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Chair

Mr. Anthony Rota

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• (1535)

[English]

The Chair (Mr. Anthony Rota (Nipissing—Timiskaming, Lib.)): Good afternoon.

Thank you for coming to the sixth meeting of the Subcommittee on Veterans Affairs of the Standing Committee on National Defence and Veterans Affairs.

We have some guests this evening. I find the word “guests” a lot more inviting than “witnesses”, but I guess the official term is “witnesses”. We have Colonel Claude Rochette, who is director general of compensation and benefits; Commander Frank Vandervoort, director of pay policy and development; and Anne Gravelle, director of pension and social programs.

I guess you've had a little bit of a briefing on what we're doing as the Subcommittee on Veterans Affairs. We're looking at different areas; this one straddles both defence and veterans affairs, so we're going to be delving into this area a little bit more. We thought we'd have you in to give us a short briefing and then maybe have some questions afterwards.

I'll let you get started, as I understand you have a presentation for us.

[Translation]

Colonel Claude Rochette (Director General, Compensation and Benefits, Department of National Defence): Thank you, Mr. Chairman, ladies and gentlemen members of the Committee.

[English]

I've been asked to provide a broad overview of the compensation and benefits framework for Canadian Forces members, with a particular focus on pay and pension issues. First, I would like to introduce two of my directors: Anne Gravelle, the director of pension and social programs; and Commander Frank Vandervoort, the director of pay policy and development.

[Translation]

I would like to take this opportunity to thank the Committee for the important role it plays. Your contribution continues to help us try and maximize the most important resource the Canadian Forces have, namely, its personnel.

[English]

Prior to getting into aspects of pay and pensions, I would like to take this opportunity to provide some context. The Canadian Forces family includes approximately 62,000 regular force members, 35,000 reserve force members, some 150,000 veterans and retirees, and more than 125,000 family members.

In the context of military compensation, it is generally considered that two basic conditions must exist for military forces to be operationally focused, effective, and responsive to the environment. First, there must exist a clear-cut military chain of command, one not encumbered by unions or public service influences. Second, in return for the restrictions on Canadian Forces members' personal freedoms and the unique circumstances of military life, the government must bear the obligation for the welfare of its military members and their families.

[Translation]

It is also critical to understand that, under the National Defence Act, the Treasury Board Ministers set the rates and conditions relating to compensation, allowances and resources for all members of the Canadian Forces based on the recommendations of an advisory group on pay and compensation composed of Treasury Board and National Defence Department representatives, which means the Chief of the Defence Staff really has very little discretionary power to change these policies.

[English]

For the past 30-plus years, the overarching compensation strategy of the Canadian Forces has been comparable to that of the federal public service. However, comparability does not mean sameness or exactness. Clearly, there are different conditions of service between the public service and the Canadian Forces, which require a different compensation strategy and policies.

With regard to the Canadian Forces, it was determined that the best compensation strategy would be an institutional pay system, as opposed to a job-based pay system. This means that to the greatest extent possible, everyone at the same rank level receives the same rate of pay. This has come to be referred to as the rank-based team concept. We think that our compensation strategy reinforces the notion that occupation-specific employment is secondary to the primary function of armed combat, and also ensures that the profession of arms is seen as a respectable career.

[Translation]

Setting military wage rates is an extremely complex process. There are six different wage groups within the Canadian Forces, each with its own strategy and methodology for determining fair and equitable pay rates. Although these methods have served the Canadian Forces well, I must admit they have also contributed to the creation of certain inequitable pay structures. For example, since 1999, the ranks of Lieutenant-Colonel and Colonel have suffered a very serious wage cut. For most wage groups, it is important to note that in addition to the basic wages, there are other compensation components, such as overtime, and the military factor, in order to properly reflect the different conditions associated with serving in the Canadian Forces.

Our compensation system also include a series of allowances, such as the operations allowance and environmental allowance, which are intended to provide financial compensation for unexpected circumstances as part of the basic wages or to reflect certain qualifications and skills.

[English]

Turning now to pensions, I would like to point out from the outset that members of the Canadian Forces have access to two separate pension programs. The first, the Pension Act, is essentially a social program that provides benefits to members who become disabled and to the survivors of members who die as a result of their military service. It is sometimes described as the worker compensation program for the military. This act is administered by the Minister of Veterans Affairs, and as such, it is outside of my area of responsibilities.

The Canadian Forces Superannuation Act is an employer-sponsored pension plan that provides pension coverage to members of the regular forces during the period of their service and retirement benefits upon their release. It is a responsibility of the Minister of National Defence. When I talk about pension today, it is that plan I will be referring to.

[Translation]

The Canadian Forces Superannuation Act is a contributory benefit pension plan that is essentially the same as the Public Service Superannuation Plan and the Royal Canadian Mounted Police Pension Plan. However, its provisions also take into account particular requirements associated with service in the Canadian Forces and in specific environments, as well as the unique conditions of military service.

[English]

Generally, the plan provides for a range of benefits to members, depending on their term of service, their reason for release, and the amount of their service. These benefits range from a return of contributions to immediate annuities. The plan also provides for benefits to survivors and the indexing of all continuing annuities.

Part two of the pension plan is the supplementary death benefit plan, a reducing term life insurance scheme that pays two times the annual salary in the event of the death of the plan member.

● (1540)

[Translation]

Members of the Canadian Forces have had a pension plan for more than 100 years. The Canadian Forces Superannuation Act was implemented in 1960 and has been amended a number of times to reflect changes that have occurred in the military environment, as well as new social conditions.

[English]

The current pension modernization initiative began in 1999 with major changes in the financial arrangements for the three main superannuation acts. Changes also included regulation-making authorities to provide needed flexibilities in the Canadian Forces pension arrangements. These amendments were extended in 2003 to address additional emerging pressures. The two principles that drove these pension modernization amendments were that the pension plan should respect the human resources management objectives of the department, and that the military members should have the same choices and control over their careers and financial planning as are available to other Canadians under employer-sponsored pension plans.

[Translation]

In order to honour those principles, the amendments had three specific goals: first, to receive authority for implementation of a complete set of rules that would guarantee an adequate pension to all members of the Canadian Forces; second, to reorganize current benefits in order to bring them more in line with other pension plans in Canada, including, naturally, the Public Service Superannuation Act; and finally, to recognize the nature of military service by providing for immediate provision of a pension after 25 years of service in the Canadian Forces.

[English]

Finally, I would like to say a few words regarding the proposed pension arrangements for the reserve force members. Members of the reserve force who have served full-time for a certain period—and there are approximately 1,000 of them—will become participants under the basic pension plan, which currently provides coverage for regular force members. We have designed a different plan for the remaining 34,000 reserve force members who work on a part-time basis. If Treasury Board ministers approve the plan, it will provide a benefit that is based on the earnings of the part-time members throughout their careers.

This is not an uncommon pension plan and it is, in fact, comparable to the Canada Pension Plan. Like the full-time plan, the part-time plan will be a defined-benefit pension plan that will provide survivor benefits, opportunities to purchase past service, and the ability to transfer earned pension benefits to an external retirement savings vehicle. Continuing annuities will also be indexed.

[Translation]

The scope and complexity of the pension plan modernization project are tremendous. Our activities involve developing the needed regulations to restructure our administration systems and communicate on an ongoing basis with our members. We are making every possible effort to ensure that the modernization project is completed no later than the end of fiscal year 2005-06.

[English]

In conclusion, although there will always be work to be done to achieve our vision of putting our people first, investing in them, and giving them confidence in the future, we think we have a very compensatory reward package. However, in view of the forecasted labour shortages predicted for the Canadian economy, we must remain vigilant if we are to continue to attract and retain the right members with the right skills.

This concludes my presentation, Mr. Chairman. We will be delighted to respond to any questions you or the members of the committee may have.

Merci.

[Translation]

The Chair: Thank you very much, Colonel Rochette.

[English]

I guess we'll start with questions from the Conservative side.

Mrs. Betty Hinton (Kamloops—Thompson—Cariboo, CPC): First of all, I'll apologize. I always prefer to have what you're reading in front of me. I make notes as you go along. I was madly scribbling while you were speaking, so I may have missed something here.

Did I understand you correctly? Are you saying that reservists will now be eligible for pensions?

Col Claude Rochette: Yes, madame.

Mrs. Betty Hinton: That's wonderful. If it wasn't for the reserves we'd be in a lot of trouble. It's good to see that they're being treated equally.

Col Claude Rochette: I agree with you. They are a very important part of the Canadian Forces.

Mrs. Betty Hinton: You said that there were six different wage groups, and there were wage cuts to the lieutenant-colonel and colonel positions. What sorts of wage cuts are we talking about?

• (1545)

Col Claude Rochette: It's a pay compression that we have to implement. General service officers are compared to public service employees, comparative groups, and to senior officers, colonels, and generals. They are compared to executive groups in the public service. Currently we don't have the same pay rates for the two groups. Since 1999, the pay of lieutenant-colonels has been getting very close to that of our senior officers, and their first rank is colonel. At this point we are talking about a 4.3% difference.

Mrs. Betty Hinton: It's a 4.3% difference?

Col Claude Rochette: Yes.

Mrs. Betty Hinton: For the uninitiated, what are the differences in responsibilities?

Col Claude Rochette: Especially now, with some of the reductions we've had in the forces, quite often most colonels are at the director level—like a director in charge of a directorate. For the army, for example, they are in charge when they go on operations.

Lieutenant-colonels are more at the section level.

Mrs. Betty Hinton: I'm sure my colleague has some questions to ask.

Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC): I get endless letters and e-mails from across the country, as the defence critic. Two issues come up on basic rules governing the Superannuation Act. The first issue is the so-called gold diggers clause. There are people out there who married for either the first or second time—or whatever—after age 60. The current rule, as I understand it, is that if they pass on, their pensions do not succeed to their spouses.

First of all, make sure I've stated this accurately. Second, when did it come in, and why do we have this rule? What's the logic behind this rule?

Col Claude Rochette: First of all, on marriage after age 60, section 31 of the Canadian Forces Superannuation Act covers that. We often have questions from our members on this issue. At the beginning I think it's important to understand that most private and public sector pension plans restrict eligibility for the survivor benefits to those individuals who are married prior to retirement. For members of the Canadian Forces—because we have access to early retirement for our members—even if they get married after they retire there are survivor benefits. However, they have to set a limit, and they use age 60 as the limit. It's my understanding that they were looking at comparisons to the public service. Normally, the age of retirement for public servants is 60, so they used that age as the maximum. So that's very important for our members. We allow them more time, and even after retirement they can remarry.

It's also important to mention that when we look at private pension plans, the amount of pension members receive is reduced up front to allow for survivor benefits. In our case, we don't reduce that. If they are married prior to age 60, they have access to their full pension, and there is also access to survivor benefits at the end. So that makes a big difference. Quite often a person refers to 60% of their pension, but it's 60% of the reduced pension. In our case it's 50% of the member's pension not reduced. So it makes a big difference when you look at the total benefit.

On another important part, if an officer retires before retirement age after 28 years of service, for example, there is a 5% penalty. If they have a penalty and they die, the spouse or the survivor will receive a penalty, but it will not be 50% of the reduced annuity; it will be as if they never had a penalty. So that's another important fact that is included.

Another important fact we have to consider with our pension plan is child benefits. We provide an allocation if they have children 18 years or younger or, if they are attending school, up to age 25. Again, there is a portion for survivors, for the children, which is added to it.

The last important point we have to consider is that our pension is integrated with the Canadian Pension Plan, or Régie des rentes du Québec, so at age 65 our pension is reduced when the Canada Pension Plan kicks in. For survivor benefits, they will not see that reduction in their 50%. So they will get the CPP, but they will also get the full 50%.

So when we look at it overall, our package is very good. In fact, it's better than most pension plans when we look at 60%.

• (1550)

Mr. Gordon O'Connor: Do I have any time?

The Chair: No, I think you're done, but we'll be back for five-minute questions.

Monsieur Plamondon.

[Translation]

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour): Thank you.

You said two things that surprised me. You mentioned that after 25 years of service, a member can immediately receive pension benefits. That means that if someone enters the Canadian Forces at the age of 18, he can receive a pension for life starting at the age of 43. Is that legitimate? By serving in the Canadian Forces, you can begin to receive pension benefits at the age of 43, despite the fact that a teacher has to wait until the age of 60 or 55, a construction worker has to wait until 55, and a member of Parliament has to wait to reach the age of 55. Everyone is eligible for a pension at the age of 55.

How is it that a man or a woman aged 43 who is in great shape, has served and has held a job for 25 years that he/she chose can immediately begin receiving a pension, rather than waiting until the age of 55? Why doesn't that person continue to serve in the army until the age of 55, the way everyone else does in other professions?

Col Claude Rochette: Thank you.

Mr. Louis Plamondon: I'm not trying to be mean here.

Col Claude Rochette: No, that's fine.

Mr. Louis Plamondon: But I was surprised to see that it's only 25 years.

Col Claude Rochette: Yes.

Mr. Louis Plamondon: There is surely a good reason for that.

Col Claude Rochette: In fact, access to a pension after 25 years of service is one of the changes we would like to implement.

Mr. Louis Plamondon: Yes, that is what I had understood you to say.

Col Claude Rochette: At the present time, members are eligible for a pension after 20 years of continuous service in the regular force.

Mr. Louis Plamondon: That could mean continuous service from the age of 18 until the age of 38.

Col Claude Rochette: Yes, that's correct, because you can start building up a pension fund at the age of 18. The current minimum period is 20 years of service. Military personnel are eligible for a pension earlier because of the nature and demands of military service. The demands are enormous, not only on members sent all over the world to work 24 hours a day, seven days a week, but also on their families, who often have to move. Some families may be required to move ten or fifteen times over a 20-year period. That's very demanding for families. That is why we wanted to ensure they would be entitled to a pension early, so that they can serve their country and then find other employment in another area.

Also, I would just like to point out that the pension entitlement is calculated as follows: members receive 2 per cent per year of service multiplied by the best five years' average. That means that someone leaving...

Mr. Louis Plamondon: That was my second question: how do you calculate the pension entitlement?

Col Claude Rochette: Members are allowed up to 35 years of service or 70 per cent. That is the maximum amount they can receive. Someone leaving after 20 years of service would not be entitled to a pension corresponding to 70 per cent of wages, but rather, to 40 per cent of the best five years' average. So, people with only 20 years of service only receive 40 per cent of their salary.

• (1555)

Mr. Louis Plamondon: So, this was an incentive aimed at attracting people to enroll in the army or navy, and to have a career in the Canadian Forces, given that recruitment is difficult at times.

Col Claude Rochette: Yes, that correct.

We also wanted to ensure that our service establishment would be made up of young people. Because of operational requirements, we had to be sure we would have young servicemen and women we could deploy at any time, in very difficult environments.

On the other hand, we now have access to new technology. As a result, we have to pay attention to the education level to be required of people who have to use our equipment. We also have to get a good return on our investment in our military personnel. So the department examined its requirements and determined it would be preferable to keep them 25 years, rather than 20. So, in future, rather than being eligible for a pension after 20 years of continuous service in the regular force, it will be after 25 years, and we will count time spent in both the regular force and the reserve force.

Mr. Louis Plamondon: And you're expecting these amendments to be implemented in 2006.

Col Claude Rochette: Yes, that is our hope. We are still working on it. We have a number of items to complete. We are presently finalizing the regulations. We are also updating our administrative systems, to be sure we are able to accrue contributions and pay our members. We are also working to perfect our communications plan so that we can pass on the necessary information to our members, particularly reservists, since they are not entitled to that now. We want to ensure that everything is put in place to serve them.

Mr. Louis Plamondon: I would like to ask one last question, if I have enough time.

The Chair: You still have two minutes.

Mr. Louis Plamondon: At the present time, how many members of the Canadian Forces overall receive pension benefits?

Col Claude Rochette: There are currently 104,000 members receiving a pension.

Mr. Louis Plamondon: And approximately how much money does that represent on a yearly basis? I'm not asking you for the exact amount.

Col Claude Rochette: For 104,199 members, we spend \$1.9 billion.

Mr. Louis Plamondon: You spend \$1.9 billion a year. Where does that figure come from?

Col Claude Rochette: It's for fiscal year 2002-03.

Mr. Louis Plamondon: But does it come from the Department of National Defence's annual budget?

Col Claude Rochette: No, it doesn't.

Mr. Louis Plamondon: Is it an independent fund?

Col Claude Rochette: Yes, this fund is completely separate.

Mr. Louis Plamondon: And who contributes to the fund? The government, servicemen and women or both?

Col Claude Rochette: Both: the government and the servicemen and women contribute to it.

Mr. Louis Plamondon: And how much does each pay? Are we talking about 5 per cent of wages?

Col Claude Rochette: At the present time, members of the Canadian Forces contribute... I'm looking for the proper term in French.

Mr. Louis Plamondon: Say it in English. We have a very good interpreter.

Col Claude Rochette: It's the yearly maximum pensionable earnings, which is the maximum amount based on which contributions can be made to the Quebec Pension Plan or the Canada Pension Plan. A serviceman contributes 4 per cent of that portion of his wages that does not exceed that amount, which is about \$40,000. He also pays 4.9 per cent of that amount to the Quebec Pension Plan or the Canada Pension Plan. In addition, he pays 7.5 per cent of that portion of his wages that is below that amount.

Mr. Louis Plamondon: Thank you.

The Chair: We're going to move on now.

[English]

We'll continue with Mr. Bagnell at this point.

Hon. Larry Bagnell (Yukon, Lib.): Thank you. I have two quick questions, and then, if our time's not up, Rose-Marie will continue.

If you compared this lower-level veteran pension with that of someone doing similar work, or work of similar difficulty, in the public service, how would those pensions compare?

Col Claude Rochette: Sorry?

Hon. Larry Bagnell: If you compared a veteran, just a regular lower-level soldier, with someone doing the same type of work, who

had retired from the public service doing something else, how would their pensions compare?

Col Claude Rochette: The pensions for the Royal Canadian Mounted Police, the public service, and the Canadian Forces are the same. We have exactly the same superannuation, the same type of pension plan, which is called a final-average plan. It's based on the best five years. The only difference between the RCMP, the public service, and the Canadian Forces members is the access to the benefits. We have early access compared to the public service.

But they formalize the same thing. If a member works for 35 years, it will be 70%—2% per year times the average of the best five years.

Hon. Larry Bagnell: If their salaries were equivalent, then their pensions would be roughly equivalent?

• (1600)

Col Claude Rochette: Oh yes. If the salary is exactly the same and they have the same number of years of service, they will have the same pension.

Hon. Larry Bagnell: Are their salaries equivalent?

Col Claude Rochette: No, sir, they are not.

Hon. Larry Bagnell: How would our military pensions compare to those in other western nations?

Col Claude Rochette: We looked at other countries when we were looking at modernization of the pension plan, and we consider that we have one of the best. It's very good for our members. It covers for survivors, it covers for death, and it covers up to 70% of the best five years for pension benefits, which is quite good. It's considered that if somebody retires, their cost of living will reduce by around 30%, and they can live very comfortably, with the same type of lifestyle, at 70%.

Hon. Larry Bagnell: Would a Canadian soldier's take-home paycheque be similar to, or better than, the paycheque for an American, British, German, or French soldier?

Col Claude Rochette: It's difficult to say, because it's not just the pension; taxation also applies on it, and they attach other social programs to it. I don't have the exact number.

Hon. Larry Bagnell: But you think we compare well?

Col Claude Rochette: Yes, very well.

Hon. Larry Bagnell: Is there time left?

The Chair: You've got four minutes.

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Thank you.

I thank you for presentation.

I, too, was writing very quickly, because I'm certainly not on top of this issue, but I'm certainly willing to learn. I may have misunderstood you. Did you say that Treasury Board sets your guidelines, or sets your working allotment with the pension program, and did you say you had little input? Was that the concern you raised?

Col Claude Rochette: This is on the pay side, ma'am?

Mrs. Rose-Marie Ur: Yes.

Col Claude Rochette: On the pay—under the National Defence Act, any pay, allowances, or reimbursement—any program we develop—has to be approved by Treasury Board ministers.

Mrs. Rose-Marie Ur: Okay, but you're not having a problem—you just made that as a statement, not as a concern, then.

Col Claude Rochette: No, I was just mentioning at the end that the Chief of the Defence Staff has little power in changing the programs—

Mrs. Rose-Marie Ur: Okay.

Col Claude Rochette: —because in fact they have to be developed. Consequently, we have an advisory group, composed of members of the Treasury Board Secretariat and the Canadian Forces. We meet and discuss different programs. We come up with one understanding, and then it is presented; we have a Treasury Board submission.

Mrs. Rose-Marie Ur: Is it a pretty good working relationship there, for the most part?

Col Claude Rochette: We bring our issues, they bring their issues; we all have our own work to do, ma'am.

Mrs. Rose-Marie Ur: Okay, good. That sounds like the normal world, then, doesn't it?

Col Claude Rochette: Yes, ma'am.

Mrs. Rose-Marie Ur: You also indicated, I believe, that there were six wage groups.

Col Claude Rochette: Yes.

Mrs. Rose-Marie Ur: Could you break down the percentages and tell us which groups are the largest? I believe you said six wage groups, but you didn't give any indication of numbers. If you could, provide that to the committee down the road.

Col Claude Rochette: In fact, we did some calculations, I think, in 1999. That was based on 2003. For non-commissioned members the percentage was 56.9%, for general service officers 14.1%, pilots 1.5%, legal officers 0.1%—this is the group percentage of our members in the forces—medical and dental officers 0.3%, and senior officers 0.4%.

Mrs. Rose-Marie Ur: Thank you.

When you have concerns brought forth, what is the major problem or weakness within the system? What needs to be addressed? Where do you get the most difficulty from people expressing concerns as to their pensions?

Col Claude Rochette: Well, maybe one of the main issues we have right now, a problem we are looking to correct with the new modernized pension plan, is that at this point there is no access, really, for the members. We have a service pension board composed of three members of the Canadian Forces. If a member has a problem with their pension—say they receive their pension and believe it's been miscalculated—they can call a 1-800 number. They can talk to the pension administrator and raise the issue. If they are not happy after that, they can write to the service pension board, which will look at the issue.

• (1605)

Mrs. Rose-Marie Ur: Is there an ombudsman there as well?

Col Claude Rochette: No, ma'am, but what we are looking at now with the new modernized pension plan is to bring some remedial measures. The Minister of National Defence will have to look at some cases and make decisions, because at this time we don't have any access.

Mrs. Rose-Marie Ur: Thank you.

The Chair: Before we move on to Mrs. Hinton, I just wanted a little bit of clarification. We talked about salary equivalent. I'm not sure I caught it all. Maybe you can just give me a quick description of how you establish the salary equivalent and what exactly a definition would be.

Col Claude Rochette: I have a table that shows the comparator groups and how we compare them too.

The Chair: Rather than your reading it off, would it be okay for us to make a copy of that and then pass it around? If you can, get that to us. It seems like it's already there.

Col Claude Rochette: Yes, it is.

[Translation]

The Chair: That's great. Thank you.

[English]

Maybe if it's okay, I'll just grab one more question.

Benefits upon retirement. Monsieur Plamondon brought up that at 43 you can retire. I was just wondering, as to the health and other benefits that are involved when you're working, what follows you through after retirement?

Col Claude Rochette: Basically, we have the pension. This is the first thing that stays. Then the supplementary death benefit stays with the members. However, it is two times the annual salary of the member, and starting at age 60 that amount is reduced by 10%, so by age 70 the only thing that is payable is the minimum amount, which is \$5,000 for our members, and this stays with the members for life.

The Chair: That's two times the salary at the time of retirement or the pension value?

Col Claude Rochette: That's prior to retirement and up to age 60.

The Chair: So it's the full salary, not the pension?

Col Claude Rochette: No, sir, it's the full salary.

The Chair: I just wanted to clarify that.

Thank you.

Col Claude Rochette: Then we do have the public service health care plan for retired members, which members have access to, and the dental care plan for pensioners, and that's about it.

The Chair: So the benefits do continue after retirement.

Col Claude Rochette: Yes.

The Chair: That was the gist of my question.

Thank you very much.

Mrs. Hinton, I'll let you continue.

Mrs. Betty Hinton: I'm going to go back and revisit something that is a bone of contention for me. My colleague raised it earlier. That's the gold digger clause.

I'm not completely satisfied with the answer I've received so far, so I'm going to say to you what I've said to the minister. I won't tell you what the minister responded; you're on your own there.

I said to the minister, "Do you agree or disagree that senators and members of Parliament and members of the military all serve Canadians' best interests?" The answer was yes. I said, "Then I don't understand why we would decide arbitrarily to not allow someone who marries after retirement...."

Let's just use the age of 60. They retire at 60, and they marry for a second time because their first wife died or they've divorced, or whatever the case may be. That spouse is not entitled to the pension, because it was a military man she married.

But if you were a member of Parliament and you married the second time, the third time, or whatever the case may be, after the age of 60, your spouse would be able to collect your pension. The same holds true for senators.

So I wonder how you might feel about answering this question. It might be a bit sensitive for you. Do you think there should be equal treatment between military people and the senators and the MPs, or do you think there should be different categories?

Col Claude Rochette: I think I will defer on that question.

I would like to add one point, though. Since 1992 we've had an addition to our plan for members who get married after the age of 60. They have a year to make an election to be able to have survivor benefits. However, just as would happen in the private sector, their pension will be reduced to compensate for the fact that they are now choosing that new program.

• (1610)

Mrs. Betty Hinton: There are still two separate sets of rules, which I think is completely unfair.

Are the benefit plans the same after retirement as they are while serving, or are they reduced?

Col Claude Rochette: Which one?

Mrs. Betty Hinton: Are the benefit plans, the benefit parts, the same after retirement as they are while the person is serving, or are they reduced? I'm talking about things like medical and dental—the benefits.

Col Claude Rochette: Oh, the medical and dental—

Ms. Anne Gravelle (Director, Pension and Social Programs, Department of National Defence): As far as, for example, extended health care coverage is concerned, a serving member has that coverage provided under the—you'll have to excuse that I'm not

always as accurate on the use of the language—Canadian Forces medical plan for its members.

Once they are released, once they're on pension, they're covered by the public service health care plan. They have eligibility under that plan, which has slightly different rules in terms of the kinds of benefits that are available and the kinds of programs that are offered. They would have the same benefits after retirement as a retired member of the public service would have. As to exactly how that compares to the coverage they have during their active service, we'd have to do a....

They are different, and we would have to look in more detail at the specific areas you were talking about.

Mrs. Betty Hinton: The commander has been rather quiet. Would the commander care to respond to my question about whether there should be a differentiation between MPs, senators, and members of the military?

Commander Frank Vandervoort (Director, Pay Policy and Development, Department of National Defence): That is outside my sphere of expertise, ma'am.

Mrs. Betty Hinton: Oh, you're diplomatic.

Cdr Frank Vandervoort: I deal with pay, environmental allowances, and special allowances only.

Mrs. Betty Hinton: Okay, I won't squeeze anymore.

The Chair: In all fairness, if you don't mind, I don't think it's fair to our guests that we drill them like that. We're not on the floor of the House—

Mrs. Betty Hinton: I'm not drilling, I'm just trying to get an answer.

The Chair: —and they're not the government.

Cdr Frank Vandervoort: But thank you for the opportunity.

Mrs. Betty Hinton: Okay.

Mr. Gordon O'Connor: How much time do I have?

The Chair: You have three minutes.

Mr. Gordon O'Connor: We'll go back to the so-called gold diggers. Has anybody ever run a costing analysis of theoretically how many possible gold diggers there would be and what it would cost? I suspect it's not substantial.

I'll put it in functional words. Just to get some idea of the magnitude and then figure out what the costs are, has anyone checked to see how many people after the age of 60, who are on pension, marry or remarry?

I suspect we've created a rule that doesn't affect a whole horde of people and doesn't cost a whole lot of money and could be solved in relatively simple terms. Just because we're arbitrary with the rule at the age of 60, has anybody looked at the statistics?

Col Claude Rochette: I did ask the same question, sir, when I started working on the pension modernization project. Unfortunately, we do not have access to information on regular force members after they leave the forces, such as whether they remarried or how many children they have. That type of information is not available at this point.

The Chair: Mrs. Ur.

Mrs. Rose-Marie Ur: I have a couple of quick questions. When they retire and are able to continue their health and dental benefits, is any financial contribution requested on behalf of the applicant?

Col Claude Rochette: Yes, ma'am.

Mrs. Rose-Marie Ur: Do you have that information with you?

Col Claude Rochette: I have that.

Mrs. Rose-Marie Ur: I'll go on to my other questions while you're looking for that. This is maybe more of a comment than a question. I'm going back to Louis' question. A person who enters the forces at age 18 can retire at age 40 or so. For a person who enters at a young age like that, training of some sort is available within the forces.

Col Claude Rochette: Yes, they have training.

Mrs. Rose-Marie Ur: That certainly is a positive. With all those positives—early retirement, benefits, and training—why is it difficult to find individuals to participate in the forces? Maybe the commander might have more input there.

• (1615)

Cdr Frank Vandervoort: Are you concerned about recruitment, ma'am?

Mrs. Rose-Marie Ur: Yes.

Cdr Frank Vandervoort: I think it's a myth that we have a recruitment problem in general terms right now.

Mrs. Rose-Marie Ur: That's good to hear.

Cdr Frank Vandervoort: Basically, the quality of the candidates who are showing up at the recruiting centres is much better than it was, say, five or six years ago. There are problem areas, such as medical and dental. There are some problem areas in some army occupations. But by and large, the recruiting group feels they can meet all the targets assigned within the PML from a global perspective.

Mrs. Rose-Marie Ur: My grandson enlisted in the air cadets. I always told my kids I would have liked to be an army cadet, and my son said that I was bad enough without getting into that situation.

But all kidding aside, how many young people who start on that basis move along and take the opportunity to join? It would be really interesting to know the numbers.

Col Claude Rochette: That is not really in our part, ma'am. It's the recruiting centre that would have that type of information. There is the cadet movement, which we support.

Mrs. Rose-Marie Ur: Did you find the information I was looking for?

Col Claude Rochette: Yes, ma'am. For the health care plan for pensioners, there are three levels: for a pensioner alone—level 1, \$9.01; level 2, \$25.57; and level 3, \$54.42; for a family—level 1, \$17.66; level 2, \$34.22; and level 3, \$63.07.

The following are the rates for the dental plan for pensioners: for a pensioner alone, \$16 a month; for a pensioner with one eligible family member, \$31.96; and for the pensioner with a family of more than two, \$47.96.

Ms. Anne Gravelle: If I could just add something, I think you also asked what the government contribution was.

Mrs. Rose-Marie Ur: I didn't, but go ahead.

Ms. Anne Gravelle: For the rates of pensioner contribution that Colonel Rochette mentioned to you a minute ago, ranging from \$9.01 to \$63.07, in every instance the government share is \$71.23.

Mrs. Rose-Marie Ur: Thank you.

Thank you, Mr. Chair.

The Chair: Thank you.

I'd like to ask a question, if that's okay. I'm going to call it a hypothetical question, but there is some truth in it. Let's say a serviceman with the rank of a corporal or a petty officer who has been in the service for five years passes away in action. What remuneration would his widow receive? For how long would it go on and what would be the benefits? Upon retirement, what kind of benefits would she receive?

Col Claude Rochette: So the military member had five years in the forces?

The Chair: Exactly.

Col Claude Rochette: Under the current plan, sir, the member has to be vested. What we mean by "vesting period" is when the member will receive something other than just a return of contributions plus interest. Currently, it's 10 years. So in that case, the widow would receive the return of contributions plus interest.

The Chair: When you say "the return of contributions", do you mean just his contributions?

Col Claude Rochette: Yes.

The Chair: Not the government contributions as well?

Col Claude Rochette: Just his contributions. Now, with the new pension reorganization, one of the changes we are bringing in is to be comparative with the public service and the RCMP. It will be a two-year vesting.

The Chair: Two years.

Col Claude Rochette: So then the spouse would receive the survivor benefits.

The Chair: Do you know when that change is about to take place?

Col Claude Rochette: We want to have the new pension modernization in place hopefully by the end of fiscal year 2005-06, so by the end of March 2006.

The Chair: Very good.

Col Claude Rochette: We are aiming at sometime in December 2005. Like anything else, sometimes it takes a bit more time, so we hope to have that before the end of that fiscal year.

• (1620)

The Chair: Thank you very much.

Now we'll go over to Mrs. Hinton.

Mrs. Betty Hinton: I just have one quick question. I'm trying not to stay on the same subject all the time, but define "gold digger" for me. Is a gold digger two years older than the person she married, 10 years older, 15 years older? Do you know the definition of gold digger?

Col Claude Rochette: No, ma'am.

Mrs. Betty Hinton: Gordon?

Mr. Gordon O'Connor: Yes, it's actually not called "gold digger". That's a common term. It's if you marry after the age of 60.

You can marry an 18-year-old or a 90-year-old; the point is that you're over the age of 60. You're not allowed to remarry. You have to live in sin.

Mrs. Betty Hinton: Oh, okay.

Mr. Gordon O'Connor: I want to come back to the 50% rule, which is equally irritating.

The current superannuation rule says that when the annuitant dies, the survivor gets 50% of the pension. I don't know when that 50% rule was ever set, but individuals actually can't live on 50%. Fifty percent means their standard of living is going down. I contend that it's going down, and everyone else I've ever spoken to says, when the survivor spouse lives on 50%, their standard of living goes down.

Is there any move afoot? Is anybody analyzing what the cost would be to increase this base of 50%?

Col Claude Rochette: That was one of the issues we looked at in the pension reorganization, looking at all our benefits. However, it's something that is not in the three superannuation plans—for the RCMP, the public service, and the Canadian Forces. So if there is a movement to change that, it will have to be working with Treasury Board. The President of the Treasury Board has the lead on federal pension plans, so it will be a movement on Treasury Board's part.

Do you want to add anything else, Anne, from your experience on that side?

Ms. Anne Gravelle: We have under our plans what we call a 50% add-on benefit. Certainly we hear a lot about people wanting a 60% benefit or even a 66 2/3% benefit. That often springs from standards legislation, the legislation in the provinces and at the federal level that sets minimum standards for what pension plans have to do. But in those standards where they specify something higher, as Colonel Rochette was suggesting earlier, where they suggest a minimum of more than 50%, it's invariably a minimum in a joint and last survivor form, which means essentially that the plan member takes a reduction in the benefit in order to provide a survivor benefit.

The three major public plans, of which ours is one, do not make that adjustment, except in the event of an election by an individual who wishes to cover a spouse after the age of 60. We have this 50%

add-on, which means that in the normal course of events a plan member doesn't take a reduction in his or her pension in order to provide a benefit.

If you like, one way of looking at it is that a joint and last survivor looks at the total value of the benefit that could be payable and divides that, so that if the plan member wants to provide a portion to the survivor, then his portion is going to be reduced.

In the Canadian Forces plan, as in the other two major plans, you calculate a member's benefit, and then when the member dies, you go back to square one and calculate a survivor benefit, without any reference to the amount that the plan member had already received.

So a 50% add-on benefit, the way it's structured in these plans, tends to be more generous than a 60% joint and last option, which is frequently the standard that's set in standards legislation across the country.

Mr. Gordon O'Connor: Do I have a moment?

The Chair: Yes, go ahead.

Mr. Gordon O'Connor: But if I understand it, serving members, before they are pensionable, aren't given that choice. They're not told they can do it this way or that way. There is a formula, and they have to follow it.

• (1625)

Ms. Anne Gravelle: Yes, you're a member of a pension plan that provides a 50% add-on survivor benefit.

Mr. Gordon O'Connor: So service people aren't given that choice. Then you're saying that the 50% rule is based on the average situation—you're calling it "standard", but the average situation in provinces, and the federal government and private industry. They all come to the idea that 50% is good enough, is that it?

Ms. Anne Gravelle: I would think if you wanted to increase the level of survivor benefit available, it would impose an additional cost on pension plans, and the cost of that would have to be borne by contributing members. In this environment, the contributing members are the people in the Canadian Forces, and the government, and ultimately the taxpayer, of course.

Mr. Gordon O'Connor: I'm just supposing that if people actually had a choice, if they were told, whether they're male or female, that if they contribute \$5 or \$10 more a month, their surviving spouse can have a better pension, they'd probably do it.

But at the bottom line, you're telling me I have to go after Treasury Board.

Col Claude Rochette: I didn't say that.

The Chair: Mrs. Ur, are you fine?

Gordon, do you want to continue? You're the guy with all the experience here, and I think you were doing a great job.

Mrs. Betty Hinton: He's being gentle. That's very hard for him.

Mr. Gordon O'Connor: I have to be. I can't attack military officers.

The Chair: He's being much nicer to them than you were, Betty.

Mrs. Betty Hinton: I was nice to them.

Mr. Gordon O'Connor: I think the point has been made.

As I said, I get piles of correspondence about these two issues, about the pensions. No matter how it's explained, and there's a logical basis for it, when you jump up above the logical basis, there's something wrong in our modern society where you think, marrying after the age of 60, the spouse should not have a pension because they didn't do so before the age of 60. I just think our values have changed.

Also, if you're living at a certain standard, when the person dies and the surviving spouse is there, I don't think 50% is enough.

The Chair: When one dies, it doesn't mean the cost of living goes down 50%.

Mr. Gordon O'Connor: No, it doesn't go down by half.

The Chair: I couldn't agree with you more.

Mr. Gordon O'Connor: Maybe I have to crusade with this against Treasury Board, I don't know, but the defence department seems to be sort of encapsulated. They're inside the Treasury Board rules.

Ms. Anne Gravelle: Perhaps I could just add something to that point.

There are tax rules as well that come into play here. I wouldn't want to leave the impression that this is a Treasury Board policy specifically.

The Income Tax Act has rules. Just as the standards legislation talks about the minimum standards, tax rules talk about the maximums that plans can provide and still have their registered status and the tax deductibility of contributions, and all that kind of thing. The tax rules also have a part to play in the limitations on survivor benefits. So that's another aspect.

Mr. Gordon O'Connor: Yes. I don't mind going after revenue on that; it doesn't matter to me.

Mrs. Betty Hinton: No, we could do that.

Just to comment on a couple of comments that were made earlier, there were some questions asked about someone's ability to retire at as young as 43 years of age, after 20 years of service. I think what may slip the minds of some people when they're looking at "oh gee, 43 years old, he's awfully young", is that I can't think of another job where you would be shot at; I can't think of another job where you would be put in the kinds of dangerous situations that you would be put in, unless you are either RCMP or the military. If they manage to survive to 43 years of age and they retire, more power to them.

Mr. Gordon O'Connor: I want to just add to this. I didn't want to answer your question, but Betty has hit it—unlimited liability is one of the reasons. The other reason is that if there are medical standards set for each classification in the military, and basically you get below

those medical standards, they try to reclassify you, but if they can't, you're out, you're gone. Whereas in many other professions or careers you could acquire some disability but carry on, in the military you're basically flushed.

• (1630)

The Chair: If you make it to 43, then you've earned your stripes.

I appreciate your mentioning that 43 is young, being 43 myself. That feels kind of good some days.

Mrs. Betty Hinton: Stop your bragging.

The Chair: Mr. Bagnell, you had a question.

Hon. Larry Bagnell: If we wanted to change that clause about the marriage, could we do that tomorrow—I mean, if the political will were there? Is there anything to stop us from saying tomorrow that people over 60 who get married would then be eligible for the same pensions?

Col Claude Rochette: It's part of the legislation.

Hon. Larry Bagnell: The what?

Col Claude Rochette: The act, the legislation. So it would have to go through—

Hon. Larry Bagnell: We'd have to change the act.

Col Claude Rochette: Yes.

Hon. Larry Bagnell: And then, I suppose, assuming there was a little bit of an increase, the contributions would have to go up a little bit to cover that?

Col Claude Rochette: There would be an increase in contribution, yes, on the part of the Government of Canada, or the taxpayers, and the members.

Hon. Larry Bagnell: That would be the same for the 50% that Gordon was talking about?

Mr. Gordon O'Connor: Yes, whatever the new rule is. You'd have to calculate it.

Hon. Larry Bagnell: All we have to do is change the act to get that 50% changed to 100%

The Chair: I'll just ask a quick question. I took some notes down. There are 104,000 people who are pensioned off at this point. How many people are in the forces, the exact number—I know I got a breakdown, but just a total of the number?

Col Claude Rochette: How many members?

The Chair: How many people are actually in the forces?

Col Claude Rochette: In the forces, 62,000.

The Chair: That's what I thought I heard.

Hon. Larry Bagnell: The reserves were 32,000, I believe.

Col Claude Rochette: There are 35,000.

The Chair: And the funds within the pension plan will support the 104,000, without the 62,000? I mean, it's a payer....

Col Claude Rochette: The fund we have right now is in an account, because we have changed the way we do the contribution. But we are starting to invest our money now.

We have enough money to make the changes that we want. For the new plan, if you will, for the part-time plan, as we call it.... We don't use the reserve force plan, because reservists will contribute to two different plans now, depending on the type of work they have.

We will set up an account for the new plan that will come into force.

The Chair: The reason I ask the question is that sometimes you hear about plans.... I'm looking at 104,000 retired and 62,000 working. We're living longer, so before long we'll have many more people who are retired than actually in the forces. I can see some discrepancy there in the future. I'm just wondering how safe...and whether we've planned well for that.

Col Claude Rochette: No, when we do any changes like those we are proposing under the modernization, we basically work with OSFI, the Office of the Superintendent of Financial Institutions, which is the actuary for the Government of Canada. Every three years they have their annual report, and it's their mandate to look at any changes we bring in. They put the assumption in and they look at it.

Basically, what they do is look at how much money we have in the account, at the assumption of how many people will come in, how much it will cost to pay the pension, and they ensure that we have enough money in the account.

The Chair: The actuaries have calculated all this?

Col Claude Rochette: Always.

The Chair: Okay, very good.

Col Claude Rochette: They always keep an eye on it.

The Chair: I was just wondering whether we were digging ourselves into a hole and then waiting for someone to bail us out at a later date. So that's been covered.

Col Claude Rochette: They keep a very close eye on the plans.

The Chair: Do we have any more questions from either side?

[Translation]

I want to thank you for coming. It was a great pleasure to have you here.

[English]

The Chair: It was very informative for all of us. Again, thank you for coming out.

Col Claude Rochette: Thank you very much.

The Chair: We have some committee business.

We'll suspend for five minutes and then we'll come back.

•(1634)

(Pause)

•(1639)

The Chair: We have a situation here where the minister won't be able to appear until March 23. She's travelling quite a bit.

Mrs. Rose-Marie Ur: Are we in camera?

The Chair: No, we're not in camera. I left it open. Is it a big deal? I didn't think so. There's nothing really sensitive here. It came up, and I didn't think it was necessary to go in camera.

The minister won't be able to appear until March 23, and the chair of the Veterans Review and Appeal Board won't be able to appear until March 23 either. From what I understand, if one comes, the other comes anyway. So on March 23 we might have both of them, and we might have to extend the session.

The other thing that comes into play here is March 23—

•(1640)

Mrs. Rose-Marie Ur: No, February.

The Chair: I'm sorry, February 23—

Mr. Gordon O'Connor: Are we talking about February or March?

The Chair: The other two were for March, and now we're coming back to February—my mistake.

Mr. Gordon O'Connor: It's called “the budget.”

The Chair: Yes, exactly. So do we want to cancel February 23 if it's going to be budget day?

Mr. Gordon O'Connor: Oh, no. Let the budget go on, and we'll sit here quietly.

The Chair: It will probably be a lot better.

Mrs. Betty Hinton: I have no objection.

The Chair: Okay, very good. I didn't think there would be, but I just wanted to bring it up to see if we'd be okay with that. So we'll cancel February 23.

Mr. Gordon O'Connor: I want to see the finance minister's new shoes.

The Chair: I believe Michel has something he wants to bring up as well.

Is it on the gold digger clause?

Mr. Michel Rossignol (Committee Researcher): Yes. I just want to give some historical background on the gold digger clause.

I believe what happened is that a few years ago there was a gold digger clause that limited the age difference when a pensioner, whether military, public servant, or anything, married someone after retiring. There was a limitation. Because of the Charter of Rights and everything, that was removed. I believe the current legislation was amended two or three years ago. I think people removed what was really described as a gold digger clause, and it was replaced by the current arrangement for a marriage after the age of 60. So that's the current situation.

[Translation]

Mr. Gordon O'Connor: It's the same thing.

[English]

Mr. Michel Rossignol: Yes.

Mr. Gordon O'Connor: The spread may be different, but it's the same thing.

Mr. Michel Rossignol: I'm just indicating that there were some changes made recently, but that—

Mr. Gordon O'Connor: I agree.

Mrs. Betty Hinton: Michel, there may have been changes made, but I can assure you that in my discussion with the minister, the phrase “gold diggers” is still being used.

Mr. Michel Rossignol: Yes.

Mrs. Betty Hinton: The intent is still the same, and whatever way you cut it, it's still unfair.

Mr. Michel Rossignol: But I might also mention that I believe the same thing applies in the public service.

Mr. Gordon O'Connor: I'm for public servants marrying, too. I have no problem with that.

Mr. Michel Rossignol: Yes.

The Chair: Same sex?

Mr. Gordon O'Connor: I've been married for 42 years, and it's always the same sex.

Mrs. Betty Hinton: Maybe this should have been in camera.

The Chair: Yes, exactly.

Mrs. Betty Hinton: Nobody reads our transcripts.

Mrs. Rose-Marie Ur: Can I just bring something up?

The Chair: Certainly.

Mrs. Rose-Marie Ur: It's not a criticism, nor is it an admission that I can't think.

In other committees that I am on, we get valuable information from research, and I appreciate this document as well, but to stimulate discussion or thought, quite often they will have some questions. I wonder if our researcher would like to do that, or whether any other individuals on the committee would find that helpful. I know I would, but I would not want to be the only one putting the burden on the researcher.

Mr. Michel Rossignol: Just to explain, I didn't have time to prepare questions, because I'm working on the draft of the report for the standing committee. We usually put suggested questions as well; however, on this occasion, it was just not possible.

Mrs. Rose-Marie Ur: Okay.

The Chair: But that would be very helpful for the next session.

Mrs. Rose-Marie Ur: Sure.

The Chair: Is there anything else that we should bring up?

I think Angela has something to bring up—the list.

The Clerk of the Committee (Mrs. Angela Crandall): At the last meeting, we had discussed having a list of organizations that we would send a letter to requesting a written submission of their opinions on whether veterans need their own ombudsman. Michel

had brought up a list of different associations. The ones he has given to me are the Royal Canadian Legion, the National Council of Veterans Associations in Canada, the Army, Navy & Air Force Veterans in Canada, the Canadian Association of Veterans in United Nations Peacekeeping, Canadian Peacekeeping Veterans Association, and VOICE, an organization of Gulf War veterans.

I had shown this list to Mr. Rota earlier, and he wanted to bring it back to the committee to see if anyone had any other groups or associations they thought we should send a letter to asking for submissions. I think Michel might have some more.

• (1645)

Mr. Michel Rossignol: Yes, I would just mention that the National Council of Veterans Associations is a group of many other groups of veterans, so many of the groups are already covered under that national council. Usually, Mr. Chadderton speaks on behalf of those different groups.

Mr. Gordon O'Connor: I recall that at the Cenotaph you see the aboriginal veterans, etc. Are they a special group or a separate group?

Mr. Michel Rossignol: The National Aboriginal Veterans Association is part of the National Council of Veterans Associations, but they could be one of the—

Mr. Gordon O'Connor: Yes, it's just that I can recall their putting wreaths down at the Cenotaph. There were other groups there, too.

Mr. Michel Rossignol: Yes.

The Clerk: Michel had made a note that the Korea Veterans Association of Canada, Canadian Merchant Navy Veterans Association, and the National Aboriginal Veterans Association are all under the National Council of Veterans Associations.

Mr. Gordon O'Connor: Okay.

The Clerk: So if you sent one letter to that council, then you would get all of those groups.

Mr. Gordon O'Connor: Very good.

Mrs. Betty Hinton: Can I just go backwards for a minute, just for clarification?

The Chair: Certainly, by all means.

Mrs. Betty Hinton: I wasn't aware of this March 23 date until today, obviously. Is that etched in stone? I'm not certain I'll be here on March 23.

The Chair: Okay.

The Clerk: I just received it yesterday. I've been trying to tie down a date for the minister's appearance since December, and obviously, since it is the Year of the Veteran, she is travelling a lot internationally. This is a date on which she would be available, but it's not confirmed yet. I said I would bring it back to the committee and get some feedback from the committee members.

Mrs. Betty Hinton: I raised that because of the way March is structured in the House this year. I mean, it's crazy; you're here one week, and the next you're not.

This is just me, and maybe nobody else agrees me, but since this is not going to happen on February 23, maybe we should look at the very beginning of April, when we know that things will be more settled and we'll actually be here for a long stretch versus this business of our being here, gone, here, gone in March.

The Chair: Can we settle that?

Rose-Marie.

Mrs. Rose-Marie Ur: I would attest to that, and I guess I have a more selfish reason than my honourable colleague. My dates are in question in March because I'm going to be a first-time grandmother and—

The Chair: Congratulations.

Mrs. Rose-Marie Ur: I have my priorities straight. Things would be more confirmed in April and I would be happy to support that.

Mrs. Betty Hinton: Well, congratulations, Rose-Marie. They're more fun than the first batch.

Mrs. Rose-Marie Ur: Yes. Well, I have one adopted grandson from my daughter-in-law, but the new child is the first born into the family.

The Chair: So we're looking at the second week of April. It would be sometime on the 6th?

Mrs. Rose-Marie Ur: That sounds lovely for me.

The Chair: The 6th or the 13th.

Mr. Gordon O'Connor: So what's being suggested at the moment is that we have one more meeting next week, and then there are no meetings until April. Is that what's being suggested?

The Chair: No, it's the date for bringing in the minister. Rather than bringing in the minister on the 23rd and trying to jockey around that date—

Mr. Gordon O'Connor: Okay, because I was watching everything disappear.

The Chair: No, no, we will continue to meet on Wednesdays at the regular time.

What happens is that instead of trying to plan the minister for the 23rd, we'll plan for the 6th or the 13th maybe and try to get those days nailed down.

Mr. Gordon O'Connor: All right.

The Clerk: The letter I've drafted is requesting submissions by March 1, so I can have a chance to have them translated and the committee can have a chance to look at them when they come back that second week of March. Then the committee could decide which groups they might want to hear from personally, and then we could plan some witnesses.

The other question is for next week, whether we would like to hear from the Legion right away on this issue or whether we would want to wait until we get everything in from all the other groups?

Hon. Larry Bagnell: Is this the ombudsman you're talking about?

The Clerk: Yes.

Or whether there is another witness we want to hear about on the pension.

The Chair: Gordon has something to say.

Mr. Gordon O'Connor: I'm going to give my two cents.

The Legion is one of the six or seven groups. I don't anticipate that everyone is either going to say, yes, they want an ombudsman or, no, they don't want one; I anticipate there are going to be a variety of opinions. So I don't see any harm, if there's no other suitable activity, to bring in the Legion in order for them to express their opinions and justifications for their position.

● (1650)

Hon. Larry Bagnell: We'll have a bunch of witnesses together, not just one at a time. So yes, group them.

The Chair: If that's okay, then, we'll put them on now.

The Clerk: Next week we would start with the legion?

Mrs. Betty Hinton: Next week it will be a group of one.

Mr. Gordon O'Connor: Yes, because they haven't got the other ones on tap—unless there's another activity, so we don't waste the meeting.

The Chair: Yes, and the other alternative is that we skip the meeting, but we don't have a heck of a lot of time.

What would you like to do? Would you like to start with the legion next week?

Mrs. Rose-Marie Ur: Sure.

The Chair: Really, we don't have a heck of a lot of information to start on the other stuff yet.

Mrs. Betty Hinton: If you want to cancel it and then group them into twos or threes, that's okay with me too. I'm very easy to get along with, I think.

The Chair: That's the other alternative. Do we want to cancel next week, rather than come in here? What do you feel?

Mrs. Betty Hinton: Choose the most productive way for our time schedule, as well as the committee's.

The Chair: Okay, we'll leave it with the clerk. If you want to look at it, see what we can package together, if we can get more and make it worthwhile for next week, we'll go next week. If not, we'll package it with the next one and we'll work on other stuff next week on our own.

The Clerk: So that would mean we wouldn't have a meeting until March 9. I'll check to see what we could do for next week, and if it doesn't look like it would be really worthwhile for the committee—

The Chair: I just don't want to waste our time. I think it's important that we do it.

Mrs. Betty Hinton: I don't want to waste any time either. I don't have a calendar in front of me, but my colleague just pointed out that's one whole month with no meetings.

The Chair: Yes, you're right, because the budget is in there, and then there's the week after.

Let's do it next week then. We'll have it, and if there's any time, maybe we'll plan to have an in camera session and we can discuss a few things after that.

How does that sound?

Mrs. Betty Hinton: It sounds good to me.

The Chair: Good, we'll do it then.

The meeting is adjourned.

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