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Chair

Mr. Gary Schellenberger

Standing Committee on Veterans Affairs

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• (1535)

[English]

The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)): I'm sorry for the delay to our witnesses.

Welcome to meeting number 42 of the Standing Committees on Veterans Affairs. Pursuant to the order of reference of Friday, March 4, 2011, we are dealing with Bill C-55, an act to amend the Canadian Forces Members and Veterans Re-establishment and Compensation Act and the Pension Act.

We're going to extend the meeting a little. We have allowed our witnesses here today each a five-minute statement and then we'll have one five-minute question for each party, because there is half an hour allowed for this part.

From the Association du Royal 22e Régiment, we have Elphège Renaud, president, and Claude Sylvestre, first vice-president. Welcome, gentlemen.

[Translation]

Mr. Elphège Renaud (President, Association du Royal 22e Régiment): My name is Elphège Renaud. I am the president of the Association du Royal 22e Régiment.

I know that the government members may not like what I have to say, but I believe the \$40,000 minimum announced by the minister is a form of income replacement that has nothing to do with war-related injuries or disabilities.

On the matter of the lump sum, nothing has changed. Veterans will not get a single penny more. It is merely the payment method and terms that have changed. So instead of one payment, they will get the money in several installments.

I see that the maximum allowance has improved slightly to \$1,609, but in order to be eligible to receive that money, you have to have a disability assessment of 100%. The same goes for the additional \$1,000 for life. In order to receive that \$1,000, you have to be eligible to receive the \$1,609. You have to be fully disabled, 100%. So very few veterans will be able to access that money, which means that the government will not have to pay out very much. Veterans have told me that they were asked to stop complaining—

• (1540)

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Renaud, could you please slow down for the interpreters?

Mr. Elphège Renaud: I have just five minutes to say what I have to say.

Mr. Yvon Lévesque: It is to help the interpreters. You will get—

Mr. Elphège Renaud: This is my time, that's enough.

You made me lose my train of thought. Can I continue?

Overall, the government will not have to pay out very much more. The \$40,000 minimum is a form of income insurance and has nothing to do with Afghanistan. Someone returning from Afghanistan may have an injury, but it is not necessarily for that. It is to help those who enlist in the army and are at the bottom of the pay scale. If someone makes a \$43,000 salary, 70% of that amounts to less than \$40,000. This is not a benefit for soldiers who come home from the war wounded. This measure does not provide for them.

Nevertheless, it sounds good. That is where Mr. Lévesque interrupted me. Veterans have told me that they were asked to stop complaining because the government was giving them \$40,000. Where is that claim coming from? The government will not pay anyone \$40,000, at least not according to what I have heard. The only improvement is the \$1,609 allowance. It looks good on TV to say that they are going to offer \$1,609, but they forget to mention that, in order to get that amount, you have to be 100% disabled. That does not include everyone. The guy who's lost an arm is not 100% disabled and will not get that \$1,609. He may get 10% of that amount, so \$160 for his arm.

And the same goes for the \$1,000. It goes hand in hand with the \$1,609; the guy has to be 100% disabled to get that \$1,000. Sadly, this is all just for show. The government wants to come off looking good by making these wonderful announcements, but in reality, very little money will be paid to veterans.

That is good, even though I did not use my full five minutes.

[English]

The Chair: You have two minutes left, sir.

[Translation]

Mr. Elphège Renaud: I still have a minute. I said what I had to say. I said it very quickly, but I covered the important points.

The minister announced three things. He announced a minimum, which has nothing to do with this. Forty thousand dollars sure sounds good! It is simply to confuse people. Then there were also the \$1,609 and the \$1,000 payments.

That is all. Thank you.

[English]

The Chair: Thank you.

Mr. Sylvestre, please.

[Translation]

Mr. Claude Sylvestre (First Vice-President, Association du Royal 22e Régiment): I had a chance to eat breakfast with some veterans in Quebec City, many of whom had served in Afghanistan. Even members who were leaving were there, they came to talk with us. To illustrate my point, I will divide the two wars into two categories. I consider the Second World War and the Korean War to be human wars. There have always been and there will always be wars. The other kind of war is inhuman war. During the Second World War, we were trained to kill and be killed. But they are trained to kill and kill no one. They worry about what they are going to do when they hit 65.

A typical case is that of someone who has lost both legs. He gets \$154,000. His father is retired, and his mother makes him buy a house. He has no money left. When his parents die, who will pay the property taxes? He does not have a single cent, and he has only a grade-seven education. What do you want him to do? His spirits are as low as they can be. Most of those we meet, real soldiers who served in Afghanistan, are worried; you cannot begin to imagine how worried. You would not believe how much they worry. They say they are not administrators and do not know how to interpret all the confusing information they are given. They are told it is one amount here and another amount there, but that does not tell them anything. They just want enough money to support themselves for the remainder of their lives, as is the case with the soldiers from the Second World War.

Personally, I am considered to be 50% disabled, and Mr. Renaud is considered to be 100% disabled. I do not get that same \$1,600 a month that someone who is fully disabled does. Soldiers do not understand, and neither do I. I read this and wonder where this is going and what exactly is the soldier going to get. And soldiers are even more confused.

Someone with a grade-seven education will never be able to understand the mishmash of numbers and jargon or the associated requirements that depend on their rank, age and salary. There are so many factors involved, and these soldiers will end up with nothing. I find that inhuman. Soldiers hand out candy to children with a man at their side, and he is the one planting the bomb when night rolls around. They say to themselves the odds are in their favour, and they admit it. They say to themselves that 157 people killed in 8 years is not too many. Soldiers go there for the money. A corporal gets \$70,000, and his only expense is what he buys at Tim Hortons. Then he gets another cheque for \$20,000. When you have a guy with a grade-seven education starting out in the workforce, it doesn't get any better than the army. If the odds are in his favour, he comes through okay, but if he is not so lucky, he will be in trouble. His future will not be very bright.

That is all, Mr. Chair.

• (1545)

[English]

The Chair: Thank you.

The first question will be five minutes. Ms. Sgro, please.

Hon. Judy Sgro (York West, Lib.): Thank you very much.

Thank you for being here today. As always, thank you for your contribution to our great country and for defending all of us in the past.

My question will go to either one of the gentlemen who wants to answer. Have you had a chance to review the bill we're referring to today, Bill C-55?

Mr. Claude Sylvestre: Yes.

Hon. Judy Sgro: Do you feel that it's one step in the right direction?

Mr. Claude Sylvestre: I don't think so.

Hon. Judy Sgro: Could you please elaborate?

Mr. Claude Sylvestre: He's the specialist on this.

As far as I'm concerned, it's only a regular pension that would clear everything. An amount of \$1,600, then the \$40,000, they don't get that. That's not a pension.

Hon. Judy Sgro: Have you had an opportunity to have any discussions with the department on the bill itself?

Mr. Claude Sylvestre: No. We had a lecture from the minister a couple of weeks ago. He gave all those figures there. I couldn't make out exactly how much a soldier who is hurt gets. It's impossible, because it depends on his age, salary, grade, and the number of years he's been in the army.

The soldiers told me they can't figure it out.

Hon. Judy Sgro: With all due respect, Mr. Sylvestre, how else would the department be able to sort that out if it wasn't relative to the number of years the individual was in the service, and so on? Do you think there should be a flat amount for everyone?

Mr. Claude Sylvestre: From 1939 to 1945 you got a pension until the day you died. They didn't have to worry at 65 or 70 what was going to happen to them.

They worry about it night and day. Every Wednesday some of them come to have breakfast with us at the shopping mall. It's always the same thing. We ask them, "How are you doing?" They say they don't know what they're going to do when they reach the age of 65 or 70. Anyone who has spent all of his money there—what is he going to do?

[Translation]

Mr. Elphège Renaud: Do you think I did not read Bill C-55? Are you saying I said something else? It is \$1,609. In order for a veteran to be entitled to that money, he has to be 100% disabled, in other words, without an arm or a leg. A veteran who is 50% disabled will get only half of that amount. And that is \$800, is it not? In order to receive the \$1,000, you have to be entitled to receive the \$1,609. So you would get a monthly allowance of \$1,609 in addition to an extra \$1,000 for life. That sounds pretty good. But to be entitled to that \$1,000 a month for the rest of your life, you have to be receiving the \$1,609. You have to be 100% disabled. How many soldiers returning from Afghanistan will be 100% disabled and therefore entitled to receive that \$1,609?

What's more, you have to meet other conditions as well to get that \$1,000. I know because I applied for it. You must be unable to walk, be in a wheelchair or be unable to attend to your own affairs, such as getting dressed. That is my situation. You have not seen me without my clothes on, it is not a pretty sight. And I was not even eligible to access the entire amount, even though I should be. I am actually much more disabled than I appear. If I did not have my clothes on, it would probably frighten you to see everything I have to wear underneath.

It sounds great when the government makes this kind of announcement. They talk about \$1,609 and \$1,000 for life. People who read about that in *La Presse* or see it on TV will think that the government is supporting veterans. A veteran who spent 33 years in the Canadian Forces—and who happens to be my cousin—told me today he thought the \$40,000 was for every veteran. That is not the case. It is an additional benefit for those who are eligible and will mean more money for them. I have always said that any extra money a veteran is given would be welcome, but the government must not go around claiming it is handing over enormous sums, either. All the better for those who will be able to access that money. They will have the security that the \$1,609 and \$1,000 for life will provide, but it is not quite as easy as picking up a cheque. This room could fit all the veterans who will be eligible to receive that money. I know one thing, I have been getting a pension for 58 years.

• (1550)

[English]

The Chair: We have to move on now.

Mrs. Gagnon.

[Translation]

Ms. Christiane Gagnon (Québec, BQ): Not me—

Mr. Yvon Lévesque: Point of order, Mr. Chair. I am getting some feedback through my earpiece. I think it has to do with the interpretation. The English translation is coming through at the same time.

[English]

Mr. Claude Sylvestre: In other words, there are so many conditions that nobody understands them, even in the army. They're trying to figure them out. They say it's impossible. They say "We are not administrators. We've been trained to kill. That's it."

The Chair: We have to move on. We're on the next question, sir, please.

Mrs. Gagnon, please.

[Translation]

Ms. Christiane Gagnon: Good afternoon, Mr. Sylvestre and Mr. Renaud.

I am standing in today for my colleague Guy André, who could not be here because of the weather. Nevertheless, you should know that I have been keeping a fairly close watch on this file since my father is, himself, a veteran.

You raised an important point, regarding the eligibility criteria for these benefits. It is always a complex process to determine the nature of the after-effects and the level of severity at which a member is

considered to have a disability. The disability can also be psychological, but it seems that type of injury is being overlooked.

You are quite right to be outraged by what the minister is offering. After reading the bill and following the debate in the House of Commons, I would say it is aimed at reintegration. And that is not a bad thing. We need to help young veterans who are able to re-enter the workforce quickly, or somewhat quickly, and give them the tools they need to do so. Needless to say, that will be difficult to achieve for those who are more seriously injured but not enough to be considered 100% disabled.

As you know, we are at the eleventh hour here, because the bill is being passed this afternoon. The Bloc Québécois was anxious to have you appear before the committee to discuss the overall implications of the new measures.

I want to ask you something about the bill. You are aware that we cannot put forward any amendments today as it would require more money. We would need a royal recommendation for that, and we do not have the power to make that kind of amendment. So even though an amendment was moved today, it will not go through, and the bill will pass. It is seen as a step in the right direction, even though it will not solve the whole issue of the pressure being put on parents, spouses and family members. We know it will not really solve anything.

Your testimony today is important because it will enter into the record of the committee and give the minister reason to continue examining the issue. We pushed for action. But the minister would never have come as far as he has. Do you remember initially when he said the new charter was great? I had to have 6,000 people sign a petition to get him to change his mind, and others pressed him as well. And today, we are seeing that there has been a slight shift.

I would like you to speak to the disability criteria again.

You are absolutely right when you say that a 22-year-old will not go very far with \$50,000 or \$100,000. The parents are the ones who will have to bear the financial burden.

• (1555)

Mr. Elphège Renaud: I do not want to jump all over the minister for the step he took. I said it publicly on Radio-Canada. I even commended him for it. It is a step in the right direction but does little to solve the problem.

It makes for a fine announcement, though, especially when he talks about the \$40,000 minimum and throws the other measures in there. The public is not well-informed on the matter. Some veterans jumped on the \$40,000 bandwagon, and some even asked me to pipe down, since veterans were going to be getting \$40,000. They think we are getting \$40,000. What I want to know is where are the veterans with that money. But, of course, that is a normal reaction. Everyone knows it is government money, and that money comes from us. We pay taxes too.

As for the eligibility requirements, you have to be at 120%. I hit a mine in 1952 when I was in the Korean War. I spent 18 days in a coma and 8 months in hospital. I was no more than a piece of meat lying on the ground when they picked me up. It is only by the grace of God that I am alive today.

That is how I know how difficult it is to hit that 100% threshold. It is like catching a shooting star. You have to be eligible.

I saw a young man who lost both his legs, both cut off above the knee.

Ms. Christiane Gagnon: Yes. I also saw him. That was in Quebec City, wasn't it?

Mr. Elphège Renaud: Based on the assessment, his disability was not even at 100%. What does it take? Should he have lost both arms and legs? The eligibility criteria are very strict to be able to get those amounts of money.

[English]

The Chair: Sir—

[Translation]

Mr. Elphège Renaud: People who see this in the media only see the extra \$1,600 on top of the \$1,000, which makes \$2,600. And they think that's a great start. But who is going to get that? Not many would be entitled; they certainly would not fill this room.

[English]

The Chair: I think your colleague would like to respond. You have only about 40 seconds.

[Translation]

Mr. Claude Sylvestre: Madam, you are talking about rehabilitation. They have been in Afghanistan for about eight years now, right? How many of them would be able to work in the public service? How many are working there now? I don't think any of them work there, because they are not welcome. That's not right either.

Some of them spend their whole amount. However, others are more reliable and, if we were to offer them a position, as was suggested at the first meeting of the committee, they would be able to earn a living and you wouldn't be responsible for them. But that is not the case. Could you tell me how many Afghanistan veterans found a job with the public service? I think you would have to look long and hard.

[English]

The Chair: Okay. We move on now to Mr. Stoffer, please, for five minutes.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Gentlemen, first of all, thank you very much.

Sir, it's a real pleasure to see the liberation medals from the Netherlands on you. Thank you both for your service.

On the \$40,000 thing that we've been discussing with my other colleagues, I'm not sure if you're aware, but you don't need Bill C-55 to move the \$40,000 amount. You don't need a legislative amendment to do that. You just need a regulatory amendment to do that. So it could be \$40,000, it could be \$80,000, it could be \$100,000, but you don't need Bill C-55 to move that amount. So that's problem number one. And it's unfortunate that Veterans Affairs has indicated that for the \$40,000, Bill C-55 has to pass, because they're two different things altogether.

The biggest problem that I have, although the bill is a small step in the right direction, is that the government should have taken a great

big leap to assist, because the reality is, according to the Library of Parliament, only 20 severely injured veterans have received the permanent impaired allowance since 2006. Only 20. This bill will probably help a few hundred more, but you and I both know that there are thousands upon thousands of veterans and their families who require assistance in a variety of ways right now. So although this is a small step forward, it is a tiny step.

So I just want to ask you this question. You deal with government all the time and Department of Veterans Affairs officials. Why were they so timid in this legislation, when they could have taken a big leap forward? With all the advice they got from our committee, from veterans groups, from the Gerontological Advisory Council, their own advisory board, of all the recommendations to move the issue of veterans care forward, why do you think they were so timid, in my own opinion, and moved the bar ever so slowly forward?

• (1600)

Mr. Claude Sylvestre: Some of them are affected mentally when they come back.

[Translation]

Mr. Elphège Renaud: It's a political game. They want to show people that they are giving a lot by spending little money. That's politics. They say they are giving a big cake when in reality it is just a small May West.

When they are making announcements, everything seems great. Not all the information is provided. I understand that, in a press conference, you are not supposed to give all the details. We don't say that the disability has to be 100%, that it takes this or that, because then people will say that they aren't giving anything.

I am not criticizing their contributions, but I think it's not enough. As for introducing a bill and amending it, that should have been done using common sense, by removing the lump sum and continuing with the old system, with pensions and with qualifications. That is quite normal. We know the money comes from the government. We are not asking the government to provide veterans with a living. If they can support themselves, that's great.

I got a law degree and I have practised for 38 years with my infirmities. I would drag myself in. When I was not able to go, I would not go and make up for it with my pension. That's what pension plans are for. Pensions are there to help veterans, not to have them stay home and stare at the moon. The goal is to make up for the deficiencies in their lives, the parts they cannot make up for themselves. But a pittance will not cut it, because there are too many conditions and very few people will receive the money. That's just the way things are.

There are two amounts. There is the \$1,609 and a conditional amount. Even if a guy receives the \$1,609, that does not mean he will get the other \$1,000 in full. Once again, other special and very strict conditions apply to qualify for the \$1,000.

When they are announcing it, they say he will receive \$1,609 and an extra \$1,000 for life. There's no mention of the conditions for receiving the \$1,000.

That is what we are fighting for. In my case, I am entitled to a full pension. I'm not expecting anything else from the government, but I am doing this for my other colleagues who are broke or for the young people who might be homeless in the future if the situation stays the same. They will be like the people living on welfare.

[English]

Mr. Peter Stoffer: Sir?

Mr. Claude Sylvestre: No. It's all right.

Mr. Peter Stoffer: Okay.

Thank you very much, Mr. Chairman.

The Chair: Mr. Kerr.

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

I'm going to say very little and let the gentlemen use the rest of the time to speak. I take it from the member for the Sackville—Eastern Shore part of the province that he's going to move an amendment to this. I think we're all in agreement we have to move forward.

So I would like to hear you take the rest of the time to discuss what suggestions you think should be added, if any.

[Translation]

Mr. Elphège Renaud: Are you asking me to add what I want?

I want the amounts to be more reasonable than the \$1,609 and the \$1,000. Trying to get the \$1,000 is like reaching for a star. So the eligibility criteria should be less strict.

I suggest that the government go back to the previous system. Overall, the New Veterans Charter is not bad. I have examined it from cover to cover since law is my former profession. I am able to go over a bill with a fine-toothed comb and see what it's all about, and so on.

The charter as a whole is good, but not the lump sum, especially when we know it has been done for economic reasons. We buy meat, but human flesh is not for sale.

When people are being sent to combat international terrorism in Afghanistan, I am with them. If I was young, I would go to Afghanistan because it's for a good cause. But if a guy gets hurt, he shouldn't just get a small pittance. He has to receive something more substantial so that he can be reintegrated into society and live like any other person. If he has lost his limbs or part of his head or his mind because of serving abroad, why wouldn't he be entitled to the same system as before? It's an economic reason, pure and simple. It's a lump sum of \$200,000 or maybe \$300,000.

I did some research. In England, they get \$800,000 for the same thing. That's \$800,000 in Canadian dollars. If that amount is invested in a good portfolio, you won't be living in the lap of luxury, but you can get by. However, it is not possible to live with \$275,000, unless you buy an annuity that will give a good return. Either it won't be for life or the annuity won't be big.

I think the minister has good intentions. We met with him after he was appointed. We met with the ombudsman. He came to Quebec

City. I was sitting next to him and we talked as equals. He is just like any other person and I think he has good intentions.

Yet the government as a whole has mishandled the issue or cabinet has rejected it. I don't know, but, in my opinion, the amounts are not reasonable.

The conditions are too strict and the amounts are not sufficient. If the bill is passed, there will be a few dollars more than before for those with more serious injuries and with 100% disability. But the rest won't get anything. There is no icing and there is not even a cake. There's nothing. There are just a few crumbs.

The figure of \$40,000 certainly came up in the press conference. But that's just mixing things up. This has nothing to do with the injuries the people suffered in Afghanistan. Keep the charter in its current form, but, in terms of pensions, we should revert to the previous system and assess each soldier's state accordingly. If he is 50% disabled, he will be entitled to a given amount for the rest of his life.

I was injured in 1953. I was in my twenties and I have lived my life with my injuries. I continued to make my way through life. People couldn't see what was underneath my clothes for me to be able to function like another being. My intellectual capacity was good, because I had already finished a classical education when I enlisted in the army. So I was ahead of other soldiers.

I was accepted into university and was able to pursue a higher education, but not all soldiers have the same opportunities. It is not their fault. They can learn a trade. They also need to have all their limbs. If a guy wants to be a welder, a climber or do something in construction and he has two artificial legs, he won't be able to do it. He needs to get reasonable compensation, like any other person.

That's what I think the government should have done. It got on the wrong track with this. It took a step in the right direction, but it's a small step. It's one step in a long flight of stairs. It climbed up one step, but it should have climbed higher. That's what I think. I have gone through it. I have been entitled to a pension for 58 years now. I am familiar with all the twists and turns of the process.

It was not that complicated for me. My file was very thick. When you come in pieces, it is not that complicated to be assessed. It's not like there are a ton of them. There are cases here and there. Guys got killed when they stepped on mines—

● (1605)

[English]

The Chair: Sir, I think your comrade has a short statement to make, please.

[Translation]

Mr. Claude Sylvestre: I am talking about the ones who are injured. The media covers all those who die or get killed. But injured veterans are kept in hiding everywhere. In Valcartier, they are kept outside the fence, for example.

I have the following question. Let's say someone in a wheelchair who has to stay home receives the maximum amount. What happens when this person gets older? These are not lifetime pensions. Those who are injured get a lump sum, but when they need help, they have to pay for it themselves. When injured veterans get a large sum, do they have to pay for the help they need?

That could include any assistance they might need at home, for example. After WW2, I had hip surgery. The first time, I got all possible help and equipment at home. But when I had my left hip operation, that was no longer the case.

Some soldiers come back with serious injuries and they can't even walk. You can't give them a job because they are not able to work. But some can work, although they are injured and are missing two legs. They have the education they need. Isn't there a way to recommend that public servants hurry up and eliminate prejudice against veterans? Veterans are not welcome, because they are regarded as people who steal jobs and have large pensions. Public servants are completely against the idea of hiring them, and that's a proven fact.

[English]

The Chair: I'd like to take this time to thank both of you this afternoon for coming in, and again, thank you for all the service you've given to this country.

We're going to take a very short recess, and then I'll ask the ombudsman to come to the table, please.

• _____ (Pause) _____

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• (1610)

The Chair: Order.

We just have a five-minute session here today with our veterans ombudsman, Guy Parent.

Welcome, sir, and please make your statement.

[Translation]

Mr. Guy Parent (Veterans Ombudsman, Chief Warrant Officer (Retired), Office of the Veterans Ombudsman): Thank you, Mr. Chair.

Honourable members of the committee, thank you for allowing me to say a few words today. I know that you have a very full agenda, so I will be brief.

[English]

I have followed with great interest the discussions in the House of Commons pertaining to Bill C-55, the act to amend the Canadian Forces Members and Veterans Re-establishment and Compensation Act and the Pension Act. As the Veterans Ombudsman, as a veteran myself with 37 years of military service, and as the proud father of a son who has served in the Canadian Forces and in Afghanistan, I am grateful to all members of Parliament for their commitment to do right by veterans and still-serving members of the Canadian Forces.

The men and women who put on the uniform implicitly agree to risk their lives to defend our country and the values that we hold dear. In return, they have the right to expect from their government

an integrated series of measures to support them throughout their careers and beyond. This country has a moral obligation to provide the very best support to them—particularly when they sustain career-ending, service-related injuries or illnesses—and to their families, who, in my opinion, do not get sufficient recognition for the sacrifices they make in support of their loved ones' military careers.

There is broad if not unanimous support among parliamentarians, veterans organizations, and others for the spirit of the Canadian Forces Members and Veterans Re-establishment and Compensation Act, better known as the new Veterans Charter, in regard to its focus on wellness and transition to civilian life, compensation, and its more holistic approach to the needs of veterans and their families. The new Veterans Charter was seen when it came into force on April 1, 2006, and continues to be characterized as a significant improvement over the Pension Act.

• (1615)

[Translation]

Based on recent discussions on Bill C-55 in the House and elsewhere, I venture to say that this support for the spirit of the New Veterans Charter remains strong. However, there are also questions and concerns about the effectiveness of some of the programs and measures implemented under the charter and there is certainly room for improvement.

Over the past five years, there have been consultations, and sustained efforts by the House of Commons Standing Committee on Veterans Affairs, the Senate Subcommittee on Veterans Affairs, the New Veterans Charter Advisory Group and other advisory groups, veterans organizations and the Office of the Veterans Ombudsman, to identify shortcomings and improvements.

The New Veterans Charter is complex. Because it was difficult to anticipate in advance its shortcomings or unintended consequences, the government made a commitment to continuously review its programs and services and to amend the legislation, if necessary, to address emerging needs or unanticipated consequences. In this way, the New Veterans Charter was intended to be a "living charter", and I believe that the principle of a "living charter" is as important as "the spirit of the charter" itself. However, it has taken five years for this principle to become reality.

On November 17, 2010, the Honourable Jean-Pierre Blackburn, Minister of Veterans Affairs, introduced Bill C-55 in the House of Commons, which is now before this committee for review. I urge you to return it to the House for third reading as quickly as possible. Some may view Bill C-55 as modest in scope because it does not address all the shortcomings of the charter, but it is a very important step in setting the precedent to make the charter a truly "living" document, as envisioned by you and your fellow parliamentarians five years ago.

• (1620)

[English]

Bill C-55 may not be as comprehensive as some would like, but by passing Bill C-55 you will immediately affect the lives of the most seriously disabled veterans receiving disability benefits under both acts, those who could not receive the permanent impairment allowance or the exceptional incapacity allowance because of a technical flaw in the charter. This change, combined with the introduction of a monthly \$1,000 supplement for permanently and severely injured veterans, represents significant improvement.

There is of course much debate about the disability award and whether or not the payment options provided under Bill C-55 go far enough to address the concerns around the lump-sum payment. They don't, but it is important to remember that Bill C-55 is the first opportunity to make changes to the new Veterans Charter; it is not, nor should it be, the last of your opportunities.

The discussion about improvements to the disability award and financial benefits is an extremely important one, and it must continue. The issues raised are complex and, in order to make informed decisions, cannot be reduced to a comparison of the disability award and the disability pension in isolation of the charter's other programs and benefits. It may be that the next series of amendments to the new Veterans Charter will address improvements to the charter's dual compensation approach. That would certainly be consistent with the principle of the charter as a living document.

Bill C-55 is a small but important step in making the charter a living document and bringing about changes to the legislation to better address the needs of Canada's veterans and their families. It should be considered as the beginning of the promised ongoing renewal process that is needed to afford veterans the care they deserve. Other steps must follow, and soon. Waiting another five years to bring about further improvements to the new Veterans Charter would be unacceptable.

Thank you.

The Chair: Thank you very much, sir, for your statement.

Now we are going to recess for another short time to set up our Department of Veterans Affairs people.

• _____ (Pause) _____
•

The Chair: We'll call the meeting back to order, please.

Next we have a statement from the Department of Veterans Affairs. We have Keith Hillier, assistant deputy minister, service delivery, and Bernard Butler, director general, policy and research. Welcome, gentlemen.

Mr. Butler.

[Translation]

Mr. Bernard Butler (Director General, Policy and Research, Department of Veterans Affairs): Mr. Chair, members of the committee, I am pleased to be here today to talk to you about the Enhanced New Veterans Charter Act.

[English]

This fall the minister announced four changes to the new Veterans Charter programming. The first change was to improve the earnings loss benefit. As has been noted, this only requires a regulatory change, so it's not technically a part of the bill. That benefit, which replaces lost income for veterans undergoing rehabilitation, or who cannot be suitably and gainfully employed, will be increased to ensure a minimum annual pre-tax income of \$40,000. So this is essentially an enhancement proposed for the earnings loss benefit.

The other three changes are a part of this bill, which amends the new Veterans Charter and the older Pension Act. These changes will, firstly, increase access to the permanent impairment allowance in the new Veterans Charter and the exceptional incapacity allowance under the old Pension Act to ensure that seriously disabled or injured veterans have access to either one of these benefits—so either access to the permanent impairment allowance under the new Veterans Charter or access to the exceptional incapacity allowance under the Pension Act.

These changes will also provide a supplement of \$1,000 per month to veterans in receipt of the permanent impairment allowance who cannot be suitably and gainfully employed.

Finally, it will provide the payment options for the disability award. The bill, as you are aware, will also be used to make minor housekeeping changes.

We listened with interest to debate at the second reading. I'd like first to take this opportunity to thank many of you for your words of support in the House. I would also like to address some of the concerns you have raised.

Many of you wondered why we did not increase the lump-sum payments. The concern stakeholders brought to us was a lack of a monthly income for certain veterans. Increasing the lump sum by itself would not fix that. However, increasing support provided through our financial support programs would. As such, we proposed increasing the earnings loss benefit and the permanent impairment allowance. The new Veterans Charter is a more complete approach to helping those injured in the line of duty and helping their families. It not only provides for lump-sum disability awards for pain and suffering, but it also provides monthly financial support when needed, such as earnings loss benefit, permanent impairment allowance, and the Canadian Forces income supplement, as well as case management, rehabilitation, and support for families.

We also found that many veterans—some 69% when surveyed—were satisfied with their lump-sum payments. When we surveyed veterans who had received a disability award, we found that 85% thought their lump sum was well used: 71% had invested at least a portion of that amount; some paid down a debt or put money in a savings account. That said, as some of you noted in debate, we also found that 31% weren't satisfied. As the minister has noted, 31% is enough to cause us to rethink the method of payment. So we are now, through this bill, proposing a choice of payment options.

You also asked why it took so long to bring forward changes to the charter. It's easy to forget that this is a new program with an innovative design and no experiential history upon which to build. Five years in the life of a program is but one cycle. In April we only completed, really, that first cycle. In spite of excellent program design and robust forecasts, the living charter is subject to what happens out in the real world, and we needed to collect that data and evidence to make full study prior to making changes.

In debate, Ms. Duncan noted some of the other changes the Legion would have liked to have seen. Regarding those specific to the legislation, I have addressed the issue of the disability awards, but the other items raised were different options for increasing the earnings loss benefit, providing it for life, and basing it on projected career earnings.

● (1625)

On this point, Mr. Chair, when designing these programs we take a whole-of-government approach and strive to keep our benefits similar to what the Department of National Defence and other similar federal programs provide. For example, National Defence provides 75% of salary in their income replacement programs. So consistency between what is received by those in service and those who exit service is important.

Mr. Stoffer, you had raised some specific concerns on the bill in debate that I'd be happy to speak to further in questions, if still required, but I did want to touch on the issue of the use of "may" as opposed to "shall" in our legislation. A convention of legislative drafting has evolved such that the word "may" is used and interpreted as "shall" in many instances. So in the new Veterans Charter and also in these amendments being brought forward in Bill C-55, when a veteran applies for and meets the eligibility criteria to qualify for a benefit, the word "may" is simply interpreted as the mandatory "shall". The minister can do nothing other than grant the benefit and has no discretionary authority to refuse the application when the eligibility criteria have been met.

Mr. Chair, those are simply some observations we would make. We thank you for this time to address the committee, and we are here to assist you in your deliberation and certainly to answer any further questions you may have.

Merci beaucoup.

The Chair: Great. Thank you.

In response to Mr. Lévesque, there are questions allowed as we go clause by clause. There are just no questions after the statement. Thank you.

We will—

Hon. Judy Sgro: Mr. Chair, can we not ask questions of the witnesses before we go into clause-by-clause? I thought it was normal practice. The department is here. You ask any questions and then...that's the normal practice.

● (1630)

The Chair: If we're going to do that, we have to keep the questions very short. I can allow one question per party, if you want.

One question. Try to keep it to two minutes, if you can, please.

Mr. Lamoureux, go ahead, please.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): I wanted to get into the area of the lump sum. It was an area of great discussion and concern. As one of the vets was telling me on the side after the committee rose for a few minutes, if you give a large sum of money to someone who has just come back from Afghanistan after losing a couple of limbs, chances are they might look at that dollar figure and see the value in receiving that, as opposed to the real benefits of being able to use that in future years.

Is this not a concern of the department, that it might be the case that you're providing a fairly significant carrot for a lot of people by providing choice and this might become a problem in the future?

Mr. Bernard Butler: I think that if there's a risk, it obviously would be a concern, but I can tell you that with the lump-sum benefit, there are a number of considerations that I think you should address. First of all, we do offer financial counselling. It's part of the package. If there's an individual who may be at risk, that person is certainly encouraged through our district office staff to seek that financial counselling, to get support if they require help in decision-making. What this bill does, however, is it does afford that individual the opportunity to make a choice, and the choice will be obviously to either accept the full amount as a lump sum or as a combination of a lump sum and a periodic payment, or strictly as an annualized periodic payment over whatever period of time that individual chooses to make.

One of our concerns, and a concern I think the committee should consider, is that there is always a fundamental issue of choice and self-determination, and there seems to be some concern that individuals, because they come back from Afghanistan, may not have the mental wherewithal to make decisions around how they're going to spend their money. This is a concern in the sense that we send troops to Afghanistan, we send troops all around the world, to engage in very difficult actions on behalf of the Government of Canada, and yet the response from some quarters is that, yes, that's great, and you were able to do that, but you're not able to manage some money that you're going to get because you have been injured.

There are very difficult issues in all of this around self-determination, freedom of choice, competency, and capacity to manage decisions around financial spending. From a departmental point of view, yes, we are concerned. We have put processes in place to ensure that for any individual we're working with, if there is an identified risk, they are counselled, they receive the support they need. And, again, the programming does afford that opportunity to pay \$500 towards financial counselling to help individuals with decisions around investment strategies or otherwise with their funds.

The Chair: We've already gone over on our time.

We'll go to Mr. Lévesque, please.

[Translation]

Mr. Yvon Lévesque: Thank you, Mr. Chair.

I'm pleased to have the opportunity to ask a question.

I am concerned about two things here...

Mr. Chair, there appears to be a problem with the reception I'm getting through my earpiece.

Are you setting the clock back to zero?

[English]

The Chair: We'll start the clock again.

[Translation]

Mr. Bernard Butler: It wasn't just a pretext.

Mr. Yvon Lévesque: Take a young soldier of 24 or 25 who returns from the front and has lost both of his legs. When he is released from hospital, he attempts suicide the first chance he gets. Will a team of CF doctors be the ones called upon to evaluate his state of mind, or will he be entitled to the opinion of an independent committee? Will the young soldier, or his family, be entitled to select the counselling services they want or again, will the counselling automatically be provided by the CF?

• (1635)

[English]

Mr. Colin Mayes (Okanagan—Shuswap, CPC): The questions were to be about the bill, Mr. Chair. We're here to deal with the bill. We're not here to go back to the discussion about the recommendations made in this bill.

Either go clause by clause, or keep your questions to the bill.

The Chair: Could you keep the questions to the bill?

Is this related to the bill?

[Translation]

Mr. Yvon Lévesque: As you know, I'm not a regular member of the committee. I was curious as to whether any of the bill's provisions concerned these committees. My question has to do with the application of the bill.

[English]

The Chair: I know that.

Give a short answer, sir.

Mr. Bernard Butler: This bill speaks to enhancements to the new Veterans Charter programming. It's targeted to the financial benefits

payable under the bill. There's nothing in Bill C-55 that would speak to those issues you're raising, Monsieur, in this regard.

The Chair: Thank you.

Are there no more questions on the other side?

We'll move on, then, to clause-by-clause. Pursuant to Standing Order 75(1), consideration of clause 1 is postponed.

(Clauses 2 to 4 inclusive agreed to)

(On clause 5—*Refusal to Provide Services*)

The Chair: Mr. Lamoureux.

Mr. Kevin Lamoureux: I have some questions on the payouts. As we're going through the clauses, I don't want us to just pass it so quickly that I don't get a response, because I do have some questions related to that.

Can you just help me by making sure that we don't pass through that part?

Mr. Colin Mayes: Point of order, Mr. Chair.

The Chair: Yes, Mr. Mayes.

Mr. Colin Mayes: We're on clause-by-clause. If you want to make amendments, make amendments. But we're not here for discussion of the bill. We're here to deal with clause-by-clause. If there are amendments to come forward, then so be it.

Mr. Kevin Lamoureux: Mr. Chairperson, I have questions I would like to put forward. If we want to go to clause-by-clause, and I can seek clarification on each clause, we can do that if you like. It's not a waste of time. Due diligence dictates that you review the legislation. We haven't had this legislation in our hands for weeks; we've just recently been provided the legislation. As we've tried to go through it, we've been very patient in terms of getting to this point. I think it's reasonable to ask questions.

I'm still somewhat new to this process. I have some concerns with regard to the payouts, and I think, as a courtesy, it would be appropriate to allow me to ask some questions in that regard.

The Chair: This is in response. This is the final reading of the bill. The bill has been debated in the House. There have been questions asked in the House. There have been answers given.

Mr. Lamoureux, because you're a new member, we're not going to go back and start over at the beginning of Bill C-55. We are right now on clause-by-clause.

Mr. Lévesque.

[Translation]

Mr. Yvon Lévesque: With all due respect to you, Mr. Chair, and to Mr. Mayes, I think it would be good to ensure that the adjectives or terminology used correspond in fact to the spirit of the bill now before this committee for consideration. It's not really a question of amending the provision. There are many new people here at the table. I've attended one meeting, but there are new elements to consider. At the very least, committee members should be given some time to read and understand these provisions.

• (1640)

[English]

The Chair: Ms. Sgro and then Mr. Storseth.

Hon. Judy Sgro: Mr. Chair, I know you're anxious to get this bill through. I believe most of us are supportive of the bill, but we have to do our own due diligence. This is the first time the bill has been before the committee. It's not like we've had our departmental people here. They give us two hours or an hour of discussion and then we go to clause-by-clause at our next meeting. We are attempting to try to see if we can do that this afternoon. But I think it's unfair if we have questions on any of the clauses. The process that I understand is you have departmental people to answer and explain whatever is necessary so we can go ahead and vote on that clause, fully confident of what it says. That's the process that I've always done on getting a bill through.

We don't have to finish this bill today. We could finish it on Wednesday. So let's make sure that as we go through here....

Would you put me down for another point after you've finished this point?

The Chair: Mr. Storseth.

Mr. Brian Storseth (Westlock—St. Paul, CPC): Thank you very much, Mr. Chairman.

I'll be brief, because I do believe this is an important piece of legislation that we need to get through as quickly as possible to the other place, because we don't know when the opposition is going to take the government down.

At the end of the day, the opposition has had this bill since November, so they've had the ability to do their due diligence, read this bill, and understand what the clauses are.

At this point in time, Mr. Chairman, I'm understanding that there are no amendments from the opposition being moved, so I'm not sure what their questions are. If they have amendments, that's generally the process through which questions arise. Absolutely, we should do our due diligence. But that being said, I've seen, often enough, due diligence being the excuse for weeks or months of delay from the other side when it comes to getting government legislation put forward.

So, absolutely, do your due diligence, but part of that due diligence is having read it and bringing in amendments. And you have the right to make an amendment now, but part of the due diligence process is bringing the amendments and scheduling them with us all, in both official languages, before the committee starts its proceeding on clause-by-clause.

The Chair: Ms. Gagnon, please.

[Translation]

Ms. Christiane Gagnon: It's been some time since I've sat on a committee considering the adoption of a bill. Be that as it may, it's normal to ask questions. To my way of thinking, what's happening here is anti-democratic. We've said that we would endorse the principle. No one is calling that into question. The meeting wraps up at 5:30 p.m. We should be able to spend a little time on this. We should certainly be able to dispose of this bill, as it is not very long. I think the government party should be a little more understanding.

[English]

The Chair: Ms. Sgro.

Hon. Judy Sgro: I will go to another issue.

If we're asking questions of the witness, could you reiterate the issue of "may" and "shall" that Mr. Stoffer had mentioned? You mentioned it in your comments. Could you state that again, your objection to changing "may" to "shall", which is what I understand Mr. Stoffer intends to move?

Mr. Bernard Butler: My understanding, Ms. Sgro, is that by protocol and convention, legislative drafting has basically evolved such that the word "may" is used and interpreted as "shall" in circumstances where the context dictates.

So as I understand it, this is not a major departure from use of language in legislative enactments, and there's certainly, as I understand it, precedent for it. From our perspective, we don't see it as a major issue. Where an individual qualifies for benefits under the act, the term "may" would simply be interpreted as "shall". It is not there to in any way limit the responsibility and obligation of the minister to award benefits where eligibility is established.

Hon. Judy Sgro: If that were changed to "shall", then it would not be a major problem for the department or you.

Mr. Bernard Butler: What you're raising is a technical-legal issue from a legislative drafting point of view. From my perspective, this has been subject to legislative drafting by the experts in that law, and this is what they've proposed. I would say that this is how we would see it going forward.

• (1645)

The Chair: Mr. Stoffer.

Mr. Peter Stoffer: Not to ridicule our legislators, but if you read the bill carefully, it says "Her Majesty", which is great. On the previous one, they have "Her Excellency the Governor General". I think they meant to say "His Excellency the Governor General". There are areas in that regard—minor ones.

I've done collective bargaining for an awfully long time, and I know the difference between "may" and "shall."

If you look at page two, on the development of a plan, subclause 4.(3) says: "In developing a career transition plan, the Minister shall have regard to any prescribed principles." So the word "shall" is in there once. I'm not asking for the word "may" to be removed from the actual expenditure parts, which is past subclause 7.(1). I'm just asking for the word "may" to be removed and replaced by "shall" in subclauses 3.(1), 3.(2), 4.(2), and the proposed change to the portion of section 12 of the act before paragraph (a). I'm not asking for the word "may" to be removed on any others. For example, proposed subsection 38.(3) says "may, on application, increase the permanent impairment".

That's a direct ability to pay additional amounts, and I would leave the word "may" in there to allow the minister's discretion. On the other one, which we have checked, the word "shall" can be implemented with no major problems to the government or the department.

The Chair: I have to interject. What we'll have to have is unanimous consent, because four clauses have been passed as they stand. Do we have...?

We're on clause 5. Clauses 1 to 4 have already passed as written.

Ms. Sgro.

Hon. Judy Sgro: I asked the department, and the response I got did not give me any big reason for concern. Our researcher has raised issues that I think we need to be aware of before we decide this matter. I would ask the researcher to explain further the implications of changing "may" to "shall."

Mr. Jean-Rodrigue Paré (Committee Researcher): On the "may" and the "shall," one of the big differences is in the estimates. In the estimates, you have different votes: you have budget spending and legislative spending.

If you put "shall", that amount would be legislative spending and not budget spending, meaning that Parliament would not have to approve that spending every year, like the employment insurance benefits. It would go through without Parliament's approval. Whereas if it's "may," Parliament has to approve the spending and the budget every year for that program. That's the main difference for this.

Hon. Judy Sgro: It's fairly significant, that difference.

Mr. Jean-Rodrigue Paré: Yes. It's a big difference for budgeting, for the finance department and for Treasury Board.

The Chair: Mr. Lévesque.

[Translation]

Mr. Yvon Lévesque: My comment has to do with the translation. The words "may" and "shall" are rendered in French by "*peut*" or "*doit*". I would ask the interpreter to...

Mr. Jean-Rodrigue Paré: The French version says that the minister "*peut*". The word "*doit*" is not used when saying "*des sommes seront payées*".

Mr. Yvon Lévesque: That's right.

Mr. Jean-Rodrigue Paré: There is no "shall". The text reads "*des sommes seront payées*".

Mr. Yvon Lévesque: I understand the meaning of "may" and "shall". However, sometimes these terms can be problematic and I simply wanted to point that out to the interpreter. That's all.

[English]

The Chair: Okay.

Do we have unanimous consent to revisit clauses 1, 2, 3, and 4?

Some honourable members: No.

The Chair: There's no consent.

We're on clause 5. Is there an amendment for clause 5?

Mr. Stoffer.

• (1650)

Mr. Peter Stoffer: Since I wasn't successful on clause 4, I'd ask to change the words "Minister may" to "Minister shall" in clause 5.

The Chair: Mr. Kerr.

Mr. Greg Kerr: Mr. Chair, I think we're going to follow the same principle as explained by the analyst. The staff have certainly gone over it. It's more an implication than simply a minister being instructed to go from "may" to "shall" on an option. It could in fact have financial implications. We're therefore not prepared to accept any of the "mays".

Mr. Peter Stoffer: Point of order, Mr. Chair.

I made a mistake. I'd like to keep clause 5 the way it was. I'm sorry. I was looking at clause 6.

Mr. Parliamentary Secretary, I'm sorry. I made a mistake on clause 5. It's clause 6.

(Clause 5 agreed to)

The Chair: Mr. Lévesque.

[Translation]

Mr. Yvon Lévesque: The thing is, in clause 5, the word "may" is used in the English version, while the word "*peut*" appears in the French version. The meaning is reversed here, because "may" means "*doit*", while "shall" means...Do I have that right? The interpreter is gesturing to me.

[English]

The Chair: I'm told by my experts that it's fine. I don't understand, but...

Okay. Clause 5 was carried, so we're on clause 6.

Mr. Peter Stoffer: That's the one.

The Chair: In the *House of Commons Procedure and Practice*, Second Edition, it states on pages 767 to 768:

Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

In the opinion of the chair, which is me, the amendment proposes a new scheme that seems to alter the terms and conditions of the royal recommendation. I therefore rule the amendment inadmissible.

Mr. Stoffer.

Mr. Peter Stoffer: I won't personally challenge you on that, sir, if that's the ruling, but I will say this. We were told by Mr. Butler that in the interpretation of "may" it would almost be an automatic "shall". But the reality is that in every single one of these clauses, the minister may or may not do something. That's the problem with the new Veterans Charter. This is at the nub of the problem.

Mr. Butler, you may reiterate exactly what you said for the record, if you don't mind, but the reality is there's the word "may".

I again go back to the committee. I realize it's not going to change, but the word "may" is very weak. The minister may do something or the minister may not do something. This is the problem.

We heard that it will be interpreted to mean "shall". No, it's not interpreted to mean "shall". With great respect, Mr. Butler, it is not interpreted to mean "shall". This is the problem.

The department still has the overriding objective at the very end to say yes to a veteran or no to a veteran, even with concrete medical evidence indicating that's the concern.

But I respect your ruling and I'll abide by it.

The Chair: Mr. Butler, I'll let you respond, and I'll then go to Ms. Gagnon.

Mr. Bernard Butler: If I might endeavour to respond to that, Mr. Stoffer, this is a classic example, I would argue, where it would be inappropriate to have the word "shall". Why? Because this section is simply saying that the minister may on application provide rehabilitation services and vocational assistance to a member or veteran survivor, but you then have to go to other sections of the act in terms of defining what the rehabilitation programming provides, what the vocational benefits are. If you said "shall" here, arguably you may have a situation where the minister is being mandated. He "shall", but yet they may not meet the other requirements of those programs.

You have to read this in the context of the act as a whole. You could read into it that the minister "may" if the individual meets the other requirements of the legislation. If the individual does, the minister "shall". That is how you would read that here. This is not to be interpreted in any way as saying that the minister may or may not at his discretion simply decide one day he's going to give this benefit to one individual and not to another.

I would suggest to members that if you read it in the context of the act as a whole, it might be a little clearer as to why it is more appropriate in this section that you have "may" rather than "shall".

• (1655)

The Chair: Very short, Mr. Stoffer, because—

Mr. Peter Stoffer: I certainly don't want to take up Mr. Butler's time all day, because it would take dinner, a bottle of wine, and a whole bunch of discussion to do this vote. I'll buy that argument for now, although I would disagree on the other aspects of it.

I do thank you.

The Chair: Ms. Gagnon, please.

[Translation]

Ms. Christiane Gagnon: You stated that the overall legislation determines whether an individual satisfies certain conditions.

However, the chair of the committee alluded to the matter of the royal recommendation and costs. The word "may" means "*peut*", while "shall" means "*doit*". Sums of money are involved. I understand that there are monetary considerations to weigh.

As I see it, if we go with the word "may" rather than "shall", there is less of a will to allocate enough money to this purpose and to allow this type of request. You are taking us in another direction.

I think that choosing between "may" or "shall" is a somewhat arbitrary decision for the committee.

It brings into play the matter of the royal recommendation, because of the monetary considerations. That's what we were told earlier.

[English]

Mr. Keith Hillier (Assistant Deputy Minister, Service Delivery, Department of Veterans Affairs): There are two things we need to think about here. My colleague has talked about the "may" and the "shall" and how that may be interpreted.

My counsel to you is that we need to be very careful. This legislation has been gone through by experts in the area of legality, and just changing one paragraph without thinking about what it means further down the road....

With regard to the financial implications of "may" or "shall", I'd just like to remind honourable members of the estimates process and that all estimates, whether they be the main estimates, supplementary estimates (A), supplementary estimates (B), or supplementary estimates (C), have to go through the House. They have to receive approval and they have to come to this committee. So with regard to whether it's a "may" or a "shall", we still have to go through a main estimates process and have our amounts approved.

(Clauses 6 and 7 agreed to)

The Chair: Okay. We move to clause 8.

Mr. Stoffer.

Mr. Peter Stoffer: In clause 8, on proposed subsection 38 (1.1), gentlemen, I was wondering if you could explain:

(1.1) A veteran who has received or is receiving an exceptional incapacity allowance under the Pension Act is not eligible to be paid a permanent impairment allowance.

I was wondering if you could elaborate a bit more on what that specifically means.

Mr. Bernard Butler: Under the Pension Act, pensioners who are assessed at 100% disability and who have exceptional care needs are eligible to receive the exceptional incapacity allowance. That's under the pension legislation.

Under the new Veterans Charter, another allowance was created called a permanent impairment allowance, which is somewhat similar but not completely analogous to the old exceptional incapacity allowance.

All this provision is saying is that you can't qualify to receive both the exceptional incapacity allowance under the Pension Act and the permanent impairment allowance under the new Veterans Charter. It is simply stating very clearly that if your benefits accrue under the old act, that's where you will receive them. If they accrue under the new act, you will receive compensation under the new Veterans Charter.

• (1700)

Mr. Peter Stoffer: It doesn't appear in any way with the earnings lost benefit, which is not part of this bill, right?

Mr. Bernard Butler: Not directly, no. This would not.

(Clauses 8 to 12 inclusive agreed to)

The Chair: On clause 13, Mr. Lamoureux.

Mr. Kevin Lamoureux: Mr. Chair, I do believe this is the spot where I can maybe ask Mr. Butler the question in regard to the lump sums.

Can you indicate if in fact there was any consultation done in this area, in particular with the Legion across Canada or other senior groups, as to what their take on the issuing of a lump sum would have been?

Mr. Bernard Butler: I assume, Mr. Lamoureux, you're referring to the time of the new Veterans Charter adoption and implementation in 2006.

There certainly were broad-based discussions and consultations that occurred at that time, which basically led to the development and the adoption of the new Veterans Charter. Stakeholder groups, Legions, and so on all would have participated in those discussions at the time.

Mr. Kevin Lamoureux: I actually would be referring specifically to this legislation, in the sense that, given the significance of it, no doubt there would have been a decision in terms of putting in this particular clause, the ability to have choice.

Would there have been a consensus or feedback from our Canadian Legion in regard to that specifically as a stakeholder?

Mr. Bernard Butler: There certainly were discussions with vets' organizations, and as may be sort of indicative of the discussion here even today, some agree with it and some disagree with it. So I wouldn't purport to suggest to you that there would be a consensus on it in terms of this as a solution. I think that, as was noted earlier, if you take the lump sum and you look at where the concerns have been, one of the biggest concerns that has been articulated around the lump-sum award goes to this issue of the risk of its being mismanaged.

Bill C-55 is an effort to try to ensure that there is flexibility in the payment modality, if you will, to give individuals who may be at risk some option in terms of how they will manage it. This was basically a compromise in terms of trying to address the very different interests that have been expressed on this issue.

As we noted earlier, it's a very complex issue because it goes to the fundamental basis of issues related to freedom of choice, to responsibility to manage one's own resources, and so on. The department is moving this, and the minister is supporting this as being a solution, as a good approach to assist individuals manage their lump-sum awards.

Mr. Kevin Lamoureux: Finally, you had made reference to a 30% factor in terms of people who have received lump sums where there are issues of compensation not being adequate. Can you elaborate on what you meant by that 30%?

Mr. Bernard Butler: The 31% we referred to would be those who had some concerns in terms of the amount they received, or it may have been concerns around what that meant to them in terms of how they were using the funds.

The majority of ones polled said no, they've used it wisely, they like the way it's being done, and they'd like options. As with anything, you had a smaller group who said they think it would be better if they had more flexibility in how they would manage those funds. That's what the 31% was.

The Chair: Mr. Stoffer, Mr. Kerr, and then Ms. Sgro.

Mr. Peter Stoffer: Our parliamentary library indicated to us that of the claims received on the permanent impairment allowance, only

20 severely injured veterans have accepted it since 2006. Just out of curiosity, how many veterans do you estimate, ballpark figure, Bill C-55 should actually help?

• (1705)

Mr. Bernard Butler: That is precisely, Mr. Stoffer, one of the drivers for the bill. It was not an intended consequence, but the way it was structured, it was limiting access.

With Bill C-55, our forecasts are that over the next five years there should be an additional 3,500 veterans gaining access to this particular benefit.

Mr. Peter Stoffer: It's estimated at 3,500, yet in five years only 20 have done it. You obviously anticipate a fairly large increase.

Mr. Bernard Butler: We do.

The Chair: Mr. Kerr, then Ms. Sgro.

Mr. Greg Kerr: I would like to come back to the clause, Mr. Chair.

I think Kevin's asking a good question. We should remind ourselves as a committee that the overwhelming issue we ran into in looking at the charter review, the most pushed item, was to give an option in the lump-sum payment. I think we all agreed that it's extremely difficult to ever find the right answer because of the right to choose versus the protection of those who can't. What we've also tried to do, though, is engage families in the discussion part, which enhances the discussion. It doesn't leave it solely to the member. Again, that's a difficult one. But I think it's fair to say that this brings in the options the member then has to make a decision. Before there was no option; it was automatically a lump sum.

So that was what was intended. And we do realize—and I think we've all said—that this review has to continue, the whole review. Once this is done.... In another year we should look at it and see how it's doing and all that sort of thing. But this was the consensus that was reached after, I would suggest, probably hundreds of interventions by veterans and veteran organizations, including some within this committee last year. That's how it came about that way.

The Chair: Ms. Sgro, and then Ms. Duncan.

Hon. Judy Sgro: Mr. Butler, under clause 13, proposed subsection section 52.1(2) says,

(2) The Minister shall, in the prescribed manner, inform the member or veteran of their right to make an election under subsection (1).

Then it goes on to say,

(3) If the member or veteran fails to make the election, the amount of the disability award is to be paid as a lump sum.

You talk about the fact that these men or women went to war and did all these great, brave things for us, and they're smart people, so how could they come home and then not have the capacity to make the right decision when it comes to whether or not they will receive a lump-sum payment. But if the person coming back is emotionally unstable as a result of his experience—and we know that from some of the other awards—they've squandered the money at the time because they emotionally weren't as stable as they might have been at a later date. You're offering flexibility here, when you clearly see an individual who is not well, is there any way of delaying making that decision and instead starting with an enhanced monthly payment and kind of delaying that whole lump sum? Because a year from that particular time the person may be much more stable and able to make a more competent decision. Within all of this, is there flexibility there for some extra hand-holding, you might call it?

Mr. Keith Hillier: There's certainly no flexibility in the bill, but I just want to clarify that when the men and women who have served come back, they're not left to themselves. Many of them stay in the Canadian Forces and have the benefit of caseworkers in the Canadian Forces. For those who are medically released and do not apply to Veterans Affairs, there is a transition interview. An interview is done, and that is offered to everybody who is leaving. Up to 90% of those who are medically released actually take advantage of a transition interview at which in fact they have an opportunity to talk about options with Veterans Affairs folks, but also we do a bit of an assessment as to whether they may have some unmet health needs.

Also, before they actually make the application for the award, we provide what we would refer to as pension offices across the country. So we have people who work with them. Also, some of the veterans organizations, most notably the Royal Canadian Legion, have service officers who work with the veterans and their families.

For those who are seriously injured, in addition to that, we actually have case managers. As has been announced previously, we have reduced the ratio of cases to our case managers for a target of 40 cases so that the veteran isn't out there all by himself or herself. In addition to the family counselling they may get or the family support, they have the support of multiple interventions from our department, from the Canadian Forces. And as my colleague had noted, when it gets down to the financial matters, we do pay an amount toward financial counselling. So they're not out there all by themselves having to wrestle with this decision.

• (1710)

The Chair: Mr. Butler, be very short, please.

Mr. Bernard Butler: One additional point that is quite important is that under the legislation, under the new Veterans Charter, these lump-sum awards are payable at such time as the condition has stabilized. There is actually a provision in the act that if you had an unstable mental health condition, you could delay payment. But you're not going to see that all that frequently, because it gets into, I guess, fundamental questions about mental capacity and so on, which are very serious legal issues in terms of individual rights.

I thought you should know that.

The Chair: Mr. Stoffer, would you be short, please.

Mr. Peter Stoffer: I'll only take a second here, Mr. Chairman.

Of the 3,500 people who they estimated...those changes are not in fact in the legislation. They're in the regulations. We haven't heard yet if the regulations are going to change to match that, because right here it reads:

Veterans Affairs estimates that, between April 2006 and December 2009, 203 severely disabled clients may have been "excluded from the PIA and EIA...." [...] The decision to grant the PIA is still based on the definition of the "permanent and severe impairment" set out in the regulations....

It's not in the legislation; it's in the regulations. So the first question is are the regulations going to change to match the 3,500 to be included, or the estimated amount? And I will just give you a heads-up. Of the 269 veterans who are deemed to be suffering from a total and permanent incapacitation between April 2006 and March 2009, three received the permanent impairment allowance—just three. So legislation is great, but it needs to match the regulations.

So my question, Mr. Butler, is are the—

Mr. Brian Storseth: A point of order, Mr. Chair.

While Mr. Stoffer may have a legitimate question, it's not a question that I believe is within the realm of department officials to be answering, to speculate on whether or not regulations can be changed.

The Chair: Okay, I'm going to let the government official determine whether he can answer that question or not. That's their prerogative.

Go ahead, sir.

Mr. Bernard Butler: I guess my quick response to it would be, Mr. Stoffer, that the challenge that we had was not in the regulations around permanent impairment allowance, it was around what we are referring to as a "crosswalk". It was the relationship between the old act and the new act. It had to do with limiting what disabilities could be considered for permanent impairment allowances that flow from the old act. And the way the legislation had been structured, it imposed an unintended barrier. What Bill C-55 will do is eliminate the barrier so that in fact disabilities for which entitlement is held under the old Pension Act can be included for purposes of entertaining applications for permanent impairment allowance. So that's where the key distinction is in Bill C-55.

Mr. Peter Stoffer: And will that amount be taxable?

Mr. Bernard Butler: A permanent impairment allowance is a taxable benefit.

Mr. Peter Stoffer: Thank you.

The Chair: Thank you.

Mr. Lévesque. A short one, please.

[Translation]

Mr. Yvon Lévesque: I intend to keep it brief, Mr. Chair.

My comments are directed to Mr. Hillier.

Earlier, the question I put to both you and Mr. Butler related to the case of a veteran with whom I was acquainted. He developed a work-related illness while in the military and he was advised to retire. He took that advice and today, he is stuck with a non-indexed pension. He was never given the opportunity to avail himself of career transition or other services. I think a person should be advised, as in any other circumstance, of his right to such services before having to make a decision. I'm referring here to subsection 52(1) of section 2.

[English]

Mr. Keith Hillier: I can't speak for the Canadian Forces in terms of people being advised to retire or what have you. The Canadian Forces do have a universality of service, and when that universality of service cannot be met, they are medically released from the Canadian Forces.

Also, while working with the Canadian Forces, we normally have an exit interview or a transition interview with the member who's going to be leaving, normally about 60 days before they actually leave, so that they are fully aware of the benefits and services that are available. That also gives them time if they need to have any documentation or if they have other things to deal with before they leave the Canadian Forces. But I couldn't comment on the issue of people being asked to retire because it's far outside of the purview of this organization.

• (1715)

The Chair: Thank you for that.

I hope your questions have been answered. We'll move on now.

(Clauses 13 to 20 inclusive agreed to)

(On clause 21—*Order in council*)

The Chair: Yes, Ms. Sgro.

Hon. Judy Sgro: I have an amendment for clause 21.

I move that Bill C-55 be amended by adding after line 6 on page 10 the following:

Within a two-year period from the time of coming into force of this Act, the provisions of the Act are to be reviewed by the appropriate standing committee of the House of Commons.

If I can speak to that, Mr. Chair, one of the issues we've heard about is the fact that it's taken five years for us to finally start moving forward on it, and I think having a review certainly helps all of us attain what it is we want. We want to make sure we stay on top of things and that Bill C-55 is reviewed in two years if it needs some changes, some things to help improve it. I think that's what we all want to see.

The Chair: Mr. Kerr.

Mr. Greg Kerr: Mr. Chair, I'm afraid we're not going to support the amendment, for the simple reason that it has a bit more of an impact on the entire legislative process than just this bill. I have no problem if the committee makes a strong suggestion that the review process continue, and whatever comments go along with that, but to actually put it in the bill probably has a greater implication.

We're not prepared to support this particular amendment.

The Chair: Mr. Lévesque, and then Mr. Stoffer.

[Translation]

Mr. Yvon Lévesque: The Bloc Québécois will be supporting our colleague's motion which calls for a date to be set for reviewing the act to keep it as current as possible. I don't think this changes anything in the budget. It's simply a matter of reviewing the application of the act to keep it current and to ensure that veterans are not unduly penalized.

[English]

Mr. Peter Stoffer: Well, I do know that it won't require royal recommendation in that regard.

You just heard the witnesses state that it took five years to get this far, and we're helping a few hundred people, maybe 3,500—we don't know. In two years, the most severely disabled veterans, whom this act is supposed to help, will know that the committee—whoever that committee is—will have at least a day or two for review to see exactly how many people have been helped up to that point.

If they're indicating 3,500, yet we have evidence that in the three years previous a couple of hundred were there, it would be interesting just to see in two years where this comes in. It's been done in other forms of legislation as well—mandatory review after a certain period of time—so I think Madam Sgro's amendment is quite worthy and it's supported by us.

The Chair: Can I hear from the departmental people, and then Ms. Gagnon?

Mr. Keith Hillier: I'd just remind honourable members that the Government of Canada does provide for evaluation of all of its programs on a cyclical basis. All programs have to go through a formal evaluation process, and this program is no different. That is normally on a five-year cycle, because it does take time for research, for data and results to be meaningful, as opposed to just looking at things after a few months. There is that formal mechanism in government to make sure that it is reviewed through an evaluation process that is quite rigorous and is posted on the website.

I think that's a different issue from the committee asking people such as me to come back in a couple of years' time, saying, "You were here in March 2011. Come back and tell us what you're finding." I think that's different from a very formal process that's inherent in all government programs today.

• (1720)

The Chair: Madame Gagnon.

[Translation]

Ms. Christiane Gagnon: We won't be able to move any amendments today if monetary considerations are involved and a royal recommendation is warranted. Mr. Stoffer wanted to move an amendment concerning the words "may" and "shall". We'll have to see if that's possible at a certain point in time within a five-year period. There have been many refusals. The minister could have decided otherwise, but did not. Perhaps we should look into the circumstances in which these refusals were made and why no follow-up was done. These corrections should be made.

Moreover, the ombudsman has said that this is legislation that must evolve. I think we can base ourselves on something concrete, even though in politics, we must not always believe the people who make promises to us. However, I do believe that all opposition parties are acting in good faith today. This is a step in the right direction, one that will help certain people. With that in mind, we support the bill. We could have moved some amendments, but all we really want are some assurances that the process won't be dragged out and that no one is going to fiddle with the dates.

[English]

The Chair: Mr. Storseth.

Mr. Brian Storseth: Can I get Ms. Sgro to repeat the motion, please?

Hon. Judy Sgro: I move that Bill C-55 be amended by adding after line 6 on page 10 the following:

Within a two-year period from the time of coming into force of this Act, the provisions of the Act are to be reviewed by the appropriate standing committee of the House of Commons.

I can speak to this. It talks about it coming back to the committee. As Mr. Hillier has said, we can—

The Chair: This is specific to Bill C-55?

Hon. Judy Sgro: Yes.

Mr. Brian Storseth: Isn't that the purview of the Standing Committee on Veterans Affairs, anyway? You're not even putting a date; you're saying within two years, so it could be next week.

Hon. Judy Sgro: Well, no. It has to pass and get into force. It has to have two years for us to find out if it's working.

Is it reaching the people we all want it to reach? Is it helping them? That's what Bill C-55 is all about.

Mr. Brian Storseth: My only point, Madam Sgro—and I think your intentions are well and good with this—is that this is the purview of the committee anyway. Whether it's three years, or maybe it's every two years, it's the purview of the committee.

Hon. Judy Sgro: I think it will help us. We all want to accomplish something positive for our veterans. This way we can check that we're doing our job and it's working. If we need to do something else with Bill C-55 to amend it at that time, we can do it.

We know how much work is put on our agenda, and this way we know for sure it will come back to the committee. A review would be done in an afternoon, and hopefully we would see that it's working very well and get on with it.

Mr. Brian Storseth: Thank you for the clarification.

The Chair: I have one question. Who's responsible for bringing this back in two years? Is it up to the department to let the committee know that two years are up, or is it up to the committee to let the department know?

Hon. Judy Sgro: It's part of the legislation, so it should automatically come up. As they said, they'd do a review anyway.

The Chair: Mr. Kerr.

Mr. Greg Kerr: I would like to hear the wording one more time. It's a little different from the way I first thought I heard it.

Hon. Judy Sgro: Okay. I move that Bill C-55 be amended by adding after line 6 on page 10 the following:

Within a two-year period from the time of coming into force of this Act, the provisions of the Act are to be reviewed by the appropriate standing committee of the House of Commons.

Mr. Greg Kerr: That's fine.

• (1725)

Hon. Judy Sgro: I think it would be the department coming back to say it works.

Mr. Greg Kerr: Actually, we can do it anyway. I don't have a problem. I thought you were saying there would be a more formalized thing. You're actually talking about it coming back to the committee.

Hon. Judy Sgro: Yes.

Mr. Greg Kerr: My earlier comments were that if it had to go back to the House, we're opening up a whole different—

Hon. Judy Sgro: No, no, it was to come back to the committee. My apologies that I didn't have it written out and distributed; it would have been easier for everybody to understand.

The Chair: Okay, we have consensus around the table, then, that Ms. Sgro's amendment be adopted.

With that, shall clause 21, as amended—

A voice: It's clause 20.1.

The Chair: Okay, so it's clause 20.1.

A voice: It's a new clause.

(Amendment agreed to)

The Chair: Okay. Now we have to do clause 21.

(Clause 21 agreed to)

The Chair: Shall the short title carry?

Some hon. members: Agreed.

The Chair: Shall the title carry?

Some hon. members: Agreed.

The Chair: Shall the bill as amended carry?

Some hon. members: Agreed.

The Chair: Shall the chair report the bill as amended to the House?

Some hon. members: Agreed.

The Chair: Shall the committee order a reprint of the bill as amended for the use of the House at report stage?

Some hon. members: Agreed.

Mr. Peter Stoffer: Gary, don't forget to put "His Excellency the Governor General", not "Her".

The Chair: Yes, I had that picked out also.

Hon. Judy Sgro: Was clause 1 carried?

The Chair: Yes.

Hon. Judy Sgro: We went back to clause 1, right?

The Chair: Yes.

Mr. Kevin Lamoureux: Do we have confirmation of the date the minister is coming for estimates?

The Chair: Yes, we do have confirmation. It is March 21. The minister is coming on March 21 for supplementary estimates.

Thank you to the department people.

Hon. Judy Sgro: And will you be reporting this bill as of tomorrow?

The Chair: No.

Mr. Lévesque.

Mr. Yvon Lévesque: Will we hold a press conference to announce the bill?

The Chair: Once it goes through the House, we can look into that. We haven't done that previously, but I'll leave that with Mr. Kerr and we'll see what happens. He has to get it through third reading first.

[*Translation*]

Mr. Yvon Lévesque: Mr. Chair, do you intend to hold a press conference to announce the committee's report immediately after it has been tabled in the House?

[*English*]

The Chair: I'll have to look into that, sir, to see what we're going to do.

With that, the meeting is adjourned.

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