all share a common objective to ensure that the men and women who put their lives on the line for this country will receive the care they need and the recognition they deserve.

It is indeed my privilege to head a department that has the singular purpose of serving those who served Canada.

[English]

Just two weeks ago, we set in motion a platform for renewal. The designation of 2005 as the Year of the Veteran is more than an opportunity to commemorate the 60th anniversary of the Second World War. It is our occasion to renew our commitment to remember the sacrifices of our veterans and take a closer look at what we can do to pass on that tradition and responsibility to a younger generation.

There are certainly great expectations. One of those expectations is that services for our veterans and programs to commemorate their achievements will be reviewed, renewed, and improved. This committee has already played a major role for veterans. Last year you were instrumental in recommending changes to the VIP program that were implemented last November. Today, 18,300 more survivors and primary caregivers are benefiting from the VIP program as a result.

I think this is an example of a department and a committee working together for the benefit of Canadians. In the case of Veterans Affairs, I know we can always put politics aside when it counts the most, because when it comes to serving veterans, we are all on the same side, and eager to deliver the care and commemoration our veterans deserve.

I should tell you that I feel especially fortunate to be working in a department where everyone seems to have the enthusiasm of volunteers combined with years of experience, making programs work for veterans.

Now to the exciting topic of the day, the department's main estimates. I know that everyone here is gripped with anticipation, waiting for the details of our latest update. Minister McCallum tabled estimates before this committee in March, and the supplementary estimates, tabled November 5, add approximately half of 1% to those numbers. Obviously, the staff at Veterans Affairs stick very closely to budget.

Today I will invest a little time updating you on a number of the policy and program initiatives that will occupy my department for the next five years. Perhaps my officials can pick up on any questions you may have, during the Q and A session, about the specific dollar figures.

As you will see, the major expenditures represent our core business lines in the estimates. For the fiscal year 2004-05, we sought approval for a total funding of about \$2.8 billion. Of that, about \$1.7 billion is allocated for disability pensions and allowances; another \$800 million for health care, including \$250 million for the veterans independence program; and \$500 million for payments made to, or on behalf of, clients for health-related goods and services.

In addition, \$27 million is allocated to cemetery maintenance, funeral, and burial, the Last Post Fund, Commonwealth War Graves Commission, and partnerships contribution program as part of the Canada Remembers program. The commemorative part of our program will of course be enhanced for the Year of the Veteran. A specific announcement will be coming your way once details are finalized.

In the estimates, some \$34 million is identified for two capital projects: the Ste. Anne's Hospital modernization project and the Canadian battlefield memorials restoration project, \$9 million. Having had the opportunity in early September to visit a number of the larger monuments, like Vimy, Beaumont Hamel, and St. Julien, I am thankful that these magnificent symbols of Canada's sacrifice and valour will be restored to their original beauty for future generations to visit, to learn and to remember.

Today I am particularly pleased that the government announced that the restoration of our most spectacular monument at Vimy Ridge will begin next Wednesday.

**•** (1535)

The balance of our budget, some \$270 million, is of course our operating expenditures, representing 10% of our total budget. As you know, we are seeking approval for an additional \$289 million over the previous year. About \$99 million of this increase relates to health purchases resulting from the increasingly complex and frequent health needs of an aging war-generation clientele.

Another \$88 million of the increase will go to disability pensions, to cover off consumer price index adjustments and an increase in the number of VAC disability pension clients.

The changes to the veterans independence program brought about an increase of \$58 million. I know that VIP eligibility is an issue of great importance for many of you, judging by the letters and the correspondence I receive, and the interventions. I will speak to it in more detail in a few minutes.

Other increases from the 2003-04 main estimates include additional salary costs due to signed collective bargaining agreements, administrative costs related to initiatives to address the urgent needs of Canada's aging veterans, and costs related to the enhanced Canada Remembers program.

I am sure it did not escape your notice that the Auditor General tabled her November 2004 report yesterday in the House of

Commons. I wanted to mention chapter 4 of this report, as it focuses on the management of federal drug benefit programs, one of which is VAC's pharmacy program. While the Government of Canada agrees with all five of the Auditor General's recommendations, they will be implemented to varying degrees, depending on the individual departments and the nature of their pharmacy programs. The common formulary and best value for drugs on the formulary recommendations are two items that are likely to benefit from federal-provincial-territorial initiatives identified for action under the national pharmaceutical strategy.

In the report, the AG highlights VAC's implementation of the first national, completely electronic, real-time pharmacy adjudication system. This system was so popular that the Canadian Forces and the Royal Canadian Mounted Police have now partnered with us to use the same system.

I am pleased to say that VAC's drug utilization review process, in place now for seven years, was noted as best practice. VAC takes a holistic approach to managing clients' needs, including pharmaceutical needs. The drug utilization review process involves case management and screening, meaning personal contact with our clients and ensuring that all their needs are being met.

It is my view that the AG's report is a tonic to further improve our drug plan, and provides VAC with impetus for even more focused collaboration with our federal health care partners. I look forward to what can be accomplished.

**●** (1540)

[Translation]

July was an opportune time to be appointed Minister of Veterans Affairs as I had the opportunity to participate with our veterans in a full schedule of events honouring our peacekeepers and veterans marking significant anniversaries. I joined Canadian veterans who returned to Belgium to celebrate the 60th anniversary of its liberation. I am just recently back from Italy where veterans returned to mark the 60th anniversary of the Italian campaign. What an experience that proved to be! It was an honour to witness first-hand the gratitude of Belgians and Italians. I listened to veterans recount stories that will forever be etched in my mind and in my heart.

[English]

These experiences I have just described emphasize the need for us to do more here at home to keep the memory of our veterans charged with enthusiasm and ever-present in our consciousness.

We need to pass that tradition of respect and awareness to Canada's youth and make sure they take full advantage of the living history that our veterans carry with them and are willing to share. The department has a comprehensive youth strategy that we will be proactively and aggressively putting into action.

#### [Translation]

At VAC, we of course have the dual responsibility of care and commemoration. It is our responsibility to ensure that the care needs of our clients are met while continuing to honour their sacrifice and achievement through remembrance activities.

#### [English]

Caring for aging veterans, guarding the memory of our nation's sacrifice, and preparing recent CF veterans for productive civilian careers are our priorities. Our operational challenges at VAC mirror Canadian society in general, finding the balance and ability to manage the needs of a large population of retired people while providing transition services to younger clients leaving the Canadian Forces and re-entering civilian life.

VAC has for many years been focused on helping primarily senior veterans live out their lives with a maximum of independence, care, and support. The success of the VIP program is a testament to that focus

#### [Translation]

We all realize the tireless efforts of caregivers and the fact that we need to recognize the years of love and support invested in caring for our veterans.

Let me assure you that my departmental officials are examining outstanding VIP eligibility issues to determine whether or not we can provide help to those who do not currently qualify for these services.

We are making progress and I hope to have more to report in the very near future.

# • (1545)

#### [English]

At VAC we recognize that we serve our aging veterans best in coordination with our partners at the provincial and community levels. The Canadian seniors partnership is a tangible example of this type of collaboration among levels of government, partnering to better serve veterans and seniors.

VIP is now the basis for an upcoming continuing care research study that will help shape home care services for the broader population of seniors.

Another initiative is aimed at empowering seniors in their quest for well-being and self-sufficiency. One way we are doing this is through Seniors Canada On-Line, a Government On-Line initiative led by my department. This serves as a gateway, or portal, to information that has been organized according to the needs of citizens rather than according to the organization that delivers the program. Information from every province and territory has been linked to the site, as have several important non-government organizations.

I am not the only one who thinks this portal is a great success. The collaborative seniors portal won the Distinction Award in the innovativecross-jurisdictional e-government projects category at this year's Government Technology Excellence in Canada Week, as well as the Ontario Government Diamond Award.

I would now like to turn your attention to our younger clients, current members of the Canadian Forces, and the veterans who've recently retired from service. There are some 409,000 such veterans in Canada.

# [Translation]

Our current service personnel are far from what used to be considered a peacetime military.

Our future veterans are today standing in harm's way for the peace and security of others. They are always a heartbeat away from catastrophe. Few others in our society are asked to take such risks for the greater good.

# [English]

Canada's contribution to peacekeeping, peacemaking, and the war on terrorism is a source of national pride. It has also meant that Veterans Affairs is responding to more servicemen and servicewomen who are turning to us for help. Their numbers have increased 58% in the past three years. We anticipate having over 58,000 CF clients by 2013. We currently provide disability pensions to about 7% of the total eligible CF veteran population, and that number is expected to rise to 11% in just five years.

These veterans often have a complex mix of psychological and physical ailments that challenge conventional notions of medical treatment or available social services. As they try to cope with the injury or illness, they are often doing so as they try to make the transition back to civilian life, trying to get well while trying to get a job.

Although both VAC and DND have made great strides in coping with younger veterans in recent years, our existing programs have neither the scale nor the focus to deliver all we could for these veterans. It was clear that a new veterans charter for a new century was needed, and that is exactly what my predecessor announced last spring, when he announced the most fundamental review of veterans programs and services since the Second World War. This charter includes disability awards and wellness programs for our newest veterans; medical and psychological rehabilitation services, including vocational training and education; earnings loss support for veterans undergoing rehabilitation, as well as longer-term loss of earnings support for those who can no longer work because of a service-related illness or injury; job placement assistance; and health care for veterans and their families.

#### **(1550)**

## [Translation]

The Service and Program Modernization Task Force has been working hard to determine the details of the new program design and prepare the required legislative changes. Part of this work involves extensive consultations with the major veterans organizations and other involved groups.

[English]

Next month we will be testing the program components with our clients, and those who could one day be our clients, to see how they feel about the proposed changes, how they would like to receive information, and what services and benefits they may be entitled to.

As you can imagine, the range and scope of change envisioned by this new charter is considerable, and will represent a significant legislative package.

My last item is the Year of the Veteran. We have a new program on the way for Canada's new veterans and a very special year for all our veterans. The Year of the Veteran will be a national history lesson, a national show of gratitude for our veterans, and an opportunity to renew our commitment to remembrance and to pass on that tradition to a new generation.

Throughout the Year of the Veteran, high-profile ceremonies and events in Canada and overseas will commemorate the achievements and sacrifices of veterans, and recognize the 60th anniversary of the end of the Second World War.

Our commemoration next year will help preserve a noble chapter in our history so that the youth of today will have a stronger connection to the sacrifices and achievements of our veterans, and form the will to continue the mission of remembrance for generations to come.

The year 2005 will indeed be a year to refresh our memory, restore our monuments, retell our history, and re-inspire our youth. Our deputy minister, Jack Stagg, chairs a very active federal advisory council on remembrance. This council, currently made up of 13 federal departments and organizations, provides advice and guidance to the Minister of Veterans Affairs on the subject of remembrance. In support of the work of the council, the department also seeks input from stakeholders and other partners as required.

# [Translation]

In fact, we are pursuing many partnership opportunities and will soon have a comprehensive list of events to announce when the Year of the Veteran is officially launched in January. For now, let me fill you in with a couple of the Year's highlights.

[English]

In May, we will ask veterans to cross the ocean yet again to join the Netherlands in celebrating the liberation by Canadians.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Hear, hear! Hon. Albina Guarnieri: We have a fan.

Our Dutch friends are already well under way with their planning.

The new Canadian War Museum will be opened in May, and I am so pleased that veterans will be among the first guests of honour. The Canadian War Museum, under the Department of Canadian Heritage, will be a further way for Canadians to pay tribute to our veterans. We will be unveiling the seventh Book of Remembrance at Parliament Hill to commemorate Canadian Forces members killed in service since the Korean War.

We will restore the important battlefields restoration projects at the Vimy Memorial in France, which is scheduled to be completed in 2006. Restoration work is already complete at seven of the thirteen memorials in France and Belgium, including Masnières in France and St. Julien in Belgium. Of course, we will have special celebrations of VE day and VJ day.

Veterans and veterans organizations are already involved in the planning for the Year of the Veteran. Distinguished Second World War veterans Smoky Smith, Smoky being a Victoria Cross winner, and Cliff Chadderton will act as patron and honourary chair, respectively, for these remembrance efforts. General Charles Belzile will chair an advisory committee that will guide the department on the year's activities.

I would like to take this time personally to invite each of you to our get-together on December 14 for a Year of the Veteran event on Parliament Hill. We have invited a number of local area veterans to join us. I'd love to see you all there.

My conclusion, in short, is that when you look at Veterans Affairs you see a department for the ages. We have programs for youth, programs for modern-day veterans, and programs for aging war veterans. Our plan is to ensure that all programs stand the test of time. I know this committee will be an important contributor as we continue to modernize and reform our programs.

I would be pleased to entertain your questions.

• (1555)

[Translation]

There is much to be done and I hope that I can count on the support and advice of this committee in the weeks and months ahead.

I would now be more than happy to answer your questions. Thank you.

[English]

The Chair: Thank you very much, Minister Guarnieri.

In welcoming you to the committee, I want also to congratulate you on your appointment as Minister of Veterans Affairs. We certainly look forward to working with you. I know the subcommittee on veterans affairs, as a subcommittee of this standing committee, will be looking forward very much to working with you and your officials as well.

On behalf of all colleagues, I want to thank you and your officials for the briefings that were organized for the various parties. I think many of us have had an opportunity to participate. I for one found it to be very useful. Some briefings are less useful than others around this place, but those were very well done, I thought, and very useful.

Finally, before I go to questions, we have new members on this committee, and if you ever have the opportunity—and the privilege, I would say—that some of us have had, to accompany some of our veterans on what are known as pilgrimages, where we visit past battle sites, I want to highly recommend to you that you take that opportunity. The department does an outstanding job if it. I've very much enjoyed it. But take a lot of Kleenex, because it tends to be quite a moving event. I highly recommend it for anyone who gets the opportunity.

Thank you very much for your opening statement. We are now going to go to questions. I'll just recall for colleagues that when we have a minister, we have a ten-minute round right down all the opposition parties, and then we come to the government side.

We'll start with Mrs. Hinton, please, for ten minutes.

Mrs. Betty Hinton (Kamloops—Thompson—Cariboo, CPC): Thank you, Mr. Chairman.

The first order of business is to welcome the minister to the committee. It's a pleasure to have you here. You gave a very comprehensive overview of what your plans are.

I've read the estimates as well, but there are a couple of comments I'd like to make, based on what you said in your opening remarks. I think the patron you have selected, Smoky Smith, will prove to be extremely interesting. I had the pleasure also of meeting Smoky Smith in Italy.

Hon. Albina Guarnieri: Smoky was rather fond of you, Betty, from what I saw.

**Mrs. Betty Hinton:** I was rather fond of him as well. It was very interesting, and I look forward to watching him in action.

There are a couple of issues. On the estimates, I would like to ask two questions in particular and give either you or your co-workers here today an opportunity to answer.

The first is on page 27-5, under "Objectives". It says the objective is to:

Provide clients with full opportunity to request review and appeal hearings to ensure a fair adjudicative process for disability pension and War Veteran Allowance claims.

The review panel is defined as an arm's length quasi-judicial board, and I understand that the members of the board are appointed through the Prime Minister's Office. After reviewing the very limited biographies of the members of the board on the Veterans Affairs website, I note that of the 20 board members, only one member has any medical background, five have a legal background, and only four have any military service at all. Would it not be fair to say that since this board is responsible for the future care and well-being of past members of the military and their families, there should be some background in the military or medical professions?

The second question I would like to ask is with regard to long term care facilities. Between January 2002 and April 2003, the

subcommittee visited 11 long term care facilities across the country. A report on these visits was tabled in June of the same year. The report contained at least 25 recommendations for the ministry to act on. Included in these recommendations were a number of procedural changes, such as veterans not being relegated to the bottom of a wait list if they refused placement in a facility because it was not the one they requested, or they were given less than three days to move to the location offered them. Others were regarding the standardization of the assessment process in determining the level of care required for veterans.

Can you tell the committee what progress has been made on these recommendations over the last 17 months?

• (1600)

Hon. Albina Guarnieri: Thank you, Mrs. Hinton.

With respect to your question about VRAB, there is a review process under way. I'd certainly like the chair of VRAB to highlight some of the good work they do.

With respect to the qualifications of the individuals, we really haven't received any complaints as to the calibre or the quality of their work.

Perhaps you'd be good enough to elaborate on some of the highlights of your hard work.

Mr. Victor Marchand (Chair, Veterans Review and Appeal Board): Thank you.

The board has always been a place where a variety of members have been chosen from all walks of life. In other words, I think it is a wise decision on the part of government to ensure that there are people with medical background, military background, as well as teaching, politics, public life, so that you have a mix of individuals at the board.

The qualifications for the role of a board member are basically those of experienced people who have judgment and have an insight into the difficulties of military life, of having war experience. It is important to have a variety of backgrounds and outlooks at the board to hear these cases.

It is with this view that there is always a complement of people from various backgrounds.

**Hon.** Albina Guarnieri: And you might want to highlight just a word about some of the reform processes under way, because that might be helpful to the member's question—

Mrs. Betty Hinton: I'll just interject for one moment, if I may.

With all due respect, I have received complaints about the makeup of the appeal board, which is why I raised the question today.

I'd like to have it confirmed, are they in fact appointed by the Prime Minister?

You also mentioned that they have to deal with the difficulties of military life, etc. Are the figures I read to you when I made the initial statement, that only four have any military service at all, inaccurate?

**Mr. Victor Marchand:** To my knowledge, that is correct, four members of the board have military background. There are also members with legal background. There are also members who have backgrounds in health care, teaching, and public life.

In order to make sure that the qualifications are met, the board has developed criteria, an accountability profile. In the weeks to come, we will put in place a procedure to ensure that this balance is maintained and that the board keeps a functional and efficient operating balance between these walks of life. It is important.

To answer your question, yes, there are people with a military background...legal, medical, health field, and public life.

**Mrs. Betty Hinton:** Do you feel, then, as political appointments, which is what I believe they are...and you still haven't confirmed that, or said no. They are political appointments, are they not?

Mr. Victor Marchand: They are government in council appointments, yes indeed.

**Mrs. Betty Hinton:** Government in council appointments, who are supposed to be quasi-judicial and at arm's length from government. There are those who might suggest that if you are a political appointee to this particular board, then you are not arm's length. You have an interest perhaps in giving the government line rather than resolving some of the problems.

And I'm raising these questions because they've been asked of me. • (1605)

**Hon. Albina Guarnieri:** Mrs. Hinton, your question is a very fair one. However, in the past that was the way governments conducted business, through order in council. The current Prime Minister and the current government have committed themselves to reinvigorating the process. I mean, we've been subjecting recommended individuals to coming forward before standing committees for review.

We've begun a reform process on how VRAB is going to be conducting itself, on how members get onto the independent review board. I welcome any insights this committee may have on how they think the process should evolve.

# Mrs. Betty Hinton: Okay.

Perhaps you would answer the second question I asked, about the report that was done between January 2002 and April 2003, where you visited 11 long term care facilities. How many of those 25 recommendations have been implemented to date?

**Hon. Albina Guarnieri:** My understanding, Mrs. Hinton, is that a significant number of them were implemented; if I'm not mistaken, 14.

Perhaps you'd like to elaborate on the recommendations that were implemented.

This committee carried a lot of weight, and I know that the department took this report very seriously.

Mr. Brian Ferguson (Assistant Deputy Minister, Veterans Services, Department of Veterans Affairs): Absolutely, Minister. I was going to say the very same thing, so you've pre-empted my remark.

I think it's important to note that the department reported back to the committee on the recommendations it was implementing and is still working on. I want to take this opportunity to say that the department takes wait list management very seriously. Your recommendations have been built into our review process, and we continue to monitor the wait lists in all of our facilities across the country.

I would hasten to add that if there are any circumstances, of any individual, that you find troublesome, please bring that to our attention and we'll make sure we review it.

I'd also perhaps like to give you an example of the kinds of things we've been doing. Some areas of the country have backlogs in terms of the ability to get people into long term care institutions. In those instances, we've developed a wait list management process. Where there are backlogs, particularly for overseas service veterans, we will put them on the veterans independence program and provide enhanced service in the home to make sure they're getting the kinds of treatments they need and the support they need in their homes until a bed opens up. In those instances, when a bed opens up, our experience is that over 90% of these individuals would prefer to stay at home.

We will endeavour, Madam Hinton, to give you a more complete answer to your question in terms of precise status of the standardization and assessment effort. But if you have any cases as well, I'd like to be aware of them, and we will address them.

**Mrs. Betty Hinton:** I would request a list of those 14 that have been implemented, please. That would be very helpful.

This is going to be a quick question, because I know I'm running out of time. Could you elaborate on what has happened with those Canadian soldiers, military, who have served in the Gulf War? My understanding is that they have an extremely difficult time getting the services they require, based on what they've gone through.

Mr. Brian Ferguson: Minister, I'll let you answer that.

**Hon.** Albina Guarnieri: The reality is that in order to obtain benefits, you don't necessarily have to recognize the symptom by a defined name. All you have to do is connect their ailment with military service. So my understanding is that a fair number have achieved benefits.

Perhaps the deputy would like to highlight some of the numbers or give more insights.

Mr. Jack Stagg (Deputy Minister, Department of Veterans Affairs): Again, as the minister said, we don't have to prove a Gulf War syndrome in Canada in order for Gulf War veterans to get benefits and pensions.

That said, we are following the research that's going on in the United States and in Britain currently on whether or not there's something peculiar about service in the Gulf War that would demand other attention.

So we're following the research on this, but again, in Canada you don't have to prove a kind of Gulf War syndrome for a veteran from the Gulf War to get benefits from us.

#### **●** (1610)

**Mrs. Betty Hinton:** It would be my pleasure to present you with some paperwork that contradicts this. If you could get to the bottom of that and get me some answers for these people, I would be most grateful.

Mr. Jack Stagg: Sure.

**Hon. Albina Guarnieri:** Certainly, Mrs. Hinton, if you have any cases where people feel they're denied benefits to which they're eligible, please bring them forward. This is a very responsive department, as Brian has said and as the deputy minister has highlighted.

The Chair: Thank you, Mrs. Hinton.

On the information requested, Mr. Stagg, Minister, if you could have the officials table it with the clerk, she'll distribute it.

I might suggest to Mrs. Hinton and the other colleagues on our standing committee's subcommittee that you may want to pursue some of those issues at your committee as well.

**Mr. Jack Stagg:** Mr. Chair, I do have some numbers that might be helpful in terms of applications, favourable applications versus unfavourable ones.

The Chair: You have those with you? Mr. Jack Stagg: Yes, I do have them.

The Chair: Would you give them to us briefly, then?

Mr. Jack Stagg: Out of 349 applications from people in Canada who had served in the Gulf War, approximately 200 of those were successful in receiving pensions, which is not inconsistent with the pension applications and adjudication we do for other veterans. So approximately 198—unfavourable, 116, and withdrawn voluntarily from that, 35.

Again, my understanding is that this is not inconsistent with the normal pension adjudication process for other types of situations.

The Chair: Thank you very much for that.

Mrs. Hinton raised some obviously very important thematic questions, as the minister noted. Obviously we can't get into individual cases at committee, and neither did the member suggest that, but I think it's important that the minister has told us, if any of us as members have concerns about particular cases—and we all get these kind of representations—then we should get them to her and her officials. We want to try to make sure that all our veterans are as well served as possible. I know we're unanimous in that feeling.

**Hon. Albina Guarnieri:** I hope my comments weren't interpreted that we should be talking about individual cases, after what's been happening in the House today.

**The Chair:** No, no, they weren't. I just wanted to be careful that we didn't have any members wanting to bringing in the case of Mr. X or Mrs. Y, because of course we couldn't do that at committee. And Mrs. Hinton didn't do that, obviously.

[Translation]

You have ten minutes, Mr. Perron.

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ): Mr. Chairman, I may not use my full ten minutes, so as to allow my colleague Claude to take over, since he is due to leave shortly for his riding.

[English]

The Chair: Sure.

[Translation]

**Mr. Gilles-A. Perron:** Madam Minister, I'd like to set protocol aside for a moment and address you by your first name, Albina, because it reminds me of my maternal grandmother, Albina Lafrenière, whom I remember from my youth.

Hon. Albina Guarnieri: I feel rather old.

**Mr. Gilles-A. Perron:** That wasn't at all my intention, Madam Minister.

There is a reference on page 38 of the Report on Plans and Priorities to the Federal Healthcare Partnership, or FHP. The following is noted in the third paragraph of the text: "Over the next three years, Veterans Affairs Canada will continue in its lead role as host of the FHP Secretariat...".

What exactly is the FHP? What role does it play? Describe for me VAC's involvement in this initiative?

**Hon. Albina Guarnieri:** Thank you for your question regarding this matter of significant importance to veterans. As you know, service-related stress disorders are a priority for my department. We have set up across Canada clinics that provide specialized care. It's not simply a matter of treating a person for a broken arm. We have also set up research networks to finds ways of improving our health services.

Quite frankly, defining stress is no easy matter. I know that we're trying to do more to help young Canadian veterans. Clearly, we need to modernize our programs aimed at identifying persons experiencing service-related stress or job-related symptoms.

**●** (1615)

**Mr. Gilles-A. Perron:** Madam, I think you've strayed a little from the topic. According to this document, the FHP was established in 1994 to develop and implement a strategy to coordinate federal government purchasing of health care services and products. However, the impression you're giving here is that VAC administers or wields considerable influence over this secretariat. True or false?

Hon. Albina Guarnieri: I'll let my Deputy Minister answer that question.

[English]

**Mr. Jack Stagg:** Federal health partnerships, a coordinating body, was established in 1994. The idea was to have the six departments cooperate on the purchase of health care products and services and to find ways in which we could collectively make those processes more efficient. We could save money and we could better serve the clients collectively through that.

Up until the end of the last March, federal health partnerships collectively had saved Canadians somewhere around \$29 million. Over the next four or five years, just with the current plans, that will rise to somewhere around \$60 million.

We also hope to use federal health partnerships to respond effectively to what the minster outlined, in terms of the Auditor General's report, on pharmaceuticals. We can use this as a collective, basically, to explore ways in which we can collectively purchase pharmaceuticals and monitor pharmaceuticals into the future as well.

We think it's a very good program. We've had a good history of cooperation. We have different clients, mind you, and we do different things. For instance, in pharmaceuticals, the Department of National Defence purchases them and distributes them internally. We go to point-of-sale in pharmacies across the country, as does Health Canada. Overall, though, we have a lot in common. There are things we can do, for instance, towards a single formulary for the various departments, and use federal health partnerships effectively to work towards that.

[Translation]

**Mr. Gilles-A. Perron:** Thank you. I'll be sharing the time I have left my time with my colleague.

The Chair: Mr. Bachand.

**Mr. Claude Bachand (Saint-Jean, BQ):** Thank you, Mr. Perron, for sharing some of your time with me.

I have a question concerning a program that I have always considered to be very important, namely the Veterans Independence Program, or VIP program. As you no doubt know, the government was forced to back date the program to extend coverage to a larger number of widows than originally covered by the bill. After numerous empty promises, the department finally agreed to back date the program only to 1990, arguing that it did not exist prior to that date.

Not only am I disappointed, but I've heard from several women — I don't want to discuss specific cases — who told me that their husbands died in December 1989 and that they are not eligible for program benefits. I'd like to know if program coverage can be extended, because I'm curious as to what it would cost the government to extend these benefits to everyone. That's my first question.

My second question concerns new veterans. It seems somewhat incongruous to speak of new veterans, but I think everyone understands what I mean by this. Studies now being done in Great Britain are beginning to find that Gulf syndrome is indeed a real problem. Problems associated with depleted uranium have also surfaced in veterans of the Bosnian campaign. Still others suffer from post-traumatic stress disorder.

Your predecessor had promised us that once consultations had been held, a series of amendments or bills would be tabled late in 2004 to adapt veterans programs to the realities faced by new veterans. I've heard though that nothing is to be done until the spring of 2005.

Can you give a status report on these modernization plans to which you referred briefly in your presentation? Is there any way that the series of regulatory or policy amendments could be brought in as quickly as possible so that once and for all, coverage under the act is extended to those who have sacrificed their health for Canada?

• (1620)

Hon. Albina Guarnieri: Thank you for your question. This is a subject very dear to me. The first time I heard about the VIP program, I was somewhat surprised to learn that certain benefits ceased to be paid once the veteran passed away. I asked my department to try and come up with some solutions to this dilemma and I am truly proud to say that officials have done a fine job. I'm confident that they will be announcing some good solutions shortly, but we will never lose sight of the work done by this committee and by your predecessor. The VIP program has been extremely successful because it gets results. We're constantly striving to extend program coverage to more people. I can appreciate your sentiments and I think we'll have some good news to relate to you shortly.

Mr. Claude Bachand: In the next budget?

**Hon.** Albina Guarnieri: We'll have to wait and see. I can't tell you right this minute. We need to complete our work. However, there will be an announcement shortly.

As for your question concerning modernization initiatives, we are doing a lot of work in this area. We are working quickly, but we are relying a great deal on the work that the committee will do when we present our findings. That will be sometime in the new year.

You indicated that my predecessor had promised action on this front before Christmas. That's true. However, to be quite honest with you, I want to be clear on what we're putting forward, because this program will be in place for a lifetime and we want it to be stable and to produce results. We'll await the outcome of this committee's deliberations once we've announced our plans.

[English]

The Chair: Merci, Mr. Bachand.

We now have Mr. Stoffer, please, for ten minutes.

Mr. Peter Stoffer: Thank you very much, Mr. Chairman.

First of all, I'd like to say to the minister and, just as importantly, to the deputy minister and the staff, that on the recent trip to Italy I thought all of you did an outstanding job, not only representing the veterans but also representing the concerns of going over to Italy and doing the 60th remembrance.

Minister, I thought your words were well said and well done, and I thought that the staff, who worked very hard with all those veterans, did an outstanding job overall for the veterans.

As my first question, Smoky Smith had a plaque dedicated over there, and it was to be placed near or around the place where he had earned his VC. We have 92 or 93 other VC winners who did heroic things as well. Is it possible that Veterans Affairs is looking at placing a plaque in their honour as well, similar to what Smoky Smith has received?

I'm thinking of someone like Paul Triquet in Casa Berardi. His name is on just a little stone thing there. I think a plaque like what Smoky got would be quite honourable in his memory.

Is the department looking at that at all?

**Hon. Albina Guarnieri:** With the new initiatives of the Year of the Veteran, we'll certainly be willing to entertain all suggestions. Certainly we'll look at your well-intentioned suggestion here. We'll look at it and explore the possibilities.

Personally, I don't think we can do enough to commemorate our heroes, so we'll certainly take that under consideration.

Mr. Peter Stoffer: Minister, one of the concerns we get—it's been reiterated already here at the table, but I'll do it one more time—and most of the letters I receive on veterans' concerns is regarding the VIP program. I understand that you're ready to make some sort of an announcement soon, but the sooner the better, actually. If it could basically say that all widows of all veterans would be covered under the VIP program, that would be a very good day in this country. We would support that initiative very well. We just want to go the record as saying that our party would definitely support that initiative.

Mr. Stagg, I gave you a little letter here, written by Peter Worthington on May 14. I also sent a copy to the chair. It's regarding the concerns of the survivor benefits ratio. With Canada Pension, when someone dies the survivor gets 60% of that pension. If I'm not mistaken, when a veteran dies the survivor receives 50% of that pension.

Is there any indication of why that is? Is there any appetite within the department to change that to match the CPP survivor benefit of 60%?

#### **●** (1625)

Hon. Albina Guarnieri: Thank you for your kind words about the VIP program. This is something that has touched...or I think every committee member has approached me about the VIP. As I keep reiterating, the department is looking into options, and I'm cautiously optimistic that we're going to find a solution. The VIP program has been a tremendous success story for the government. It's our signature piece. It's certainly a trademark. I know that other levels of government are looking to use it as a model for their home care. So thank you for the kind words there.

My deputy will be happy to answer your question with respect to the pension.

Mr. Jack Stagg: Peter, as I understand it, in quite a number of pension situations or superannuations the level is at 60%. The person can elect 60%, even prior to collecting the pension. This is part of the DND superannuation provisions. This is not a provision under our department. So you'll have to ask your question, and I think it's a worthy question, of the Minister of National Defence and not the Minister of Veterans Affairs. The superannuation program is administered by DND.

Mr. Peter Stoffer: Thank you for the correction on that.

Minister, you may recall that we had some unfortunate stories in the maritimes earlier this year and last year regarding the poppy fund, trying to raise money privately and collectively for gravesites for veterans. I don't know, something just stuck in me; why should people have to fund-raise to get a gravesite for a veteran?

I was hoping that if there were any appetite within the department we could revisit that poppy fund and see if it can't be the general taxpayer who looks after that in that regard, instead of having to fund-raise for a gravesite for a veteran.

Hon. Albina Guarnieri: Are you talking about markers, Peter?

Mr. Peter Stoffer: Yes.

**Hon. Albina Guarnieri:** As you know, we do fund the Last Post significantly, to the tune of \$116 million—right, Jack?

**Mr. Jack Stagg:** It's \$16 million on an annual basis for burials. We also transfer about \$100,000 a year to the Last Post fund for marker provisions.

**Hon.** Albina Guarnieri: Peter, it's my position that no veteran should have an unmarked grave. Certainly we should explore the possibility of seeing whether or not there are sufficient funds to accommodate the demand and the need.

So I certainly share your sentiment that something has to be done. No Canadian hero should have an unmarked grave.

Mr. Peter Stoffer: Thank you.

As you know, every November 11 the debate comes up again for the national holiday. We know there is debate within the Legion itself and the ANAVETS branches and within provinces and the federal government, but I haven't really heard the official view of Veterans Affairs on a national holiday on Remembrance Day. I'd like to give you an opportunity to express either your personal opinion or the department's opinion on making November 11 a statutory holiday throughout the country.

**Hon.** Albina Guarnieri: Peter, as you know, it's not within the government's purview to declare a national holiday. Certainly it's a holiday for government officials, and any industries regulated by the government do have a holiday.

That said, I take my advice from the veterans, and as you mentioned, there is no consensus among veterans with respect to how best we can celebrate and commemorate veterans. It will be unresolved business until there's a consensus among them.

Personally, I think this is a healthy debate. Someone suggested to me that maybe we should have some kind of remembrance holiday during Veterans Week, where we commemorate peacekeepers one day, aboriginal veterans another day, and sort of have a week of commemoration.

I think we'll have plenty of opportunity to explore ways on how to best commemorate veterans.

(1630)

Mr. Peter Stoffer: My colleague Mrs. Hinton, through the media the other day, expressed concerns—and I think she spoke for all of us when she expressed those concerns—about the Victoria Cross of Fred Topham possibly being sold and moved out of the country. I agree with her sentiment, and I congratulate her and the party for raising that issue.

Myself, I think it's disgraceful that anybody could sell a Victoria Cross—or any medal from a veteran, for that matter. Personally, I would like to see no medals of armed forces personnel ever be sold at any time. But that's a debate for another day.

On that issue, is Veterans Affairs able to assist in the purchasing of the VC to ensure that it's here? As well, you know we entered a debate regarding the memorial cross, the Silver Cross—which nobody wishes to receive. As you know, right now the Silver Cross goes to the mother of a deceased armed forces personnel, or to the widow, but the father of the deceased armed forces personnel doesn't receive the Silver Cross.

As you're modernizing the department and those awards, is it at all possible that the department can revisit this so that not only the mother of the child in the armed forces...of the sacrifice that the mother gave, but the father as well? I can't speak for my party or the committee, but I firmly believe a father's grief is equal to a mother's grief.

Again, is there any appetite in the department to revisit that award—which nobody wants to get, by the way?

Hon. Albina Guarnieri: With respect to the Victoria Cross, I'm on record as saying that any medal earned for Canada should stay in Canada. There are two problems attached to that, in the sense that, one, it's not directly under my purview. As you know, it's under Heritage Canada. That said, I know that my colleague, the Minister of Canadian Heritage, shares my sentiment, as in fact all my colleagues do.

The question is not putting up the funds. We've actually been asked by the chair who's launched the drive to raise funds amongst the public to hold off contributing. He's overwhelmed by the interest this has generated. He thinks it's a healthy activity for people to participate in. Ironically, then, it hasn't been lack of action on our part, it's actually been that the chief organizers of the drive have asked us stave off from participating at this point. We are quite prepared to come in and do what it takes to try to keep this medal in Canada.

That said, I must confess, I know that a number of bills have been put forward about keeping significant memorabilia in the country. I would issue a caution on a couple of fronts. Sometimes it might be advantageous for us to showcase such memorabilia in museums—for instance, in Ypres, in Flanders—and to trade significant Canadian medals to showcase them overseas.

You mentioned, Peter, the civil star mothers. I think the role of committee members is to identify precisely this type of situation, where rules established in a different era cause unfairness. I think it's a very good, well-intentioned initiative you've undertaken to champion. I will tell you that when it comes to awarding medals, though, this is a DND responsibility.

• (1635)

Mr. Peter Stoffer: I'm not doing well, am I.

**Hon. Albina Guarnieri:** We'll have to usurp and take something for Veterans Affairs here.

There's always room to update our awards to fit a modern-day reality. I encourage you to consult with veterans and the Minister of National Defence. I'll certainly be championing that. It fits right into our modernization program to fit into the new realities.

Mr. Peter Stoffer: Thank you.

At a recent fisheries and oceans committee I was at, the officials were quite concerned that Darth Vader...I mean, Mr. McCallum was coming by, looking for every penny under the sofa. Mr. McCallum, being a former minister of this department, has he...? I guess this question is more for the deputy minister.

Every department must ensure that it's efficient and that taxpayer dollars are well accounted for and well spent. But one of the concerns I have is that this particular department may be undergoing a cut in some areas in the future. Do you anticipate, sir, any cuts in the next budget?

I don't really know the term that Mr. McCallum was using, but I know they're looking for money everywhere in order to reallocate to priority spending.

**Hon.** Albina Guarnieri: Before my knowledgeable deputy minister answers that, I just want to assure you, Peter, that Veterans Affairs figured very prominently in the throne speech. That was no accident. There were three or four paragraphs prominently featured right at the beginning. That certainly highlights the weight that the government placed on Veterans Affairs.

The one assurance I can give you is that no program, no essential service, will suffer in Veterans Affairs as a result of program review. I think Minister McCallum has actually stated publicly that ministries that perform well will perhaps get an increase of funds for worthwhile causes. So we hope to top that list.

Jack, did you have something to add? I didn't mean to pre-empt you here.

Mr. Jack Stagg: In our contribution last year, if you recall, I think we had put about \$14 million into the pot. We were able to do that because approximately \$9.1 million of that came from savings from the attendants allowance. We had changed the criteria and had in fact instituted programs to replace the attendants allowance that were more focused, more targeted, and a little cheaper than what we were spending.

Second, from the federal health partnerships, we were able to provide about another \$4 million.

So absolutely no specific individual veterans program was shortchanged last year, but we were still able to make a contribution. In fact, we were lauded for that.

The Chair: Thank you, and thank you, Mr. Stoffer.

I think the dreaded term you're referring to is "program review", that we all hope won't have a negative impact on National Defence or Veterans Affairs, that's for sure.

If I may, I think your questions served to show that certainly among the public, and even sometimes ourselves as members, when you get a chance to talk to the Minister of Veterans Affairs you find out that something you kind of think might be Veterans Affairs is actually Canadian Heritage, or DND. You highlighted a couple of important concerns, and I would just encourage you to bring them to your colleague Mr. Blaikie's attention. He can raise them at this committee for future business.

Now we come to the government side. There are 10 minutes for the party, and Mrs. Longfield is going to start, please.

# Hon. Judi Longfield (Whitby-Oshawa, Lib.): Thank you.

I have to dash off to another meeting, so I may not use all of my time. I would like to give my remaining time to my colleague.

I just want to thank you, Minister, for coming today, and to thank your department for the phenomenal work they do in the Canada Remembers program. I have had the opportunity to participate on a number of the pilgrimages; I'm hoping that doesn't take me off the list for the future.

As well, I'm very encouraged by the response you gave to Mr. Bachand about the VIP program and about the modernization. I want you to get it right, and if that means you have to hold off on modernization until the new year until you do get it right, then I'm supportive of that.

My questions will be in two areas. The first has to do with the processing of disability pensions. I know that the department had made considerable progress in speeding up and reducing the delays, but we seem to be facing backlogs again. I guess I'm wondering, are these backlogs in the initial application process or are they more at the level of the Veterans Review and Appeal Board?

The other pension question is that I've had complaints, from a number of people whose application has been turned down, that they have been given a very brief reason, sometimes "terse", to use their word, as to why the application was denied. They're coming to me asking for a fuller explanation. I'm wondering if we've made any progress to help communicate to some of these people the reasons why their application may not be favourably looked upon.

Those are my questions on the pension. I'm going to get the others in, and if I'm not here to hear the response, I'll watch it later on tonight.

Ste. Anne's Hospital provides a good deal of health services to current members of the armed forces who are dealing with post-traumatic stress disorder. They're doing that right in the centre. But are they also working with those who are on bases, who may not be in the hospital itself, who are trying to work through it on the various military bases?

Also, with respect to Ste. Anne's, I know that we're starting renovations, and we're upgrading. We say that veterans will have private rooms. Are we going to reduce the total number of veterans that we're able to accommodate as a result of the renovations?

Those are my questions, Minister. Again, I thank you for the time you're taking here.

**●** (1640)

## Hon. Albina Guarnieri: Thank you, Judi.

Before the deputy goes on to elaborate on the pension, let me assure you that my department is working actively to bring the processing times down. My understanding is that a lot of progress has been made, but I know that my deputy minister wants to add to this and explain some of the specific initiatives we've undertaken.

Mr. Jack Stagg: We're not happy with the current backlog—and there is a backlog—of pensions that have not been processed. Most of the delay comes in the initial stages as opposed to the review stage. A lot of the problems come from our having to get

documentation on the pensions. Some of that documentation comes from third parties, especially where documentation comes from hospitals or other health facilities or physicians. To some degree, then, we're held up often in the pension process because we're waiting for that documentation.

Notwithstanding that, we ourselves need to put more resources into this. Last year alone we put an extra million dollars into the pension adjudication system to try to bring the backlog down and the numbers down. We're hoping to be able to put some additional money in it this year. What we do is we basically take it from other places. But we've focused on and seen this as a particular area that requires help.

A number of people, of course, are in their 80s. When you're applying for a pension in your 80s, it's not appropriate that you have to wait many months in order to get a response from us. Again, we realize the problem. We are trying to work hard to diminish it.

The second thing is that in terms of language used in a response to an individual, often that's not the only response they get. Very often they get a response on the telephone from us as well, explaining what has happened. They also have an opportunity for a review, or having the department review the results of the pension application if they're not happy about it. And third, they have an opportunity to have the pension review go to the Veterans Review and Appeal Board.

So we provide quite a number of layers. We probably have the most sophisticated and largest numbers of appeals available for people applying for benefits in the federal government. We want to make sure that we're right on it, that we have all the facts down, and that the individual is given, wherever possible, the benefit of the doubt. Sometimes that takes longer than perhaps it should.

On Ste. Anne's, we have an operational stress injury clinic. It's certainly one of the most forward-looking in the country, if not in North America. We depend on Ste. Anne's basically to be a focal point for studying operational stress injuries and PTSD. We are establishing clinics in other parts of the country. We've established two others, and we are planning on establishing four or five others across the country.

It's a growing area for us. It's an area that we're increasingly concerned about, and of course it's an area that has an impact on more modern Canadian Forces veterans. We're very concerned that we serve these veterans, and their afflictions, well.

In terms of the upgrading of Ste. Anne's, we're now in phase two of a three-phase project. There will be lesser numbers of rooms available, in part because we've had to convert space from multiple wards that were unacceptable to veterans and unacceptable to anyone who goes into a long-term care situation; this is their home. Necessarily, then, there will be fewer beds than originally. I'm not sure, perhaps Brian can let you know how many fewer beds.

We hope to have that completed in the next two years. We're just now at the beginning of the second phase of a three- or four-phase project.

Brian.

• (1645)

**Mr. Brian Ferguson:** We expect there to be 446 beds at the end of the project. That actually matches our projection of need. So it's right on with the projected need for the beds at that time. Even though we're reducing it to make bigger rooms, and better rooms, we'll still meet the projected requirement.

The Chair: All right, thank you.

Mr. Martin, you have between three and four minutes.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Thank you.

I will add my voice, Minister, to thank you and to thank the people you have here, Mr. Stagg and Monsieur Marchand from the department, for the work you're doing for some very special Canadians, who have an unlimited liability in the service of our country. So indeed the work you do is exceedingly important for them and for our nation.

I'm also very pleased about the fact that you're taking a look at the physical and psychological and psychiatric problems that some of our service people are faced with after the time they've spent in our armed forces. Perhaps we'll get back to that later on.

I'd like to ask you a question on the health care budget. For 2004-05, \$800 million has been included in your health care budget. I was wondering, is there an escalator clause in that, given the increasing demands that are going to be placed upon your department? For the rest of the country, for our larger health care services we have given the provinces a very large amount of money, as we know, over the next few years. I was wondering, in this specific area, which is not covered under the transfer payments to the provinces, are you receiving an escalator amount that's going to be there for the foreseeable future?

**Hon. Albina Guarnieri:** Thank you, Keith. Actually, you ask a very salient question here. I'm going to focus on the driving forces of our department that are forcing our estimates, and their implications for the future.

The estimates really reflect the reality of the situation in Veterans Affairs. We have a war veteran population with an average age of 83. As you can imagine, that puts considerable pressures on our budget. In general, it costs four times as much in health care dollars to care for an 80-year-old versus a 65-year-old. I felt those were incredible stats, when I looked at them.

So we're in a very expensive phase of caring for our veterans. We're spending much more on health care, \$99 million, if I'm not mistaken—I'm sure the deputy and the officials will correct me if I'm wrong here—and on VIP we're spending \$58 million. What's also driving the cost is that we're seeing more and more young veterans applying for pension benefits. That's pushing up our disability pension costs.

People ask why our costs aren't declining as the war veteran population goes down. The simple answer is that we continue to pay out pensions, and now VIP, to survivors who usually are getting younger. So the remaining veterans are of course the most demanding in terms of placing care. What drives all our programs, I could add, is the determination to deliver the highest standard of care. That's our only priority.

Deputy, do you have something to add?

**Mr. Jack Stagg:** No, I don't have very much to add to that. I think Mr. Martin is right, the health care budgets are being driven up everywhere. While ours isn't completely and entirely just demanddriven, we have an awful lot of cooperation, between ourselves and the rest of the federal government, in getting what we need in terms of health care for the people we serve.

**The Chair:** I'll give you some more time later, Keith, but I want to go to Mrs. Hinton now, because I know she has to dash away.

Mrs. Hinton, five minutes.

**(1650)** 

Mrs. Betty Hinton: Thank you.

I didn't raise the subject of my private member's bill, but since one of my colleagues did, I'd like to clarify a couple of points.

I uphold the right of all Canadian citizens to buy or sell private property. What my private member's bill is intended to do is ensure that the Government of Canada would have the right of first refusal on the sale of medals, such as the Victoria Cross.

To the comment made by the minister, I would like to assure you that I too would be extremely proud to showcase medals won by Canadians anywhere in the world. My concern is not with showcasing them and sharing that with the world, my concern is selling them.

That said—and I won't go any further—I would like your support, would like support from all of you. But I'm not asking anyone to commit today.

If we can go back for a moment, please, to the Gulf War syndrome issue, I'd like to ask if we as Canadians are doing our own research into the Gulf War syndrome or following what the British and the United States research has turned up.

**Hon. Albina Guarnieri:** The reality, Mrs. Hinton, is that we don't have the resources. We have choices to make. We can spend it on programs or we can spend it in research. We have a smaller pool of sampling, if you will, to test cases. So we rely on the United States and Britain.

It's quite true that Britain has come forward with a study. I know the department is reviewing that currently. We're also waiting for one in the United States, I understand, that is imminent. So we rely heavily on research material available to us that is overseas or performed by the United States.

Mrs. Betty Hinton: Thank you.

I pass the rest of my time to either Mr. O'Connor or Mrs. Gallant.

The Chair: Very well, Mrs. Hinton.

**Hon. Albina Guarnieri:** Thanks for the clarification on your bill. I myself have nightmares that our precious medals will end up in some rich individual's basement, to be viewed by one individual.

**The Chair:** That's right. It sounds like a good bill, and we look forward to seeing the member bring it forward.

There are three minutes now, but there'll be more time later. Who would like to have some time now?

Mrs. Gallant.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Thank you, Mr. Chair.

Through you to the minister, I'm very encouraged to hear that the veterans improvement program is going to be expanded. It just does not make sense that a woman's needs would be based on the date of the death of her husband.

Now, the ministry has provided assistance for the travel expenses for vets to travel to commemorative services, yet only certain ceremonies have been covered. Can you explain why certain ceremonies would be subsidized for these veterans? Many made arrangements and went to these ceremonies, only to discover afterward that they didn't qualify.

**Hon. Albina Guarnieri:** I'm sorry, first I'd just like to clarify that I haven't yet announced that we are expanding the services to caregivers. We are studying the issue. I'm cautiously optimistic that a solution is in the offing, but I just don't want everybody to leave here announcing the good news.

At any rate, my department has been stellar in the work it has done since I've become minister, so I just wanted to clarify that.

Sorry, your second point was ceremonies...? I missed the beginning part.

**Mrs. Cheryl Gallant:** Yes, for example, the ceremony at the base in Tarrant Rushton; we had veterans who travelled there, and when they filed their expense claim for the commemorative ceremonies, they were told it wasn't on the official list.

My concern is, first, how that list was established, and second, we are coming into 2005, when we'll be celebrating the sixtieth. It would be very helpful to know in advance which ceremonies will be covered, and if this type of assistance is going to be available to our vets. I would like to ask you for, by the end of this fiscal year—to give enough time to make travel plans—the ceremonies that will be covered for this type of expense assistance.

**Hon.** Albina Guarnieri: Your caution about giving people enough time to plan their travel is certainly welcome. We haven't made any announcements about future travel yet, and we'll certainly

do our best to try to give veterans enough time so that they can make their plans well in advance.

I'm not familiar with the case you mentioned, where individuals attended a ceremony and then ended up getting their claims rejected. Usually there are very set criteria. The first time we did it was under McCallum, where we supplied a \$1,000 travel subsidy. We did it just recently for the Italian campaign. I'm not aware of any other time that the department has done it.

Perhaps, Jack, you'd like to elaborate.

• (1655)

**Mr. Jack Stagg:** I understand that they may not have gone at the same time as we had planned for the ceremonies...for subsidizing the veterans, or they may have gone to the wrong place or whatever. We're happy to have a look if you have a specific case of an individual who felt hard done by.

What we did was we set up a program so that within roughly a week or two period last June, the veterans of the D-Day landing or the Normandy campaign, which meant that they were in France roughly during that same period of time, could receive a \$1,000 grant when they went over and participated in any of the ceremonies that the federal government sponsored on the D-Day Normandy campaign in June. Later on, for the Italian campaign, we had basically two or three destination events. One was in Sicily. One was on the Adriatic in mid-Italy, and then one in the north at Rimini. For any of those, virtually, if they were there and they were close to those ceremonies, if they had a hotel receipt or anything, we would accept that as proof that they participated in the pilgrimage.

Mrs. Cheryl Gallant: I've already written to the minister and received the response, and—

The Chair: We'll come back to you, Mrs. Gallant. That's the end of that time slot.

I'm coming over to Mr. Martin for five minutes, and then we'll come back here.

Hon. Albina Guarnieri: Mr. Chair, just a quick intervention.

Mrs. Gallant, I'm happy to look at the case you referred to.

The Chair: There's still time in the meeting.

Mr. Martin.

Hon. Keith Martin: It's great having a smaller committee, isn't it.

The Chair: Sometimes.

Hon. Keith Martin: Sometimes.

Minister, I have a couple of points, if I may, in terms of the psychiatric rehabilitation of our vets, particularly those who've been in peacekeeping operations and are leaving the forces. I've given your officials a proposal, and it involves group therapy with a registered clinical psychologist who has experience in the types of psychological and psychiatric illnesses that some of the members have. That might be some functional way in which we can deal with it effectively and measure the outcomes to see if it works well.

The other issue is on housing. A number of the Legions have been raising money and partnering with other groups in providing and funding housing for our vets. They've had some problems with CMHC. I'll perhaps ask your officials to look into that in the future. We can talk about that at a later date. It would be really helpful. They've done some very innovative things, raising quite a bit of cash, working with many partners to provide housing opportunities for veterans. But CMHC is proving to be an obstacle.

The third thing is on the issue of Legions and they way in which they're taxed now. Some of the Legions are having a great deal of difficulty, to the extent financially that they may have to close. It has to do with the way they are taxed under our current tax system. A proposal has been made for them to be looked at as not-for-profit institutions. They would be taxed in the same way as not-for-profit institutions would be. I think one could certainly put forth a logical argument, given the service they provide to our veterans, that they could be defined in such a capacity. Again, perhaps you could look at that and get back to us at a later date.

The question I have deals with the pension benefit review and how we define certain persons under that review, particularly the post-Korean War veterans. I understand they're not actually considered in the same way as World War II vets are.

Could you enlighten us as to what's being done with respect to the pension benefit review and those post-Korean War veterans, and how they're considered in the pension benefit system?

**Hon. Albina Guarnieri:** Actually, on your comments regarding stress, you're the medical doctor and expert, so I'm looking forward to reading your proposal. I haven't seen it yet.

On your comment about CMHC, the housing project, I'm certainly happy to speak with my colleague, the minister, on that one.

I'm not familiar with the proposal, either, for the not-for-profit institutions. It sounds like an intriguing idea, and we should certainly explore that.

• (1700)

Hon. Keith Martin: I haven't proposed that; it's just a problem I've been noticing that Legions have presented back home in Victoria. Perhaps you and your department officials could look into that, please, with the Minister of Finance. It's an intriguing proposal, I thought, that would enable some of the Legions across the country that are having difficulty. It's the way they're taxed; that's what the unfair situation is. They may have to close their doors as a result of it, which obviously would be a tragedy.

Hon. Albina Guarnieri: I must confess, Dr. Martin, you've sent a lot of correspondence, and I'm still plowing through some of your correspondence. But I'll defer to my deputy minister on your last question.

Mr. Jack Stagg: In terms of the difference of benefits, very few benefits actually separate post-Korean veterans from Korean and prior. Two of those benefits are war veterans allowance, which provides really the equivalent of social welfare, in fact, to an individual—it's a very low amount, and you have to meet an income test for it—and of course the privilege of having a long term care bed if you served overseas during any of those periods.

Rather than trying to match World War I, World War II, and Korean War veterans with modern Canadian Forces veterans, we had quite a close look at benefits in modern Canadian Forces veterans. There were studies done in 1998, 1999, 2000, and I think in fact in 2001. What we tried to do is find out what the specific needs would be of Canadian Forces veterans today as opposed to comparing with other programs and services we've had.

When we looked at existing programs and services for Canadian Forces veterans, we knew that we needed to do some improvements. The modernization of benefits that Mr. McCallum announced last May basically is an outline of how we would propose to modernize the benefits to more ably suit Canadian Forces veterans today.

We've had three rounds of consultation now with the ex-service organizations and other stakeholders. As the minister said, we want to make sure we get that right before we have legislation introduced into the House.

So we're hoping that a lot of the complaints we've heard from Canadian Forces veterans about having programs that are inadequate will get repaired by that modernization legislation when it's introduced.

The Chair: Thank you, Dr. Martin.

Monsieur Perron, s'il vous plaît, cinq minutes.

[Translation]

Mr. Gilles-A. Perron: Thank you, Mr. Chairman.

I'll like to come back briefly to what I was talking about earlier. I would recommend that you read this report, as I did yesterday. However, I wouldn't recommend that you read it before going to sleep, because you'll have nightmares.

I'd like to hear your views on this report —not right this minute, though, because we don't have time. Early on in your presentation, Madam Minister, you referred to the report as being a little like a remake of an old movie. I'm not a veteran like Pat or Peter, who have seen several budgets come and go, but there's one thing that disturbs me a little. For instance, your report contains information about net program costs. Could you possibly break down these figures for us and tell us how much specific programs actually cost? I have considerable trouble reading your summaries and budgets because you group everything under the same heading and there's no way of knowing what the essential components are. For example if you were to give us a breakdown of the VIP program, I'd know how many veterans are experiencing financial hardship and so forth. Right now, I don't have that information and I don't quite know how to proceed.

I'd like to hear your views on the subject.

**Hon.** Albina Guarnieri: Did your first question pertain to the AG's report? I just want to be very clear this time around.

In short, we see this program as a boost to the government's drug program. That is what stood out mainly when I read the report. Unlike yourself, it did not bring on any nightmares. I was surprised to hear you say that because as far as my department is concerned, the report calls for greater efficiency and more safeguards with a view to protecting the health of veterans. We share this goal.

Therefore, we'll strive to be even more efficient and to do more for our veterans. Our goal remains the same, namely to ensure that our veterans have access to the drugs they need. We welcome the AG's comments.

Have I answered your question this time?

**●** (1705)

Mr. Gilles-A. Perron: I'm sorry for interrupting, Madam Chair, but I'd like to clarify the second part of my question. This document contains a reference to the RCMP pension plan. What are the costs associated with this plan? Nothing in the report answers that question. You're responsible for First Nations veterans living on reserves. What are the costs associated with this initiative? I have no idea, no one has told us anything and we can't find this information. I'm not saying that this information was deliberately withheld. Nevertheless, it would be nice to have answers to these questions.

**Hon. Albina Guarnieri:** As far as the RCMP is concerned, we do pay for services, but we are subsequently reimbursed by the RCMP. [*English*]

Am I right in that, Jack? We pay their benefits for them; we retrieve it.

Mr. Jack Stagg: Yes.

Just in terms of the budget breakdown, if there's anything else that we can provide you in terms of a breakdown, we're very happy to do that. We have, for instance, under VIP, numbers of clients that we serve. In this current fiscal year, we have approximately 71,000 or 72,000 VIP clients altogether. We can give you a breakdown of those without a difficulty.

With respect to having separate figures for aboriginals, we're not permitted, and neither is any other government...to collect data on the basis of race. So we can't give you figures for aboriginals, for instance, versus non-aboriginals, but we can give you figures by program. If there's a separate aboriginal program—for instance, the \$20,000 program for *ex gratia* payments—we can give you the numbers of people basically who have applied and who have gotten benefits.

If there's any breakdown that you want and that we can give you, we'd be happy to work with you and provide you with that.

**Mr. Gilles-A. Perron:** Instead of having to ask for that, why didn't you produce it? When you produced that booklet here, why didn't you mark it?

[Translation]

Hon. Albina Guarnieri: We'll take that suggestion under advisement.

Mr. Gilles-A. Perron: Consider it constructive criticism.

**Hon.** Albina Guarnieri: We're not there to make things worse. There is always a valid explanation, such as the one my Deputy Minister gave you.

The Chair: Thank you, Mr. Perron.

[English]

I have Mr. Bagnell for five minutes, then Mrs. Gallant, and then we'll see if we can squeeze in Mr. Stoffer for a question or two. Then I'd like to try to allow the minister to go on to some other things she has to do.

Mr. Bagnell, please.

Hon. Larry Bagnell (Yukon, Lib.): Thank you.

I apologize if I ask something that's already been asked. I had to go to the House of Commons for a minute.

We had a chap who worked on the Canadian graves in South Africa, fixed them up and everything. He became the expert in that area, knew where they all were. There were subsequent problems. There's ongoing work, I think probably under the Commonwealth War Graves Commission program, that needs to be done. He had a hard time in getting renewal of the contract or something or other. There was a problem there.

I know it's a very technical question for you, Minister. The only reason I'm raising it now is that last week, when we had the briefing from the officials, I did mention at that time that it was a concern I wanted to look into. I don't know if the officials have any more details on that.

**●** (1710)

**Hon. Albina Guarnieri:** Larry, I'm not familiar with the case you raise. One thing I can say is that the Commonwealth graves are so manicured, as any member who has been to one of these cemeteries knows, it looks like carpet.

Do we have any details about the case that he may have raised?

Mr. Jack Stagg: Mr. Bagnell, I'm not sure of the case that you raised. Regarding the Commonwealth War Graves Commission, there was a difficulty with the South African graves, not just our graves, but with other Commonwealth members' graves dating back to the Boer War. There was some desecration of gravesites, etc. The Commonwealth War Graves Commission was able to negotiate with the South African government an agreement whereby the Commonwealth War Graves Commission would go in and repair and restore the graves that had a difficulty.

We contribute money to the Commonwealth War Graves Commission. They are doing this on our behalf. We don't do this specifically and directly ourselves. We work through the Commonwealth War Graves Commission when a problem like that arises, and that's what we're doing effectively.

#### Hon. Larry Bagnell: Thank you.

In relation to the drug program, providing drugs, is there any check on irregularities, as there is in other drug-dispensing systems, when some statistics show that there's an abnormal number of, say, an addicting drug appearing too much in one particular place? Is that type of check and balance in the system?

**Hon. Albina Guarnieri:** There is a mechanism by which they do have a narcotic check in the system. That's my understanding. I know the department is pretty proud of their pharmacy program. They actually support 4.2 million transactions a year by clients. It's an online payment system that's very easy for veterans to use.

The thing I want to emphasize, too, is that our clients for the most part have their doctors; we just pay the bill. We need to do more, but our main purpose is to help pay for their drugs. We rely on doctors and pharmacists to ensure that they're getting the right medical advice.

That said, certainly we take to heart the Auditor General's caution here. I know that the department is currently working to see how we can address some of the sensitivities she has raised.

**Mr. Jack Stagg:** We have a drug utilization system now that does some checking on drug usage by individuals. In fact, in the Auditor General's report we are mentioned as a best practices for that.

What she's asking for is more specific monitoring and policing, using similar approaches to our drug utilization. We're willing to look at that. There are some challenges, including the Privacy Act provisions, where you can only do so much sharing of information, etc. We're going to do the best we can in terms of improving a system where we've already been recognized as being a best practice. We understand and we accept the Auditor General's advice on this.

**Hon. Albina Guarnieri:** The reality, Larry, is that we want to focus on our core activities, so outsourcing the benefit plan to a third party is probably a good, sound practice.

Hon. Larry Bagnell: I have one last quick question.

Last night someone in the opposition brought up something, and I'm sorry if this question has already come up, about the fact that somehow the drugs in the military or veterans were different from drugs that other people were using. I have no idea what the question was about, or the problem there.

Have you heard anything about that?

Hon. Albina Guarnieri: This is has to do with the formulary...?

**Mr. Jack Stagg:** The Auditor General has asked us to put together, with the other departments, a common formulary. This would mean that if someone were prescribed a drug, the drug would come off the formulary as opposed to a new drug, or a different drug, or an untested drug, or one that was more expensive or less expensive or whatever. We would use the drugs from a formulary to treat certain conditions.

One of the challenges for us to put together a common formulary amongst all the federal departments and agencies who now buy drugs is that we have different clientele. Health Canada's clientele tend to be much younger. The native people tend to be much younger, and they live on reserves. Ours tend to be much older people, and the DND clients are sort of somewhere in between.

So one of the big challenges we have in putting together a common formulary is that we would have to look at a very long and wide range of drugs to put on that formulary. It would be quite a large job to put together a formulary that was going to suit all the range of those clients overall.

That may have been the question or the comment.

**●** (1715)

The Chair: Thank you very much.

Thank you, Mr. Bagnell.

Mrs. Gallant, please, five minutes.

Mrs. Cheryl Gallant: Thank you.

First of all, I'd like to reiterate my request for a list of the official ceremonies by the end of this year, for the purposes of being able to plan.

We're also getting requests from veterans from before we had our own military, people who served in the royal forces, in terms of benefits that they are looking at, now that they are in their 70s and 80s, in terms of death benefits. That's another shortcoming. I'm wondering what, if anything, is being done to address that. I know certain people are covered, but there are still many more who are falling through the cracks there.

Hon. Albina Guarnieri: Jack, perhaps you would like to address that.

Mr. Jack Stagg: I'm sorry, I'm not sure what the question is.

**Mrs. Cheryl Gallant:** We have people who served in, for example, the Royal Navy, and who because of the deadlines or cut-off dates don't qualify. Has there been any discussion or proposal to the effect that these people would be included in terms of receiving veterans benefits?

**Hon. Albina Guarnieri:** Are you talking about the VIP program, Cheryl?

Mr. Jack Stagg: We did expand, I know, just after I joined the department, about a year and a half ago. We expanded benefits to those who served with the Allies and who were residing within Canada.

Brian probably has the details on this.

**Mr. Brian Ferguson:** First of all, we don't provide direct benefits to other forces' personnel, with the exception that we do have reciprocal agreements with other countries. If their veterans are living in Canada, we will help them get the benefits from their country under a reciprocal arrangement. We have them with the U.K. and the U.S.

As the deputy noted, we reinstituted some benefits for Allied veterans recently. The benefit was that they would be eligible to get some long term care in a community bed.

Mrs. Cheryl Gallant: Thank you very much.

Since the Auditor General's 2000 audit, the number of clients who receive more than 50 prescriptions in a three-month period has tripled. Your department has been cited as having the clients who are among the worst offenders.

It's been seven years since the Auditor General began reporting prescription drug abuse in Veterans Affairs. How do you know that action is actually going to be taken this time?

**Hon. Albina Guarnieri:** Cheryl, before my official gets into the details of our pharmaceutical benefits and how they're administered, I just want to correct you. I don't think the Auditor General cited us as worst practice. In fact, I think overall we're pretty proud of our pharmacy program. We spend \$116 million, with 4.2 million transactions, providing pharmacy benefits to clients. I'm pretty sure about this, that we were not one of the worst offenders.

I just had to correct that statement, because I think we have some success story to tell about how we administer our programs.

Mr. Brian Ferguson: My recollection was that this concern was a general concern for the government writ large. We certainly are going to look at it in some detail. However, there are some special circumstances in Veterans Affairs where if we do administer a number of prescriptions for the same drug in fairly high quantities—in particular, those people who are suffering from operational stress injuries, where the treating physician decides, as part of the treatment protocol, to ensure control and usage of the drug—they have to come in with a prescription more frequently than your average user of a drug so that there isn't overmedication.

We have some circumstances like that. We want to make certain that in looking at this issue we don't run counter to that control mechanism, which we consider to be a control mechanism as opposed to a problem. We have to look at those particulars.

The Chair: One more minute, Cheryl.

**Hon.** Albina Guarnieri: Our objective in the department is simply to make sure that the veterans get the drugs their doctors prescribe. We simply pay for them.

**●** (1720)

Mrs. Cheryl Gallant: Thank you.

In answering Mrs. Hinton's question, one of the gentlemen offered that we could call the department with any further questions. I'd ask that the committee members be provided with a telephone number to follow up on that.

**Hon.** Albina Guarnieri: You'll find that the department is very responsive. They give very comprehensive briefings. You can see how knowledgeable they are on the programs they administer.

Mrs. Cheryl Gallant: To honour the great sacrifice that the men and women of the armed forces contribute, several countries provide an honour guard at the funerals. Canada isn't yet among them. Has there been any discussion to that effect?

As well, if there's time, I'd like you to give me more information on your youth strategy, and if perhaps that involves more funding for the cadet program.

**Hon. Albina Guarnieri:** Actually, with respect to the honour guard, that's something we might want to look at in the Year of the Veteran. When we launched the Year of the Veteran, one of the things about it is that it's an evolving program. We're certainly open to suggestions, and we'll explore the possibilities.

Jack can correct me, if that's being done currently.

**Mr. Jack Stagg:** No, I haven't heard of anyone suggesting that. It's the first time I've heard of anyone suggesting the notion of an honour guard.

I'll certainly look into it for you. Again, I hadn't heard this before. It's an interesting idea.

**Hon.** Albina Guarnieri: On our youth programs, we're going to tackle them with renewed vigour. Anybody who was with us on the pilgrimage saw how engaged the youth were that we brought with us overseas.

Actually, one of the projects the youth undertook was to invest their time into doing a little bit of "super-sleuth", a day in the life of a soldier. They did essays on this—Peter was with us overseas—and it was quite refreshing to see how engaged they became. The horror of war wasn't just found in sterile numbers; it actually had a human face. It brought the realities of the human cost of war. It may them feel it more. These youth will certainly be ambassadors for us down the road.

We're going to double our efforts into aggressively pursuing this among the young in the schools. I call it a national history lesson. One of the things that really amazed me on the Italian pilgrimage was that many people didn't realize the significance of the Canadian contribution in Italy, that 100,000 Canadians were in Italy, that 6,000 died and 27,000 were wounded.

Certainly we have some very good programs that I think Jack can flesh out in greater detail. We're relying on external partnerships, too, to help commemorate our veterans in a proper fashion with our youth.

The Chair: We're well over the time, so I'm going to have to-

**Hon. Albina Guarnieri:** Perhaps Jack could just quickly outline what the Dominion Institute is doing and some of these other youth encounters.

Mr. Jack Stagg: Just one program, quickly.

**The Chair:** The member asked a very detailed question with five seconds left. It's so important, with the Year of the Veteran, that I want to give you a little more time to flesh it out, but I do want to give Mr. Stoffer another shot at it.

**Mr. Jack Stagg:** In terms of a small program we're going to do, in the last year or so we've partnered with the Dominion Institute in Toronto to try to get veterans themselves into schools, especially Second World War veterans. We've been able to establish a program, with the Dominion Institute, that got 1,000 veterans last year into public schools and high schools to talk about their own experiences and share those experiences with young people.

We need to do more and more of that. That's one program only, but we have quite a number, actually, that we're planning for next year, the Year of the Veteran, to bring remembrance home and to the youth as opposed to older people.

**Hon. Albina Guarnieri:** If members would help showcase these programs in their householders, that would be very helpful.

The Chair: Right.

In a former life, I was teaching history in secondary schools. You can show all the fine videos you want, but there's nothing like having a flesh-and-blood human being there to talk about it. Those kids are just absolutely enthralled to have that experience. So I do agree, and I hope we'll do a lot more.

We're just about out of time. Since my friend Mr. Stoffer was last here, the rules have changed. He doesn't officially get a time slot, but he's so enthusiastic and such a fan of veterans that I want to give him a couple of final questions.

Mr. Stoffer.

**●** (1725)

**Mr. Peter Stoffer:** Thank you, Mr. Chairman. I'm going to have to change those rules.

Madam Minister, as you know, there was a press conference awhile back regarding some veterans asking for an ombudsman for Veterans Affairs. I'd like your viewpoint on that.

As well, a lot of veterans are concerned about paying taxes on a veterans pension. Now, I know you just can't isolate one, because the disability pension...and others would want a tax exemption as well. But has the department ever gone to Finance Canada and said this would be a nice thing for veterans, to eliminate the taxes on the veterans pension?

Last, in the field—for instance, in Nova Scotia or the maritime region—are you satisfied with the staff levels you have out in the regions? It appears to me that they do a great job, but it seems they do an awful lot of work. I don't know; the people I speak to in the region are very nice, and very competent, and get back to me as soon as possible, but I'm just wondering, are you comfortable with the levels of staff you have in the regions?

Those are my three questions. Thank you—and thank you, Mr. Chairman.

The Chair: You're welcome.

Hon. Albina Guarnieri: About the ombudsman, we feel that we have a very elaborate...[Technical difficulty—Editor]...with the Veterans Review and Appeal Board. We provide free legal service. We also rely...and the Legion, the ANAVETS, the War Amps; they certainly feel that they're an eloquent and diligent spokesperson for any veteran who feels that he may not be properly heard.

I guess the question I would have is would it be worthwhile to add another layer to all of that? Maybe this is something that the committee can deliberate on, but certainly the Royal Canadian Legion feels that they're a strong voice.

With respect to tax exemption for pensions, it's my understanding that we don't tax the pensions.

Do we?

Mr. Jack Stagg: No, we don't tax disability pensions.

Mr. Peter Stoffer: I meant the veterans pension itself.

**Mr. Jack Stagg:** The veterans pension, the disability pension, we don't tax. There are no taxes.

Mr. Peter Stoffer: It's not part of their overall income?

Mr. Jack Stagg: No.

Mr. Peter Stoffer: Boy, that's a good one.

Hon. Albina Guarnieri: Your last question was about the regions doing an awful lot of work. You're absolutely right about that. Actually, I should certainly commend them for the hard work they do. I think all of you have experienced it. But the department does employ 3,400 employees. It's a substantial workforce. The question is, can we do more, and should we be hiring more? I'm going to pass that to my able deputy minister.

I'm not putting you on the spot here, am I, Jack?

Mr. Jack Stagg: This is a tricky one, Mr. Stoffer.

**Hon. Albina Guarnieri:** He can put in his plug. Are you guys in cahoots here, making the case?

**Mr. Peter Stoffer:** Before you answer the question, I just want to bootleg one last one.

As you know, we've had many women involved in the services, but if you go to most monuments in Canada, they're pretty male-dominated. We have one in Winnipeg that's predominantly a women's memorial for the armed forces. I remember awhile back, when I was first here, there was a discussion about having in every capital of every province and territory a monument also for women who served in the armed forces. Any consideration for that in the Year of the Veteran?

**Hon. Albina Guarnieri:** Well, Peter, with all the suggestions I'm hearing coming from this committee, I know that we're going to have no lack of suggestions for the Year of the Veteran.

Mr. Peter Stoffer: An independent committee.

**Hon.** Albina Guarnieri: I'm counting on all of you to put your ideas in the suggestion box. I think you have more coming, though.

Mr. Peter Stoffer: Yes, but I have no more time.

The Chair: You can see the enthusiasm that exists around this topic.

Minister Guarnieri, to you and your officials, thank you very much for being with us today and for taking our questions. I'm pleased you announced—this meeting is televised—that next year will be the Year of the Veteran. I think we all look with great interest and anticipation to see what you're going to announce in December, and at the chance to participate, and more importantly to have our constituents right across this great country participate, along with our veterans. I hope and believe it will be an outstanding year of remembrance.

Thank you very much for being with us, and thanks to colleagues.

The committee is adjourned.

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