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Chair

Mr. Royal Galipeau

Standing Committee on Veterans Affairs

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•(1100)

[English]

The Acting Chair (Mr. Peter Stoffer (Sackville—Eastern Shore, NDP)): Good morning, everyone. I see we have a quorum, and our witnesses are here. Before I recognize Mr. Karygiannis, I want to welcome our witnesses: Mr. Guy Parent, the Veterans Ombudsman, also a retired chief warrant officer; Gary Walbourne, executive director, operations, and deputy ombudsman; and Colonel Denys Guérin, senior analyst.

I see Mr. Karygiannis's hand. Is this a point of order, Mr. Karygiannis?

Hon. Jim Karygiannis (Scarborough—Agincourt, Lib.): If you want to take it as such, Chair.

I was wondering if we could all agree that we stand for a minute of silence to pay respects to the two military individuals who lost their lives a couple of days ago.

The Vice-Chair (Mr. Peter Stoffer): Are you referring to the article in the paper regarding the two soldiers who unfortunately have passed on?

Hon. Jim Karygiannis: Yes, sir, I am. The ones from Shilo base.

The Vice-Chair (Mr. Peter Stoffer): I'll ask the committee if they agree. If they do, I'll ask everyone in the room to please stand for a moment of silence.

Thank you all very much. Merci beaucoup.

For the witnesses and for the folks in the room today, I extend our welcome as well from our chairperson, Mr. Royal Galipeau. Unfortunately, Mr. Galipeau is under the weather and so I've assumed the chair, but I'm sure he sends his best wishes as well.

Mr. Parent, I understand you'll be starting first. We look forward to your remarks, sir, please go ahead, and thank you for coming.

Mr. Guy Parent (Veterans Ombudsman, Chief Warrant Officer (Retired), Office of the Veterans Ombudsman): Good morning, Mr. Chair and committee members.

[Translation]

Mr. Chairman, committee members, good morning.

[English]

Since my team members have already been introduced—

[Translation]

and I would like to add that Retired Colonel Denys Guérin is the head of the team tasked with reviewing the New Veterans Charter Act.

[English]

I've a few short introductory remarks and then Denys will follow with a presentation that summarizes our recently released new Veterans Charter report.

[Translation]

I would first of all like to thank the Hon. Julian Fantino, Minister of Veterans Affairs, for having agreed to my recommendation for a comprehensive review of the New Veterans Charter, with special focus placed on the most seriously disabled, support for families and the delivery of programs by Veterans Affairs Canada.

[English]

The men and women who serve in the Canadian Armed Forces willingly accept the risks to their health and life that are inherent to military service. If they are injured or become ill and can no longer serve in uniform, the Government of Canada has a recognized obligation to help them rebuild their lives and restore to the greatest extent possible their health, financial independence, and quality of personal and family life.

This obligation on the part of the Government of Canada to its veterans is stated clearly in the preamble to such legislation as the Pension Act, the Veterans Review and Appeal Board Act, and the War Veterans Allowance Act. Each states that the act shall be liberally construed and interpreted so that the recognized obligation to those who have served their country so well and to their dependants may be fulfilled.

I fully support the recent calls from veterans advocates and organizations to include this recognized obligation in the new Veterans Charter as in past veterans legislation. I applaud the request of Minister Fantino that this committee decide how best to articulate Canada's obligation toward its veterans.

Since April of this year, I have published a series of reviews and reports to serve as a common factual reference to guide our discussion, but more importantly, to channel action on specific new Veterans Charter program areas that need improvement. I have put forward evidence-based facts, analyses, and recommendations on how to address shortcomings in the three program areas that are of most concern to veterans. These are: first, financial instability and decreased standard of living; second, a vocational rehabilitation program that is overly rigid in its focus on existing education, skills, and experience, which constrains education upgrades and employment options; and third, difficult family environment situations due to insufficient family support.

On the second item, I am pleased to report progress. On October 8, I joined Minister Fantino in announcing a change to the Veterans Affairs Canada vocational rehabilitation program. The change gives the more than 1,300 veterans taking part in vocational rehabilitation greater flexibility to access the funding envelope for the program, while reducing red tape.

My office has analyzed the more than 200 recommendations for improvement to the new veterans Charter proposed by various expert advisory House of Commons and Senate committees since 2006, including many of the 160 recommendations mentioned by Minister Fantino when he appeared before you last week.

We also held exhaustive stakeholder consultations.

●(1105)

[Translation]

Many recommendations that deal with the three key transition areas, financial support, vocational rehabilitation and family support, have not been implemented and are continuing to affect veterans and their families.

[English]

The most pressing shortcomings to address are those related to financial support. There are five.

The first is the insufficiency of the economic financial support provided after the age of 65 to totally and permanently incapacitated veterans.

The second is the drop in income for veterans who are transitioning from the military to a civilian career, because the earnings loss benefit only pays 75% of pre-release salaries.

The third is that access to permanent impairment allowance and the permanent impairment allowance supplement continues to be a problem for many severely impaired veterans.

The fourth is the unfair practice of providing a reduced earnings loss benefit to part-time reservists who suffer an injury or illness related to service.

The fifth financial shortcoming is the non-economic benefit designed to compensate for pain and suffering, the disability award. This benefit is supposed to have kept pace with civilian court awards for pain and suffering, but it has not.

Mr. Chair, I respectfully submit that most of the analysis and review of the deficiencies in the new Veterans Charter has been

done. The path to improving the new Veterans Charter is clear. I believe my report on improving the new Veterans Charter, and the actuarial analysis that supports it, can serve as a baseline for how this living charter is reviewed by the committee.

The report's analysis of benefits and programs pinpoints exactly where the current suite of new Veterans Charter benefits are failing some veterans today, and will continue to fail more tomorrow unless changes are made quickly.

[Translation]

If we address these five financial issues and fix, at a low cost, the shortcomings related to vocational rehabilitation and support to families, I believe that we will make a significant difference for veterans and their families.

[English]

Too often the debate that swirls around veterans issues centres on the question, "Am I better off under the Pension Act or under the new Veterans Charter?" The reality is that we have two very different benefit schemes operating in parallel.

When he appeared before you last week, Lieutenant-General Semianiw provided a very good overview of why the government implemented the new charter. My view is that we need to accept the fact that veterans are supported under two different benefit schemes, and that we are not going to rewrite the past.

Mr. Chair, I believe we must focus on addressing the challenges faced by veterans and their families today and tomorrow. If we do not deal with these challenges now, we will have to deal with the human cost later. If we study history, we know that more improvements will be required in the future, because as the nature of conflict changes, so do the needs of our men and women in uniform.

[Translation]

This is why I am recommending that a regular two-year review of the New Veterans Charter be enshrined in legislation so that it continues to adapt to the evolving needs of serving men and women, veterans and their families and that it continues to live up to the government's affirmation that it is a living charter.

●(1110)

[English]

In closing, as you are well aware, next year is the 100th anniversary of the start of the First World War. When Canada entered that war, it was not well prepared to deal with the thousands of returning casualties and with the ensuing demobilization.

Today, Canada is much better prepared to care for and support its ill and injured veterans and their families. However, better is not synonymous with sufficient. There is still work to do to ensure that this generation and future generations of veterans receive the care and support they need.

The year we commemorate the 100th anniversary of the start of the First World War and the year we end operations in Afghanistan should also be heralded as the year we fix the problems with veterans benefits and build a solid foundation of care and support for years to come.

Mr. Chair, committee members, we built on the past to get to the present. Let us now build on the present to get to the future. Our veterans and their families deserve no less.

I'll now turn the microphone over to Denys to carry on with the presentation of our new Veterans Charter review report.

[Translation]

The Vice-Chair (Mr. Peter Stoffer): Thank you very much.

[English]

Mr. Guérin.

Col Denys Guérin (Senior Analyst, Office of the Veterans Ombudsman): Mr. Chair, I know the time is limited, so I'll walk through this briefing fairly quickly. In the interest of the chair's health and safety, I've put away my laser pointer. I'll have to just point at some of the slides here.

I'd like to start by reminding you about the four enhancements made to the new Veterans Charter through the Enhanced New Veterans Charter Act in October 2011.

While these enhancements were a good first step to improving support to veterans, there are a number of shortcomings with the new Veterans Charter that continue to affect injured or ill veterans and their families.

We broadened our review of the NVC and found that there were three specific areas most at issue for veterans. Mr. Parent mentioned the three areas: financial support, vocational rehabilitation and assistance, and support to families. There are specific shortcomings in each of these three areas. I'll cover them briefly in the next slides. Then I'll wrap up my presentation by listing the positive effects that can be achieved by addressing these shortcomings.

One of our objectives in reviewing the new Veterans Charter was to link shortcomings with actual veterans who are affected by the shortcomings. There are a lot of numbers on this slide, but I want to focus on the large numbers in bold to give you a sense of how we interpreted the statistics that are available to the department.

Taking, for example, the problem we identified with economic financial support after the age of 65, we started by looking at how many veterans there are in Canada, around 696,000; how many Veterans Affairs Canada clients there are, about 136,000; how many of these are Canadian Armed Forces clients, around 76,000; how many of these Canadian Armed Forces clients are totally and permanently incapacitated and cannot engage in suitable gainful employment, 1,428; and of these 1,428, how many are potentially at

risk of living their retirement years with insufficient financial means, and the number is 406. We walked our way through that.

The Vice-Chair (Mr. Peter Stoffer): Before you continue, sir, and this is for clarification, does the 695,700 which you said was the veteran population include RCMP veterans as well?

Col Denys Guérin: Yes, they are included in the 695,700.

The Vice-Chair (Mr. Peter Stoffer): Okay. It doesn't say that on the slide.

The total, he said, is 695,700. That's military and RCMP veterans.

A voice: Not survivors.

The Vice-Chair (Mr. Peter Stoffer): Merci. Thank you.

Please continue, sir.

Col Denys Guérin: The reason we selected the totally and permanently incapacitated category to determine the cohort of veterans who are potentially at risk financially is that these are the ones who are assessed by Veterans Affairs Canada as being unable to generate wealth during their working years because they cannot engage in suitable gainful employment.

[Translation]

Here is another way to visualize the demographic data I have just given you. Each person on this slide represents 4,000 veterans. The clients of Veterans Affairs Canada are in blue. Thirteen per cent of the total number of Canadian Forces' veterans is in blue, and the number of veterans who are totally and permanently incapacitated is in red. As you can see, a very small number of veterans are totally and permanently incapacitated.

When we were looking at ways to fill the gaps in financial support, we used five scenarios in order to see what the impact would be. These scenarios represent veterans who are totally and permanently incapacitated at varying degrees of disability, various ages, rank, etc. I should point out that these scenarios represent real veterans. Real veterans were used in each of these scenarios.

• (1115)

[English]

Veterans often compare whether they would be better off under the Pension Act or under the new Veterans Charter, but to have a useful conversation about the adequacy of financial benefits, we believe you need to separate the benefits into two parts: the economic benefits and the non-economic benefits, which we refer to as compensation for pain and suffering.

This slide shows this breakdown. The three bar graphs on the left show the total monetary value of the benefits provided over the life of the corporal in scenario one. This was a 24-year-old who was 80% disabled. This should be provided over the life of the corporal under the Pension Act—the left bar—with the Manuge court decision and the new Veterans Charter. I would just remind you that the court decision removed the disability pension as an offset in calculating the income support, which explains why the blue line in the second bar is higher than the one on the left.

On this slide you can clearly see the effect of the court decision.

The three bar graphs on the right show the value of the compensation for pain and suffering: the disability pension is in yellow, and the disability award is in blue. You can see that the value of the pension is higher than the value of the lump sum.

Finally, the centre graphs show the value of the economic support benefits. You can see that the value of the new Veterans Charter economic support benefits is greater than that of the Pension Act benefits when the allowances, the permanent impairment allowance and the permanent impairment supplement, are provided. A discussion on how well the Pension Act and the new Veterans Charter compensate a veteran really depends on what you are actually comparing.

These graphs show the effects of the economic support benefits over time for scenarios one and five. The veteran in scenario five is a veteran without the allowances. The graphs clearly show how the economic support benefits drop off at the age of 65. When you compare the graphs, the graph on the left shows the effects of providing the allowances. The Pension Act benefits drop off because we are considering only the economic support benefits, and the pension is compensation for pain and suffering.

I would like now to quickly cover the three program areas at issue for veterans and their families.

First is financial supports. There are five shortcomings with regard to financial support, which were mentioned by Monsieur Parent. First of all, there is insufficient economic financial support after age 65 for totally and permanently incapacitated veterans who are at risk financially. Second, there's a reduction in salary after the veteran is medically released, which complicates an already challenging transition from military to civilian life. There's the unfair calculation of income support for part-time reservists. The earnings loss benefit for part-time reservists is based on a fixed amount rather than on the salary at that rank level. Over 50% of totally and permanently incapacitated veterans are not receiving the permanent impairment allowance and the supplements. Even though the enhanced new Veterans Charter improved the eligibility for these benefits, access remains a problem for some of the most seriously disabled veterans. Finally, the disability award has not kept pace with original benchmarks and specifically the maximum Canadian court awards for pain and suffering.

The following are some of the options we believe Veterans Affairs Canada should consider to address the shortcomings.

First, improve financial support after age 65 for totally and permanently incapacitated veterans, to ensure that the sum of their financial support from various government sources is at 70% of their

pre-release salary. The reason we chose 70% is that it is a commonly recognized benchmark to maintain the same standard of living during retirement as you had during your working years.

Second, increase the earnings loss benefit from 75% to 90% of pre-release salary. By doing that, it equates to 100% of net salary, because while you're receiving the earnings loss benefit, you are not paying into CPP, EI, and superannuation.

Third, improve access to the permanent impairment allowance and the supplements.

Finally, increase the maximum non-economic compensation for pain and suffering to \$350,000, and then conduct a comprehensive review to determine what the appropriate maximum compensation that should be provided is.

The second program area is vocational rehabilitation and assistance.

First, the program criteria of building on existing experience, skills, and training is too rigid and constrains education upgrade and employment options. While the department has recently improved the flexibility to access funding for vocational rehab and reduced red tape in this area, the program needs to be more flexible in allowing veterans to embark on new career paths that interest them, rather than shepherding them into career paths based on their past experience, skills, and training.

Second, the performance measurement to track whether veterans find employment and stay employed is inadequate. Veterans Affairs Canada needs to do better at measuring program outcomes, not just program outputs and cost, and they need to know whether, after completing the program, veterans find a job and actually stay employed.

Third, there are two programs, one from DND, the SISIP, service income security insurance plan, and one from Veterans Affairs Canada, that provide similar income support and vocational rehabilitation. This can create confusion for transitioning veterans, and it's unclear how beneficial and cost-effective this is. We believe we need to conduct an independent review of this dual program construct, to determine whether it is the best way to deliver vocational rehab and income support to veterans.

Finally, there are issues with support to families, notwithstanding that the new Veterans Charter provides more programs to families than ever before, and most advisory committees have stated that more needs to be done to support families.

Here are the main shortcomings, and most of these would require very little funding to address.

First of all, we need to provide more counselling to families, better outreach and communication, and follow-up to make sure their needs are actually being met.

We need to provide more support to help families transition to community care, and for those who can't find a family doctor, to help them with that.

The reduction of family support after the transfer from military life to Veterans Affairs Canada also needs to be improved, so we can better harmonize the support provided through the Canadian Armed Forces and Veterans Affairs Canada.

We need to compensate family members who provide primary care to their seriously disabled veterans. A number of spouses put their careers on hold or stop working completely to care for a disabled veteran. We believe they need to be compensated for the support and the sacrifices they make.

There's no access to a pension or dental service plan for a certain small group of veterans. We believe that needs to be addressed. Veterans Affairs Canada can provide a public service health care plan to veterans, and they need to make that extra step and provide the dental care for the small group of veterans who do not have it.

Finally, after the death of a veteran, there's an overly restrictive time limit of one year for a surviving spouse to apply for vocational rehabilitation and assistance support. In some cases, the spouse has small children at home and is not prepared to go back to work immediately. By having a one-year artificial limit, it basically prevents them from accessing vocational rehabilitation after that one year expires.

To conclude, there are some very positive effects that can be achieved if the new Veterans Charter shortcomings I've mentioned are addressed.

Veterans will have sufficient economic financial support during the rehabilitation period for those who can return to work, and for life for those who can no longer work. All veterans will be treated fairly and consistently for service-related injury and illness. Veterans will require the skills, training, and education they need to embark on new careers that interest them, which may, in the long term, reduce long-term dependence on Veterans Affairs Canada and other government benefits and services.

• (1120)

[*Translation*]

Families will be properly supported and will be able to help veterans adjust to their medical condition. They will be able to support their transition to civilian life.

Finally, veterans will achieve economic independence. They will experience improved health, wellbeing and quality of life.

Thank you, Mr. Chairman.

[*English*]

We stand ready for questions.

The Vice-Chair (Mr. Peter Stoffer): Thank you all very much for your presentation.

We turn to Mr. Sylvain Chicoine for five minutes.

[*Translation*]

Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP): Thank you, Mr. Chairman.

I would also like to thank our witnesses for coming here today to share their thoughts with us. I would like to congratulate them for their excellent work which is evident in the report on improving the New Veterans Charter.

I am going to make a statement but please correct me if I am wrong. From what I understand of your report, those who are at the biggest disadvantage under the New Veterans Charter are probably veterans who are almost totally incapacitated or those who are seriously injured and have not accumulated 10 years of service.

What is the financial support for 65-year-old veterans? What is the potential impact on their lives? What kind of solutions should be considered in order to improve the lives of those veterans who have not accumulated 10 years of service and therefore will not be entitled to a pension at age 65?

• (1125)

Mr. Guy Parent: Thank you for the question.

You are correct. We focused on those veterans who are totally and permanently incapacitated. If they are not entitled to a pension from the Canadian Forces because they served for less than 10 years then they may receive a permanent impairment allowance. Aside from that, at 65 years of age they will receive no income from Veterans Affairs Canada. This is probably due to the fact that in past years, between the end of the Korean War and before the war in Afghanistan, there was a pension system and most members, when they were released for medical reasons, received a pension from the Canadian Forces. Therefore they had a guaranteed income for life.

Now, when there are missions like that in Afghanistan, soldiers often join the Canadian Forces to participate in that mission and then they leave the Canadian Forces. Therefore they are not serving for at least 10 years, which is the minimum number of years required for receiving a pension after you've been released for medical reasons. Given those circumstances, many veterans over the next several years will end up with a very low income, if any income at all, at age 65.

In our report, we identified that 53% of individuals who are totally and permanently incapacitated do not receive impairment allowances. Veterans Affairs Canada has a definition of an individual who is totally and permanently incapacitated. It makes no sense that individuals who are designated as such by the department are not receiving permanent impairment allowances, which would guarantee them an income after age 65.

Mr. Sylvain Chicoine: So these individuals could end up experiencing extreme poverty at age 65.

Mr. Guy Parent: Correct.

Mr. Sylvain Chicoine: What solution do you propose?

Mr. Guy Parent: Many of our recommendations would solve this situation, such as, for example, providing better access to impairment allowances, as we stated in our report. Even though Bill C-55, the Enhanced New Veterans Charter Act made improvements to the impairment allowance, access is still very restricted. Opening up access to that allowance would correct some problems.

I also stated that increasing the earnings loss benefit from 75% to 90% would give these veterans an opportunity to increase their retirement income. It would therefore be proactive.

We would like the department to consider these options.

Mr. Sylvain Chicoine: Fine.

Should the regulations allow contributions to the Canada Pension Plan using the earnings loss benefits? Would that be useful?

Mr. Guy Parent: Could you please repeat the question?

Mr. Sylvain Chicoine: Yes, of course.

[English]

The Vice-Chair (Mr. Peter Stoffer): Your time is up. I'm sorry. I tried to be a little flexible here.

Now we go to the parliamentary secretary, Mr. Gill, for five minutes, please.

Mr. Parm Gill (Brampton—Springdale, CPC): Thank you, Mr. Chair.

Let me first thank our witnesses for being here.

I want to thank you also for the wonderful work you've done in terms of preparing this report. I'm sure it took a fair bit of time for you and your staff. This is going to be very good in assisting us in our review and the study that we're conducting. I want to thank all of you.

As noted in your report, a 24-year-old corporal who is medically released will receive \$2 million over his or her life until the age of 65. I guess we see that in the chart here as well.

Can you confirm that statement to be accurate?

• (1130)

Mr. Guy Parent: Yes, of course.

Mr. Parm Gill: Perfect.

Also in your report, you note that the lump sum is a small percentage of the overall financial benefit available under the new Veterans Charter. Can you indicate for us what percentage the lump sum is of the total financial benefit for a veteran?

Col Denys Guérin: It really depends on the amount of lump sum that the individual receives. Most veterans have a disability level less than 30%, so the lump sum they receive can be fairly small. There are others who are much more severely disabled who receive a higher lump sum. It really depends on what scenario you're talking about, which veteran you're talking about, what disability level they have, etc., and what other benefits they also have.

I'm not sure I can give you one number here that can actually answer that question.

Mr. Parm Gill: Are you able to give me an average of what the lump sum is?

Col Denys Guérin: No, I can't give you an average because it very much depends. There are a lot of veterans who are receiving lump sums, and they can range from \$5,000 or \$10,000 to \$298,000. It really depends on what their disability level is. It's not something that we've looked at.

Mr. Parm Gill: You just mentioned that it could be less than 30%. Can you give me that scenario? Can you say under what scenario it would be 30% or less?

Col Denys Guérin: Somebody who is in the Canadian Forces and who suffers a 5% hearing loss because of the fact that they're on flight lines, they're near big guns, or whatever, in those cases the individual would have a 5% or 10% hearing loss. The individual could probably still very much continue to serve in the Canadian Forces, but that's an example of the lower-end type of disability and lump sum.

Mr. Parm Gill: In terms of total benefits that are handed out, what percentage would you say overall is the lump sum amount that's handed out to veterans? Do you have that number?

Col Denys Guérin: Again, we're comparing lump sums of fixed amount here with other benefits that are paid monthly, some up to age 65, some for the life of the veteran, depending on the allowance here. Trying to determine what the percentage is of a fixed amount over the life, which is paid monthly, we haven't done that calculation.

Mr. Guy Parent: I think what's important to realize here is the fact that the very reason we separated the economic benefits from non-economic benefits was to make sure that this amount that is allocated for pain and suffering, which is the lump-sum award, should not be taken into consideration for future earnings or ability to generate wealth. It is strictly for pain and suffering, and this is why we took it apart from the economic benefits.

In the same example that was used here, for instance, a gentleman who suffers from hearing loss at a fairly low percentage might get 20% of the \$286,000 for pain and suffering. However, the fact that he is now a client of Veterans Affairs Canada gives him access to all of the other programs that are associated with that, such as the vocational rehabilitation program. While he's doing that, receiving earnings loss, there's also possibly some access to other programs. I think that's the important thing.

We didn't want to touch the pain and suffering because it's a different discussion that needs to take place in another arena. It's not different for families losing family members, whether you're in the military or not. It's something that needs to be discussed in a different arena. That's why we went that way for that.

Mr. Parm Gill: I understand. I guess every scenario is different. Let me give you an example of what I'm trying to get at.

If Veterans Affairs hypothetically—

The Vice-Chair (Mr. Peter Stoffer): Please be quick.

Mr. Parm Gill: If Veterans Affairs, let's say, hands out \$100 in benefits, what percentage of that \$100 may be handed out as a lump-sum payment to veterans? Are you able to give me an idea of that?

•(1135)

Mr. Gary Walbourne (Executive Director of Operations, Deputy Ombudsman, Office of the Veterans Ombudsman): We can look into the math. This is simply getting it from the DPR of the department and doing that math for you. We can get back to you with the answer, if you'd like.

Mr. Parm Gill: Can you get that answer for the committee, please?

Mr. Gary Walbourne: Yes.

The Vice-Chair (Mr. Peter Stoffer): Thank you.

Now we move to Mr. Karygiannis.

Hon. Jim Karygiannis: Thank you, and my thanks to everyone for coming and bringing all the work that you've done to date.

I'd like to read a statement that I got this morning from a veteran. His name is Bruce Granger. This is in regard to the two individuals whom we just lost.

It goes something like this, and I want your comments on this:

Add two to the NVA score. Treat the mind and the body, help the family, get him balanced then release if necessary. Retrain then employ or long-term pension if no chance of employment. PTSD does not work well when people are certain of tomorrow. If you use any other formula, buy body bags and coffins. Children of suicides have a higher rate of suicide and mental problems. The NVA is not a veterans' issue, it is multi-generational and has a more a far-reaching effect than you think.

One veteran reported that he was uncertain of his tomorrow. He was uncertain if he was going to get out, if he was going to be able to get a job. PTSD is slow-creeping. You're not sure if you have it. If you do and you get rid of it, it can come back years later.

I'm just wondering if you want to make any comments on how we can change the NVA. There are some good parts to it, and there are some things that need changing in view of Bruce Granger's comments.

Mr. Guy Parent: First of all, I'd like to offer our heartfelt thoughts and prayers to the families of those deceased soldiers.

Obviously, it's a very important issue. I think the reason we're here today, and the reason we published this report, is to help people have hope that there is something once they transition from the forces.

A lot of our reports have said that some of the biggest problems we face have to do with transition. Of course, transition is the responsibility of two departments, National Defence and Veterans Affairs Canada. There need to be some improvements so that people who are entering a transition phase can see beyond their release and have some hope that there are opportunities coming up.

Right now, with some of the challenges they're facing, and sometimes the lack of communication, people are not sure what's on the other side. I believe it would proactively help with some of those situations if, from the time that people are told they may be getting out of the forces, they could have some hope that they will be treated well.

I note that one of these individuals was a reservist. Not that long ago we published a report to provide identification cards for reservists and regular force members that would give them a status

immediately. This way, when they leave the forces, they become veterans of Canada and are recognized as such. With that, there would be an ability to track them, to find out where they are and how they're doing.

If we can fix some of the things in the new Veterans Charter, we can help people in the future.

Hon. Jim Karygiannis: In the United States, some figures of military suicides are as high as 22 a day. I can't substantiate that, but there were 349 suicides in 2012: army, 182; marine corps, 48; navy, 60; and air force, 59. In Canada, we don't have such stats, but there are 50 unresolved deaths of military personnel.

I'm wondering if you can give us any insight into how we go about preventing our military people from taking their lives. What support do we need, besides the monetary support? At Canadian Forces Base Shilo, we get reports that there is probably one part-time psychiatrist who goes there. Have you looked at that? What should we do to support the families so we have no more soldiers dying? Two soldiers who take their lives are two too many. We have to step up to the plate. Have you considered that?

•(1140)

Mr. Guy Parent: I have a point of clarification, Mr. Chair.

The fact is that there is a military ombudsman who actually looks after people while they are serving, and although we have sometimes dual jurisdiction, anything that happens to a soldier before he's actually released is the responsibility of National Defence. Certainly, these questions should go to the ombudsman for the Department of National Defence and the Canadian Forces.

As far as we're concerned for veterans, obviously we're concerned with OSI and PTSD. We have been asking the department to actually come up with a good national strategy on how you actually deal with mental health, and PTSD, and OSI. We certainly monitor that aspect of it.

Hon. Jim Karygiannis: Do you know how many soldiers have committed suicide after they've been released? Do you have any figures on that?

The Vice-Chair (Mr. Peter Stoffer): Mr. Karygiannis, unfortunately your time is up, sir. You may be able to ask that in the second round.

We now move on to Mr. Hawn please, for five minutes.

Hon. Laurie Hawn (Edmonton Centre, CPC): Thank you very much, Mr. Chair.

I have a number of questions, so I'd like fairly brisk answers if you could.

You may not be able to answer this specifically, but is it not true that the suicide rate among serving members of the military reflects the suicide rate in society in general?

Mr. Guy Parent: I really couldn't answer that question, but certainly we can....

Hon. Laurie Hawn: That is a fact, but that's okay.

One point you mentioned is that whether you leave with a card or not, you're still a veteran obviously and treated as such.

The basic aim of veterans programs, I suggest, is not necessarily to put the veteran in a lifetime of financial dependence, but to enable the veteran to get retrained and carry on life on the veteran's own terms. Those who can't do that obviously need support for life.

Is that a fair statement of the overall aim of Veterans Affairs programs?

Mr. Guy Parent: It certainly is. Under the new Veterans Charter it's a transition concept in trying to facilitate a good transition—psycho-social, financial, and vocational. That is the idea. Obviously some people will not be able to achieve that.

You talked about lifetime dependency. Of course, that was the old system under the Pension Act. I think what's important also is the people who get injured while serving had expectations. They had career expectations. They had financial expectations, expectations of promotions, that sort of thing. They had the ability with their educational and military training, to actually achieve financial security after retirement. That has to be taken into consideration as well. If they cannot reach that level in the civilian environment, then again, there is an opportunity there to do something.

Hon. Laurie Hawn: We heard from the workers' compensation folks, primarily in Ontario, I think it was on Tuesday, and they don't give 100% pay, because they have found that to be a disincentive in fact.

You're recommending we go up to 90%, which is essentially 100%, given the things that the veteran wouldn't be paying for. What's your comment on that? The workers' compensation guys, as I say, consider paying somebody fully to be a disincentive to encourage them to get trained, retrained, and so on. How do you view that?

Mr. Guy Parent: The reason we recommend 90%, which is equivalent to net income before release, is the fact that the family and the veteran are going through a very traumatic period of their lives because they are leaving a culture of being well looked after and going into civilian life.

Before they do anything, as they are preparing for that transition, the first thing we do is cut off 30% of their salary. Obviously that's not a very good thing to do. What we're talking about is the earnings loss is simply the amount of money that is given to them while they are training and doing their vocational rehabilitation. As soon as they have a job, that goes away. They are not given that.

I'm not sure when you mentioned the Ontario workers' compensation board whether this is money they give while the individual is training or if it is compensation for injury.

This is the reason for the 90%. While they are undergoing vocational rehabilitation training, they should have at least the same financial security they had before they left the forces.

• (1145)

Hon. Laurie Hawn: On the topic of training, it was suggested that military members are only taught to kill or be killed, and that

they somehow come out without any skills and knowledge, and so on.

Perhaps Colonel Guérin could answer this one.

Could you make a brief comment on the level of technical skills, tangible skills that typical military people leave with, and the intangible attributes, like leadership and teamwork and duty, and all that kind of stuff that they leave with, which in fact make them very attractive for civilian employment?

Col Denys Guérin: Absolutely. The intangibles are what much of corporate Canada is looking for as well, the leadership skills, the ability to work with others, the ability to work with uncertainty, and those types of things.

Those who do not have the skill sets to actually work in a particular civilian job because what they have in the military doesn't equate very well, that's what the vocational program is all about, both on the DND side and on the Veterans Affairs Canada side.

Hon. Laurie Hawn: Military people are taught to do a lot more than simply kill.

Col Denys Guérin: Yes.

Hon. Laurie Hawn: Access and transition are two of my pet peeves, and I totally agree with that.

Should there be a closer working relationship between VAC and DND to the point of maybe sitting in the same room, metaphorically speaking?

Mr. Guy Parent: I'm not sure I want to go there and answer that question, but certainly there should be a greater partnership, I think. The issue of transition is a dual responsibility, and there have to be some programs that flow through, maybe managed by both departments, so that you don't stop one program and start another.

There is the confusion, for instance, between the two vocational rehabilitation programs—different ceiling moneys, different accessibility criteria, different opportunities. Again, these things confuse the individual, especially people who suffer from a non-visible injury. It is even more confusing for them.

The Vice-Chair (Mr. Peter Stoffer): Thank you, Mr. Parent.

We'll now move to Mr. Rafferty, please, for five minutes.

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Thank you very much, Chair.

Thank you to all three for being here.

Just as a point of clarification, under the financial support options you were talking about, one of the points is with respect to improving financial support after age 65 to ensure 70% of pre-release salary. I'm assuming we're talking about it being indexed. You didn't say that specifically, but I assume that's what you mean.

Mr. Guy Parent: Yes, it is.

Mr. John Rafferty: Okay, good.

We heard on Tuesday from some very good and experienced people who indicated that nothing works unless there is adequately trained staff available for case management, outreach, counselling, and so on.

You talk about upgrading employment options and those sorts of things. I wonder if you could characterize the state of Veterans Affairs at the moment, particularly in terms of people who are being trained, the programs that are ongoing to train people to take these kinds of positions, to ensure that people have a transition into civilian life. What is happening at Veterans Affairs with that?

Also, I wonder if you could comment about the importance of having these trained professionals there to ensure that happens. It's easy to have not enough, but it's also important to at least have an idea of where Veterans Affairs is moving in terms of training individuals, whether they be veterans who would qualify for that sort of training, or outsiders. As I say, nothing is going to work unless those people are in place and enough of those people are in place. I wonder if you'd like to comment on that.

Mr. Guy Parent: Yes.

Training is very important. You have to know the programs you are administering, the people you are dealing with, and how to treat them and how to deal with them.

One of the things we found in Veterans Affairs is that a lot of people know their own program very well, the program they deal with or manage. There is very little knowledge of the overall, and this is why very often we've had instances, and you'll see that in our reports, where people have called us and identified a situation where, in fact, we said that there are some benefits available for that particular reason.

• (1150)

Mr. John Rafferty: Is there an ongoing program in Veterans Affairs to ensure that there are professionals in place, case management workers, counsellors, and so on, to ensure that people are being trained and that there are enough to satisfy the needs of veterans as they transition?

Mr. Guy Parent: The question of whether or not there's a program in place to help people get trained would have to be asked of the department itself. We certainly have no involvement in that aspect.

Mr. John Rafferty: Is it a shortcoming that you have found, perhaps, that there aren't enough people to ensure that everyone is getting the service, and particularly counselling, in light of what Mr. Karygiannis was talking about in his question, the two soldiers we lost to suicide? In your opinion, is there enough happening right now in terms of training and having the people available to make sure that those sorts of things don't happen?

Mr. Guy Parent: I think every situation has its own circumstances. It's very hard to generalize and say there is enough training or enough this and that. Obviously it's a department that is undergoing some major changes.

Really, there are a lot of people who are concerned out there. We found that the people who are on the front line dealing with clients care and do a good job; let's put it that way. Within the department we have very good cooperation with people.

I think what's important is that anybody who has some concerns, personal concerns about their own situation or the situation of somebody they know, should call our office and find out what we can do.

Mr. John Rafferty: Were you concerned when the closures were announced of the nine Veterans Affairs offices—I think the one in Thunder Bay will be closed in February—in that they were part of that front-line service, that face-to-face, personal contact that people won't have any longer in that area?

Just thinking about Thunder Bay, I think about 2,700 veterans are in that catchment area around Thunder Bay and use that service there. I'm thinking particularly of wartime veterans who need that face-to-face service and who use those workers for much more than what you can get from an 800 number or a website or something.

Is it a concern that those are closing?

Mr. Guy Parent: Our concern is fairness. Whatever happens, there should be no deterioration in service to veterans and there should be easy access to information. That's an important part.

I'll link my answer to what you talked about before, the training. Obviously if you close some offices and open some Service Canada opportunities, then the people who provide the service at Service Canada should be well trained, but that doesn't happen overnight. Obviously it takes a while.

Mr. John Rafferty: Mr. Chair, I know my time is just about over

The Vice-Chair (Mr. Peter Stoffer): It is over. I'm sorry, Mr. Rafferty, but in all fairness, you can't leapfrog onto the next part. It was a nice try, though.

We'll now move to Mr. Hayes, please, for five minutes.

Mr. Bryan Hayes (Sault Ste. Marie, CPC): Thank you, Mr. Chair.

This question is going to focus a little bit on the vocational rehabilitation area. You made some really strong recommendations in that area, and they're good recommendations.

I noted that you were pleased with the progress so far in this area. You made reference specifically to the minister's announcement in October with respect to education. Specifically the value was up to \$75,800 per person. An expanded list of training expenses will now be available for vocational rehabilitation training plans, computer software, e-books. This change gives veterans more flexibility, I would suggest, and one of the things you really sought was that additional flexibility.

I note that Chris Whitaker, president of Humber College, stated:

Humber has been privileged to be a partner in providing our Veterans with vocational training and support. Expanding access to these services is an important step in helping to make the transition to civilian life as productive and meaningful as possible.

Are you pleased with the progress that has been made? Can you comment on the minister's announcement specific to the education component?

Mr. Guy Parent: I'm certainly pleased with the administrative aspect of the program and the progress that's been made there. Obviously that amount of money existed before, but it was restricted within envelopes. Everything was compartmentalized. Now at least the flexibility is there for an individual to use the money that is available for whatever his needs are.

The thing that is still lacking, though, is the flexibility of an individual to choose a program that he wants to enter that is not based on their skills and competencies that existed in service. A good example would be a very physical person who loses two or three limbs, for instance, who now wants to go into academia, who wants to go into university education.

These things are not really flexible. There's no flexibility now to allow that, and this is where we want to go. It's not just the fact that it should be easy administratively, but it also has to be easy with regard to choices for careers and training.

• (1155)

Mr. Bryan Hayes: Perhaps we could pick up on that a little bit, because one of the things we got from the charter states that we want to build on existing education skills, training, and experience, and to your point, you stated that it needs to go beyond that.

Probably the reason that was there is it would be potentially easier for a veteran. If they're transitioning into civilian life, they would want to be able to use their existing skills.

To your point, you mentioned that we also need to look at aptitude and interest. I would suggest that we're doing that. In one of your comments you actually made reference to a veteran, for example, who was a traffic technician in the Canadian Forces but who wants to become an electrician and has the aptitude to do so, and that person should be supported to become an electrician. I would agree with you. I would think that with the Veterans Charter that would be understood.

This \$75,800 will pay for a four-year university education or college education. I would think that veterans would have a choice in the type of program when they work with their case worker. I would think that would be understood.

Are you suggesting to me that it isn't the case?

Mr. Guy Parent: Not as much as it could be. What we're talking about is freedom of choice, somebody being able to choose a different career if they wish to. How do you take a sniper and build on his existing skills and competencies? That's very, very restricted employment.

There certainly has to be a dialogue between an individual who's transitioning, the case manager, the opportunities of work, and the environment as well in Canada. That's why we're saying there needs to be almost like a guidance counsellor in a high school type of approach, where it's about what is available, what it is you would like to do, and what is the best option.

Mr. Bryan Hayes: I can even speak to the experience of my two sons, both of whom are university educated, four-year honours programs, and neither one of them found work in their field. They're both educated.

This particular area is a challenge. I would look forward in the future to your advice as to how we might best implement that, because this is a challenging area.

Thank you, Mr. Chair.

The Vice-Chair (Mr. Peter Stoffer): Thank you, Mr. Hayes. That's very kind of you.

Now we go to your colleague, Mr. Chisu, for five minutes, please.

Mr. Corneliu Chisu (Pickering—Scarborough East, CPC): Thank you very much, Mr. Chair.

Thank you very much, Mr. Parent and your colleagues, for the great work you are doing for veterans.

I myself am a veteran. I served in Afghanistan. I retired from the armed forces in 2009, and I am not yet sick.

I appreciate very much what you are doing for the injured veterans. It is a good recommendation and I appreciate that very much.

Now, I'll ask you for clarification, because it's not very clear. In the Canadian Forces, everybody who is serving for two years gets a pension. You are aware of that. If you serve for two years in the Canadian Forces, you are allowed to have a pension.

Mr. Guy Parent: Yes—

Mr. Corneliu Chisu: There is a difference between the normal pension that you can get after two years of service and the disability pension that you were talking about where you need 10 years.

I don't know if you are aware that after two years of services, everybody in the forces can and is entitled to have a pension.

Mr. Guy Parent: Yes, they are entitled to a pension when they turn 65. They don't get the two-year pension right now. It's a deferred annuity—

• (1200)

Mr. Corneliu Chisu: I'm sorry, you get it at 60. That is the compulsory retirement.

Mr. Guy Parent: It's a deferred annuity based on 2% per year of service, which—

Mr. Corneliu Chisu: That's correct.

What is it about this 10 years? Can you explain it to me?

Mr. Guy Parent: The 10 years is that presently if you leave before 10 years, you don't get the pension index for life. If you leave the forces after 10 years and you are medically released, you do get a pension for life, indexed at that point in time.

Mr. Corneliu Chisu: Because you are also getting the indexed pension after you retire if you serve less than 10 years....

Sorry, I am getting it.

Col Denys Guérin: The 10 years, if I may, is if you are medically released with 10 years, you get an immediate unreduced annuity that is indexed from that point, but you have to have 10 years. If it's less than 10 years and you're not medically released, it's a deferred annuity until age 60, and there are other ways of getting that as well

Mr. Corneliu Chisu: Yes, at age 60 you're getting it and it is indexed and so on. At 65 you have a clawback because you have the CPP, which you are entitled to.

Thank you for clarifying.

When you're speaking about the transition and the lull for the transition period between your time at National Defence and becoming a veteran when you are 60—today you are a serving member and tomorrow you are a veteran—how do you prepare? It is important to have a transition period in which you are prepared for civilian life. For me personally, the saddest day of my life was when I retired from the army. How do you think you are prepared for a transition? The transition begins when you are a serving member. How do you eventually coordinate this transition, which should be between the two entities, National Defence and Veterans Affairs? Do you have any recommendations on that?

Mr. Guy Parent: I believe we're headed in the right direction now, because they put together the joint personal support units that are in fact a team of Veterans Affairs Canada personnel and military personnel who actually help people transition.

Although you say that today you're in the forces and tomorrow you're not, if you're being medically released from the forces, now it's about a three-year transition before you're actually out of the forces.

I go back to what I said before. If you have very good communications and very good information as to what could be expected the day you step out, then it would certainly help the transition. I'm not sure that this is of the quality that it should be right now. People need to know exactly what they have access to. In fact, the new Veterans Charter is not very well known by a lot of people and certainly not by serving members, because when you're in the service.... I did 39 years and I didn't think about retirement until one day somebody said, "Whoa. You're out", and that was it. I was a SAR tech, and it didn't bother me too much.

What's important is that if people know and they have the information, then the expectations are reasonable and people can transition. Partnership, communications, knowing what to expect, and having a clear idea that there are more opportunities on the other side than there are opportunities lost are the things, I think, that are really important.

The Vice-Chair (Mr. Peter Stoffer): Mr. Chisu, you're all done, sir. Thank you.

We now move to our second round, a four-minute round. We will start off with Madame Perreault, please, for four minutes.

[Translation]

Ms. Manon Perreault (Montcalm, NDP): Good morning Mr. Parent. I am very happy to see you again. I met you in Mascouche not so long ago.

Mr. Parent, you can give me a very brief answer to my first question. I am sure you remember speaking to us about case management. I would like to know how many people are currently working on case management. How many are there?

[English]

Mr. Guy Parent: I don't think we have the latest figures, but we can certainly provide them.

[Translation]

We don't have the answer with us now but we could provide it to the committee.

Ms. Manon Perreault: Yes, that would be appreciated.

Page 9 of your document compares the New Veterans Charter to the Pension Act and we can see that more than 53% of veterans who are totally and permanently incapacitated do not receive an allowance. I would guess that this is because of the Pension Act's eligibility criteria. Which criteria are responsible for such a significant drop in allowances?

● (1205)

Col Denys Guérin: What page are you on?

Ms. Manon Perreault: Page 8 in the English version.

Col Denys Guérin: Are you referring to the fourth point?

Ms. Manon Perreault: Yes, I am indeed referring to the fourth point.

Col Denys Guérin: It simply indicates that people who suffer from a total and complete disability, for reasons unknown, will not receive any benefits. We want to study this issue more closely. We don't see why so many people are not receiving any benefits.

Ms. Manon Perreault: Yes, but are the criteria for a total and permanent disability the same in the New Veterans Charter as in the Pension Act?

Col Denys Guérin: You can be recognized as suffering from a complete and permanent disability under the new charter, but not under the Pension Act.

Ms. Manon Perreault: That is completely different. Those are two different things.

Col Denys Guérin: They are completely different. The Pension Act has its own program for veterans who have a very serious disability. It is not the same as what we are talking about here.

Ms. Manon Perreault: I imagine that it also has eligibility criteria.

Col Denys Guérin: That is right.

Ms. Manon Perreault: Is there a difference between the two?

Col Denys Guérin: Yes, there is a difference because the programs are different.

Ms. Manon Perreault: So the criteria are not necessarily the same. They are probably more strict in the Pension Act.

Col Denys Guérin: Not necessarily, but the criteria are different. The benefits are also not the same.

Ms. Manon Perreault: Let's come back to page 4 of your document. It says that 406 veterans are suffering from a total and permanent disability, but that they will not receive any benefits.

A little earlier, Mr. Chicoine asked you a question. I am wondering how fast you think that number—406—will increase over the coming years.

Mr. Guy Parent: That will depend on the new clients of Veterans Affairs Canada. We can certainly make a projection based on those who are currently clients, because these people will eventually turn 65. The numbers contained in our report are up to date for that period. Since then, other people have applied for benefits. So that number will certainly have gone up.

Further, to clarify what I said, we are talking about 406 people, but all of these people, or those who will turn 65, will not necessarily be in the same situation. However, we at least have to identify who these people are. These people might have their own source of income, a retirement plan or investments. So not everyone will necessarily be in the same situation. What is important is that the benefits paid out under income compensation programs will cease when the persons turn 65. That is not the case under the Pension Act.

The Vice-Chair (Mr. Peter Stoffer): Thank you very much.
[English]

We'll now move to my friend and great soccer player, Mr. Lizon.

Mr. Wladyslaw Lizon (Mississauga East—Cooksville, CPC): Thank you very much, Mr. Chair.

Thank you, witnesses, for coming to the committee today.

I will start with a general comment. In listening to a discussion, we see different points of view and sometimes opposite points of view, but I can assure you that all of us here really care about veterans and thank you for your work. We also want to serve these people who serve our country. This is the main goal. We may have different views and different ways in which we want to serve them, but the ultimate goal is to serve our veterans.

Towards the end of your presentation, you said that while it is better, that doesn't mean it's sufficient. Generally speaking, how would you define sufficiency? When is it sufficient? In life, I don't think we ever reach the point where we can say, "Well, that's it, we've done it, it's great, and we don't have to do anything else." There's always room to do better. When our life situation changes, we have to adjust and keep on. This is an ongoing work. I think this is the way it's going to be for many, many years to come.

I have a specific question to ask. In your announcement, you released all these important reports on the charter. You said, "And it's very hard to believe that statement when in fact for six years there was nothing done about the charter." Do you truly believe that absolutely nothing was done to the new Veterans Charter in six years?

• (1210)

Mr. Guy Parent: Nothing was done officially that has actually, that was at that point in time.... The first official enhancement to the charter was Bill C-55. From 2006 until 2011, changes might have been brought about—changes to process, changes in other areas of administration—but the charter itself was never reviewed and was never really looked at in terms of the individual part and parcel of the charter and whether or not it met the needs of the veterans. I think that's the important aspect of what we're saying.

Of course, we know that in the department there's a continuous... that improvements are done. I think one of the difficulties, and it's certainly one thing that I keep harping on with the department, is the

fact that when you make some improvements, tell the people, and identify them as being related to the new Veterans Charter. You can't wait for five years and then produce a list of 160 recommendations and say, "We've done that." Well, that's fine, but people need to know, because then they'll realize there has been some work done on it. Sometimes, maybe, it's not the fact that there was no work done, but that people were silent about the work that was done. That's the important part.

But the first official enhancement to the new Veterans Charter was brought about by Bill C-55.

Mr. Wladyslaw Lizon: If you look at the improvements that were introduced since the charter came into force, what would be the best one, or the most important one, that you can think of?

Mr. Guy Parent: That was brought about with Bill C-55? I would say offhand it would be the permanent impairment allowance supplement, because of access to PIA. The permanent impairment allowance provides income after 65. That's probably one of the best ones that was brought about there. The others were certainly important as well, and they certainly enhanced the quality of the charter. Going back to what you said, change is not always sufficient, but again I agree with you as to how do you define it. Now we're using charitable donations to bury some of our soldiers who can't afford to be buried. Is it because no change has been made? No, there have been changes made to the funeral and burial program, yet we still have a whole bunch of soldiers who were buried using charitable donations.

The Vice-Chair (Mr. Peter Stoffer): You're over four and half minutes, Mr. Lizon, and Mr. Parent, but thank you. I really appreciate that.

I just want to say, Mr. Chisu, I'm shocked that you're over 60 years old. You look great for your age.

I'll take some questions now, courtesy of the chair position.

I want to thank all of you very much for coming.

I am a bit surprised. I've never seen an indication of tax being a benefit. You've got taxes there and it shows them as an overall benefit. I for one am a New Democrat, and we're accused of being tax and spend, but tax as a benefit, that's a new one on me.

This chart, though, is a touch misleading. On page 9 you indicate that 50% of individuals are not receiving the permanent impairment allowance. If you took away the tax and the permanent impairment allowance, that chart just about lines up with the Pension Act from before. That's the difficulty we have in explaining the new Veterans Charter when you're comparing apples to apples, or apples to oranges. If you don't have the permanent impairment allowance, and if you took away the tax that was not taxable under the old system, that line is almost the same. Some veterans who figured this out understand the argument that the old Pension Act was better than the new one, and this, I think, is where their argument comes from. If you don't have access to PIA, or you have challenges and difficulties due to PIA, that chart only applies to 50% of those individuals. As you just said, 50% aren't receiving it. Am I correct?

• (1215)

Col Denys Guérin: This is scenario one, the corporal who is receiving the allowances, so, yes, this is why this shows the allowances. The corporal in scenario five does not receive the allowances, so these lines would definitely be different.

The red, the tax, was not to say it was a benefit. It was just to show that there is a taxation element here that you don't see in the Pension Act, which is important here as well.

The Vice-Chair (Mr. Peter Stoffer): The other thing that we tend to forget sometimes is the corporal who has been medically released at eight and a half years, if that's what he's got in. He or she loses the opportunity to go up in the ranks and become a captain, a colonel, a general, an admiral, or whatever. The reality is they lose out on tremendous economic opportunities in the lifespan of their possible career. In my view that is where the ELB, the earnings loss benefit, should be enhanced to reflect that.

My colleague, Mr. Rafferty, said it very clearly. You can have the best charter in the world, you can have all the programs in the world, you can have all the money budgeted in there, but if the people who are offering the advice and giving the training to assist our veteran community aren't there or aren't capable of doing it, or they're doing other things, then the veterans themselves get frustrated.

I have an e-mail here which I received yesterday from a gentleman from Lawrencetown, Nova Scotia. I'll go over it very quickly. He started to contact his case manager on October 28. On November 18, he went back again. There was no answer. He went back to the office and was told that every case manager in the Halifax office was off on training—every case manager. He was advised that maybe by December 2 they'd get back to him. This is a man who is suffering from severe post-traumatic stress disorder, and he has only one psychology session left. He's asking for an extension, but he can't get any answers because the people he works with aren't there to answer his concern.

When you talk to Veterans Affairs about the charter, about the access to the programs, about the shift within the department they're going through in terms of all the changes they're making, have you talked to them about the fact that you can have the gold-plated standard plan, but if you don't have the people in place to deliver that plan, veterans are going to be severely frustrated, and their families will be very frustrated as well?

I'll end by saying that I really appreciate your advice on having the charter reviewed every two years. I think that is something which we at committee should look at seriously. I think it's very important as a living document to refresh and update the charter as we move along, so I thank you very much.

I wonder if you could respond to that, please.

Mr. Guy Parent: I think you're quite right. Having the quality and the quantity of people to manage programs and to deal with people is important, and it's always something we look at.

I can't talk about personal circumstances or personal situations, but our office exists for that purpose, so the people who are frustrated with the process can come to our office. We'll find out why, for instance, everybody was in training at the same time and there was no availability of people there. That's what we're there for. People need to use our office to say they experienced that situation. As you know, my order in council allows us to do systemic issues, but the only way we can find out about systemic issues is to learn about the personal complaints, the personal frustrations of people, and that actually leads us to look at systemic reviews. Certainly, we need to know about these things.

The question about the closures is the same thing. We have mechanisms in place to find out if there are any more complaints from different regions, because there's an impending closure or not. That possibility is there, but we need to know about it.

The Vice-Chair (Mr. Peter Stoffer): Thank you very much.

We now move to my colleague, Mr. Lobb, please, for four minutes.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you for the package you've presented here today. Have you fully costed this? These recommendations may or may not get added into our thing.

What are we looking at if these are implemented?

Mr. Guy Parent: Gary was just dying to hear that question.

Mr. Gary Walbourne: We haven't fully costed out all the recommendations, because as we know, the charter is a very complex piece of legislation with a lot of moving parts in there and not well known by a lot. I'll give you a couple of examples of what we have looked at.

We talked about ELB, moving it from 75% to 90%. The cost of doing that would be to the tune of about—and these are gross numbers based on the cohort we measured and what we looked at at that point in time—\$13 million to \$15 million a year.

I just need to make sure we understand that the permanent impairment allowance and the supplement were intended for loss of career progression and opportunity. That's what those two vehicles were introduced for, so they do have a purpose.

To access PIA and the supplement for those people who we've determined most at risk financially, we're looking at about a \$30-million tag on that, but it's over a period of 15 to 18 years. We'd need about half a million dollars this year for the people who currently find themselves at 65 with no income. As that demographic shifts, the full price tag on that would be about \$30 million.

•(1220)

Mr. Ben Lobb: Is this something you're going to work towards, to put a little more towards this, so at the end of the day when the new Veterans Charter is finally...when they get right down to it, well, they can say these suggestions here cost \$500 million a year type of thing? I'm not saying that's what it is. I'm just saying it would be helpful for the committee to be able to...because if it's \$15 million for one thing and that's what everybody wants, that's a whole different story than \$500 million.

The other question is—and I think you touched on it and some other people have as well—that it's not easy to boil this down to one, two, or three things, because you also have the Canadian Forces side of it as well, and your job, as you pointed out, is going to be cast with Veterans Affairs. That's why I asked for this chart to be put up, because if the corporal received a lump-sum payout... I can't tell if he gets the full lump-sum payout or... How much?

Col Denys Guérin: It is 80%.

Mr. Ben Lobb: So, it's pretty close. What this chart doesn't put up there—and I'm not criticizing you; it's just the fact of the matter—is that it doesn't recognize what he would have received from the Canadian Forces as a lump-sum payout. He would have received a payout from them as well, correct?

Col Denys Guérin: No, not necessarily. It depends on whether that person suffered from a dismemberment or not. That particular program is strictly for loss of function or dismemberment, but it is possible that, had he lost a leg, he wouldn't have received a thing.

Mr. Ben Lobb: At 80% there is something significant to the injury, which isn't reflected in there. I'm not criticizing the graph. All I'm saying is it's hard to capture that, because somebody would look at that and say this is what he got, but it could actually be more. It's possible.

The other thing I wondered about in this chart is that you're taking this to age 65. Is that correct? The person is 24 years old and you're projecting this out—

Col Denys Guérin: This is for life. In other words, to whatever the mortality rate is for individuals, and I think it's 78 here for individuals.

Mr. Ben Lobb: Okay, fair enough.

In there with the lump-sum payout, there is no calculation for growth of that lump-sum payout. I'm not saying everybody does it, but if they put it into an investment or into an asset and it grew over time, this is not reflected in this chart at all, is it?

Mr. Gary Walbourne: In order for the lump-sum payout to match what's in the pension, I'd need to invest \$1.4 million today to get the same payout that the pension would give me.

Mr. Ben Lobb: No, that's not my point. All I'm saying is that in... I'm not criticizing; I'm just dealing with the facts of the matter.

In there, you've captured the earnings loss benefit as it would carry on through to the age of 65. What isn't captured in there, and probably should be, is the growth or the potential growth of that lump-sum payout until 65, because you can't really say that they took it and didn't do anything with it. I mean, that's 40 years or 50 years; it would have grown.

Mr. Guy Parent: Let's be very clear here that the lump sum is intended for pain and suffering. It's not intended for investment. This is what has actually created a lot of arguments out there with some soldiers. They more or less look at that as a sum of money that they're supposed to invest to look after the future.... That's not what it's there for.

Mr. Ben Lobb: I didn't say that.

Mr. Guy Parent: It's there for pain and suffering, so—

Mr. Ben Lobb: Well, then, why did you put it in the graph? I'm not trying to be argumentative, but why did you even put it in the graph, then?

Mr. Guy Parent: Because it is a benefit.

Mr. Ben Lobb: Okay.

Mr. Guy Parent: It has to be considered a benefit, but it's a lump-sum award given for pain and suffering, the same as given by a court or by any workman's compensation board.

Mr. Ben Lobb: You can see my frustrations, though—

The Vice-Chair (Mr. Peter Stoffer): Mr. Lobb, I understand your frustrations, but I do thank you very much for your time.

We'll move on to the final questioner of the day. Mr. Karygiannis, please, for four minutes.

Hon. Jim Karygiannis: Thank you, Chair.

I'm glad you pointed out, sir, that the old pension was non-taxable and the new one is taxable.

I'm going to pick up on Mr. Rafferty's point about the closing of the VAC centres. There are going to be 27,688 vets who will be affected by the closing of these centres. We are told that there are all kinds.... I mean, for My VAC—this portfolio, I think, is what you or some people referred to—people can actually go online, use phones, go in person, use mail, and whatever else there is.

With the closing of these centres, how would the older vets, vets who are 80 or 90, be able to get assistance? We get from the department that there are 600 points of reference and that they're going to do this.... You even mentioned that you're going to train personnel in service centres. But there is a feeling out there that you can't trust VAC. That was certainly obvious when it was mentioned to them that 27,388 boxes of medical records were destroyed, and they kept saying, "No, no, nobody was affected." Then vets were coming up and saying, "We've lost our records." That was proven.

My question is, how can the department be trusted when time and time again it has shown that their methods and their figures, as well as what they do, are incorrect? I mean, breaching personal files of Dennis Manuge, Harold Leduc...I could go on ad infinitum. How can the department be trusted? I know you might not want to answer this, but you are even reporting to the minister that you, your shop, should be reporting directly to the department.

I'm going to put it out there. I don't think that what you get from the department is something that you can take home and say, "this is it", you know, it's firm, because time and time again they've been caught not saying the truth. They've been caught misleading and even doing stuff to members of their own board, such that in the private sector they'd be fired. I mean, for breaching somebody's medical records, you would be totally fired. I'm just wondering if you have a comment or any thoughts on that.

• (1225)

Mr. Guy Parent: Well, it's very hard, of course, for me to comment. As I've mentioned many times before, we're obviously an evidence-based organization. For any personal situation and anything that is factual, if people want to contact us, we will work to try to resolve it. If there are negative things that have to be said to the department, that's fine. We'll get some corrections. There have been a few instances in the past where we've produced reports or changed the way that programs were administered because of actually challenging the department on some issues.

Obviously, we have a capacity for systemic investigation and systemic reviews. Again, I urge people, if there are any veterans and families who have specific issues they want us to look into, that's what we're there for.

Hon. Jim Karygiannis: I would say to you that the minister has to look in the eyes of the vets before he makes any announcements or even does anything. There are vets in this room. The minister

should actually look in their eyes and say, "This is what I'm doing", versus hiding behind departmental press releases.

The Vice-Chair (Mr. Peter Stoffer): With that, Mr. Karygiannis, you reached exactly four minutes.

As that is the end of our questioning, I do want to advise the committee I did hand over my documents regarding that individual to the ombudsman for them to look at in the future. We thank you for that.

Sir, on behalf of our chairperson, Mr. Galipeau, who unfortunately is not with us, and on behalf of all the people representing our veterans affairs committee, we want to thank you and your staff very, very much for being here today, for your comprehensive report, not only for your services to our military that the three of you have done, but for your tremendous report that you have done. That really has given, in my personal view, talking to the people across the country, some great hope and insight as to the possibilities of what we can do in the future to improve the lives of our heroes and their families.

On behalf of all of us, thank you very, very much for coming. We wish you the very best.

Committee, with that, we will have a two-minute recess, and then we'll go in camera for committee business.

[Proceedings continue in camera]

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