



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Veterans Affairs

EVIDENCE

NUMBER 015

Friday, May 20, 2022

Chair: Mr. Emmanuel Dubourg



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• (1325)

[*Translation*]

The Chair (Mr. Emmanuel Dubourg (Bourassa, Lib.)): I call the meeting to order.

Welcome to the fifteenth meeting of the Standing Committee on Veterans Affairs.

I would also like to welcome our colleagues Ms. Kusie and Mr. Lauzon, replacing Ms. Roberts and Mr. Rogers.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on February 8, 2022, the committee is meeting to continue its study of survivor pension benefits in cases of marriage after age 60.

[*English*]

I would like to take this opportunity to remind all participants to this meeting that screenshots or taking photos of your screen are not permitted.

If you are on the video conference, please click on the microphone icon to unmute yourself. For those in the room, your microphone will be controlled as normal by the proceedings and verification officer. When speaking, please speak slowly and clearly, and when you are not speaking, your mike should be on mute.

As a reminder, all comments by members and witnesses should be addressed through the chair.

[*Translation*]

I would now like to welcome our witnesses.

[*English*]

From the Canadian Institute for Military and Veteran Health Research, we have Dr. Eric Ping Hung Li, associate professor, University of British Columbia. From the Department of Veterans Affairs, we have Crystal Garrett-Baird, director general, policy and research. From the Treasury Board Secretariat, we have Nadine Labrie, senior director, pensions and benefits; and Simon Crabtree, executive director, pensions and benefits. Finally, from the the Department of National Defence, we have Brigadier-General Virginia Tattersall, director general, compensation and benefits.

You will have five minutes for your opening remarks, and we will then go into rounds of questioning. I was informed that the Treasury Board Secretariat does not have opening remarks, and they will only answer questions from the members.

We will begin with Dr. Eric Li, and then we will move on to the Department of Veterans Affairs and finally to the Department of National Defence.

[*Translation*]

I would like to invite the participants to take the floor, starting with Mr. Li.

I will signal you when you have one minute left or your time is up.

[*English*]

I'd like to invite Mr. Li to open his mike and to start his opening remarks for five minutes.

Please go ahead, Mr. Li.

Dr. Eric Ping Hung Li (Associate Professor, The University of British Columbia, Canadian Institute for Military and Veteran Health Research): Good afternoon, Mr. Chair, committee members and honourable guests. It is my honour to be here today to join the meeting.

I'm Eric Li, associate professor at the faculty of management of UBC's Okanagan campus. I would like the opportunity to share the key findings and recommendations of the qualitative study of financial well-being of military veteran survivors, funded by the Canadian Institute for Military and Veteran Health Research.

The well-being of military veteran survivors is insufficiently understood. This raises concerns regarding the inability of spouses who marry or enter into common-law relationships with the veteran after he or she turns 60 to access the superannuation benefits.

To better understand the scale of this issue, between the months of March and October 2020, we interviewed seven survivors and three veterans. Even though the participant pool is relatively small, these 10 interviews were sufficient for our research team to capture four themes related to the changes in financial well-being. These are survivors' adjustment and compromise in lifestyle, concerns about home ownership, financial stability and independence, and their views on current pension policies.

Our findings indicate that being ineligible to inherit veterans' pensions makes a very large difference to the lives of survivors. The participants who did not receive veterans' pensions had to make some drastic changes to their lifestyles. For example, one participant had to sell her townhouse after her husband died in order to reduce her expenditures, as she now has to be very careful with her expenses. Her opportunities for socialization have been limited, leading to loneliness and depression.

Some irregular and unexpected expenses—such as prescription glasses, home repairs or renovations, or car maintenance—can cause extra stress for these survivors. Many also worry about their future, as they anticipate that their health-related costs will increase as they age. Struggles are even greater for those who are not eligible for veterans' pensions. Most military spouses are unable to sustain full-time employment and have limited personal income and savings.

Based on our findings, we offer three recommendations for policy and program review. First, to ensure that surviving partners of military veterans, who have also made many personal sacrifices, are recognized for their partnership with our veterans, the Government of Canada should consider removing the age limitation on pension inheritance.

Second, the Canadian government's programs and service operators should also be reviewed. Communication platforms should be streamlined to ensure ease of access to all programs, benefits, privileges, entitlements and associated eligibility criteria. In our study, we also recognized that peer support should be recognized and enabled to enhance support groups in other ways to ensure that survivors use social media or other communication platforms to support each other.

Third, survivors who enter into a relationship with a veteran late in life feel psychological strain due to various social stigmas. For instance, many of our participants mentioned that they're being labelled as "gold diggers", which is unfair to this particular population. Those who received benefits upon their husband's death in service also feel guilty about getting money. These and other issues remain unaddressed, as the survivors are not provided counselling. Thus, social workers and psychologists should be made available to both veterans and their survivors.

In summary, our study showcases the struggles and challenges that veterans and their surviving spouses face. It is particularly noteworthy that survivors who married a veteran after his or her 60th birthday suffered the most, as the substantial cut in their income due to the loss of the military pension forced them to change their lifestyles considerably. Veterans who started a relationship after the age of 60 also concurred that the current policies on pension inheritance created uncertainty for their partners.

To end my presentation today, I would like to share two quotes from our research participants.

• (1330)

This is what one survivor told us: "My late husband was in the military for 32 years. He literally gave his life for the country. Now the legislation states that at age 60, you no longer are going to be interested in getting married. At age 60 you are too old to have a

relationship any more. In normal circumstances, you can still have another 20 years with a partner. We do have concerns. The government really needs to look at that."

The Chair: Mr. Li, could you conclude in 10 seconds, please?

Dr. Eric Ping Hung Li: Sure.

The other witness said this: "Protect me, as I have you. Fair is fair. If I'm willing to stand in front of a bullet for you, why do you allow all these people, including yourself, to take shots at me when I'm disabled and senior?"

Thank you for having me today.

The Chair: Thank you, Mr. Li.

Next we will hear from the Department of Veterans Affairs.

I'd like to invite Ms. Crystal Garrett-Baird, director general of policy and research, to go ahead for five minutes, please.

Ms. Crystal Garrett-Baird (Director General, Policy and Research, Department of Veterans Affairs): Good afternoon, Mr. Chair and members of the committee. Thank you for the invitation to be with you today.

I would like to begin by acknowledging that the land I am speaking with you from is the traditional and unceded territory of the Abegweit Mi'kmaq first nation.

I welcome this opportunity to speak with you about the concerns of both veterans who marry after the age of 60 and their spouses and survivors. We are happy to engage in this very important discussion.

[*Translation*]

I would like to begin by outlining the services and benefits currently offered by Veterans Affairs Canada to support survivors under two pieces of legislation, the Pension Act and the Veterans Well-being Act.

[*English*]

Survivors may be eligible for income support as a result of the veteran's disability pension, namely through a disability benefit survivor's pension. This is entirely unrelated to superannuation. Payments may also be made through the income replacement benefit. Additional compensation may be paid if the veteran's passing was service-related.

Some low-income survivors may also be eligible for financial support through the war veterans allowance or the Canadian Forces income support program. In addition, survivors are eligible for the veterans emergency fund, which provides financial assistance in the event of urgent and unexpected situations.

Finally, surviving primary caregivers of veterans may be eligible to receive veterans independence program housekeeping and grounds maintenance, provided that the veteran was in receipt of the service at the time of their passing.

• (1335)

[Translation]

As part of Budget 2019, the Government of Canada committed \$150 million over five years to establish a survivor fund that would aim to better support veterans who married over the age of 60, as well as their spouses, and ensure that survivors have the financial support they need.

[English]

It is important to note that this fund does not change the marriage after 60 clause in the Canadian Forces Superannuation Act. This act is under the responsibility of the Department of National Defence.

After the veterans survivors fund was announced, we recognized that we needed information about these survivors' needs and the magnitude of the issue. This is because the only administrative data we knew with absolute certainty was the number of veterans who select the optional survivor benefit.

[Translation]

To this end, we collaborated with Statistics Canada and the Canadian Military and Veterans Health Research Institute to determine the size and characteristics of the survivor population.

[English]

This work was delayed by the pandemic. However, we have since received the results of this research and learned the following about living survivors.

An estimated 4,500 people entered into a marriage or common-law relationship with a veteran after the veteran's 60th birthday. In each of these cases, the veteran was a Canadian Armed Forces superannuate. Virtually all were female, and 90% were age 70 or older. Most had higher incomes compared with other Canadian females in the same age group. Their median income was \$34,900 versus \$25,600.

Finally, over 1,200 survivors, or 27%, were in receipt of the guaranteed income supplement. Approximately 850 of the 4,500 living survivors, or 19%, had incomes below the low-income measure, which was \$24,890 before tax.

On this last point, we should consider the budget 2021 commitment to implement a 10% increase to the old age security program for those 75 years and older. This increase starts in July 2022. With this enhancement, it is anticipated that about 250 of the estimated 4,500 living survivors will have incomes below the low-income measure.

Now, let me be clear. We do not see this as an insignificant number, and we realize that it's not just about money. It is also about recognition.

[Translation]

We care about the needs of survivors, which is why we offer a number of benefits and supports in the package of programs I have just outlined.

[English]

We are using the results of this to best inform how to move forward with the veterans survivors fund.

[Translation]

Let me conclude by saying that Veterans Affairs Canada recognizes that the wives and common-law partners of veterans play a crucial role in the care of our veterans.

[English]

We are committed to ensuring that those who served and their survivors have the support they need.

Thank you.

The Chair: Thank you so much, Ms. Garrett-Baird, for your opening remarks.

Now I'd like to invite, from the Department of National Defence, Brigadier-General Virginia Tattersall, director general of compensation and benefits.

Please go ahead for five minutes.

[Translation]

Brigadier-General Virginia Tattersall (Director General, Compensation and Benefits, Department of National Defence): Good afternoon, Mr. Chair and members of the committee.

I am Brigadier-General Virginia Tattersall, the director general, compensation and benefits for the Canadian Armed Forces.

Mr. Chair, thank you for inviting me here today.

[English]

I want to highlight that compensation and benefits for the Canadian Armed Forces are a topic of great importance. My responsibilities in the area of Canadian Armed Forces compensation and benefits include policy management and service delivery administration for everything from military pay and allowances to release benefits and military pensions.

You have just heard from my colleague at Veterans Affairs Canada, and I would like to take this opportunity to outline the role of National Defence in regard to the Canadian Forces Superannuation Act.

The Minister of National Defence, under the Canadian Forces Superannuation Act, is responsible for the overall management of the pension plan, including the financial management of Canadian Armed Forces pension funds. My organization is responsible for the oversight of the pension plan, contribution calculations, financial analysis, program advice, and interpretation and preparation of the annual reports, all in support of the minister's role.

We also conduct and contribute to the analysis, design and policy of the pension programs, including working alongside the Department of Justice and the Treasury Board when analysis is required for any changes or amendments to the Canadian Forces Superannuation Act.

• (1340)

[*Translation*]

I will be happy to take your questions.

[*English*]

Thank you for inviting me this afternoon.

[*Translation*]

The Chair: Thank you very much, Ms. Tattersall.

We will now proceed to the question period. I would ask the members of the committee to please say who their questions are for; I ask the witnesses to please open their mike so that they may answer them.

I now invite Ms. Cathay Wagantall to speak for the next six minutes, please.

Ms. Wagantall, you have the floor.

[*English*]

Mrs. Cathay Wagantall (Yorkton—Melville, CPC): Thank you very much, Chair.

Thank you all for being here today. We appreciate your participating in this issue. As I'm sure you're aware, it has a great deal of emotion attached to it. You recognize that, and I appreciate that we have to consider that in the midst of all of this.

Dr. Li, first of all, I have a couple of questions for you.

When you mentioned the number who were engaged in the study and you gave the reasoning with respect to why there weren't more, you mentioned the impacts of COVID. You mentioned the inability to meet.

I know our Legions have a significant role in bringing people together, and I wonder whether there was an effort to engage the Legion to assist people in taking part in this via Zoom. I'm assuming a lot of the older individuals weren't familiar with those sources of communication. Was that something that was considered and attempted to any great degree?

Dr. Eric Ping Hung Li: We sent a couple of hundred emails to all of the Legions across the country. We sent probably around 500 email invitations to different churches and religious groups, because we believed that would be the vehicle. It was a bit unfortunate, because it was the beginning of COVID. There was no response, and they didn't really have a lot of gatherings. They cancelled pretty much all the in-person. We talked to a few Legions and leaders, but they would come back to us saying that they weren't having any lunches, and that's the way to really engage with those people and hopefully to them seek out. It turned out that we used quite a lot of our personal networks to try to get those numbers.

Mrs. Cathay Wagantall: Thank you.

It is disconcerting to me to realize that there wasn't a significant effort on the part VAC to work with the Legions to make it happen and have more individuals engaged in this process. I appreciate that response from you.

I see your recommendations here. You do talk about how information provision technology should be improved. Is that part of the picture you gained because of interaction with those you were able to talk to? Is it also possibly in regard to expectations to be able to perform the task that you were given?

Dr. Eric Ping Hung Li: I think it's more about how to support the survivors navigating those benefits and programs that can serve them.

When I talked to survivors about that, they just have difficulties. It's a double hit for them because of the financial struggle from the loss of pension and the loss of their spouse at the same time. They really spend months figuring out what to do and how to do it. Having said this, the information and communication platform is crucial.

Mrs. Cathay Wagantall: That's understood. Obviously, as if they're not going through enough already, they just don't have the capability to communicate in the way that would be needed. In that case, it would be good if we somehow had VAC available to be proactive in communicating with them in that regard.

You do mention the issues around psychological support for veterans and their survivors in this circumstance. We did hear about one veteran who made that decision to offset some of his pension for the future in the case of his wife needing that support. They made those sacrifices for him to be able to do that. Then she passed away ahead of him and those funds were no longer his.

Did you face that conversation at all? What was your sense of the psychological and emotional stress that would bring?

• (1345)

Dr. Eric Ping Hung Li: My data didn't really come directly to those conversations, but we do have veterans really worry about passing away before their partner. They really hope the partner can inherit the funds, properties or assets they have. We didn't really come to conversations about what if the partner passes away before them. We kind of stopped at that.

Mrs. Cathay Wagantall: I'm not sure which of the women who presented would best give this answer.

When that decision is made by a veteran, are they counselled in the fact that, when they make that sacrifice and put that money aside, if their spouse were to die then those funds would no longer be available? I would think that they would then invest that personally, rather than lose that as a possible means of income.

That's for Ms. Garrett-Baird or Ms. Tattersall.

BGen Virginia Tattersall: I will jump in to provide a response.

Just to be clear with respect to when an optional survivor benefit is established, the actual funds that are now taken by the annuitant making that decision never actually leave the pension fund. It's not like in a divorce where you would receive in the division of assets a cheque for an amount of money.

While there is a reduction of payments to the annuitant, those funds are still in the pension fund. That means that, in the event of the death of a spouse, they may revoke the optional survivor benefit and, therefore, the pension amount received by the annuitant goes back to 100%. While that benefit had been set up, the annuitant is not going to suffer on the death of their spouse.

Mrs. Cathay Wagantall: Okay. I understand that they get the full monthly pension payment back, but is there no kind of a payout for the fact that the money was their investment?

The Chair: Mrs. Wagantall, I'm sorry. You're going to come back in the next round, so keep your question.

Mrs. Cathay Wagantall: Thank you, Chair.

The Chair: You're very welcome.

Right now I'd like to invite Mr. Sean Casey for six minutes, please.

Mr. Sean Casey (Charlottetown, Lib.): Thank you very much, Mr. Chair.

I'd like to pick up exactly where Ms. Wagantall left off, because I am interested in the conversation around the optional survivor benefit.

To come back to her scenario, we have a veteran who decides to take a lower monthly amount in exchange for the right for his surviving spouse, in the event of his death, to receive a reduced pension. There has been concern expressed by the committee and by some of the witnesses that, where that happens and the spouse dies, the amount that has been forgone by the veteran effectively lapses.

I heard Ms. Tattersall indicate that if that death happens while the veteran is still drawing, that he or she is fully made whole.

My question is this, and I don't want it to appear cold or callous. These types of defined benefit programs are all based on actuarial calculations that factor in death rates and the like. If someone lives to be 100, they would draw more than the average. If someone dies the day after the papers are signed to make the transfer, they make less. Is that not the theory behind why what seems to be unfair to a certain group of people?

Ms. Tattersall, would you like to take a run at this? The person from the Treasury Board may have some comments as well.

• (1350)

BGen Virginia Tattersall: Thank you for the question. It's one that I'm not perhaps prepared to give you a fulsome answer to.

You're quite right that, in the broader sense, this is based on actuarial assessments. That means you will have some individuals who will draw five years of the pension benefits they have worked their entire career for. Equally, you may have someone who in fact receives a pension for over 40 years because they happen to have that longevity. It is all calculated on the basis of trying to achieve the best investment, so that the funds will be there to try to ensure you continue to receive your benefits, whether you are short-lived or long-lived.

I'm not sure whether that gives you a satisfactory answer. Perhaps this might be one that, because it applies to all the plans, Treasury Board might be better placed to answer.

Mr. Sean Casey: I appreciate that.

It's just that it's my understanding that this is the nature of these types of funds. That probably didn't satisfy Mrs. Wagantall's curiosity, but I think we're both curious about the same topic, so we'll come back to it.

I want to come to you, Ms. Garrett-Baird.

What we're studying, of course, is focused on what survivors of veterans don't get, and you gave us a long list of what survivors of veterans do get. One thing you mentioned was a payment that is for survivors of veterans if the death is service-related. Can you expand on that a little more?

Ms. Crystal Garrett-Baird: Absolutely. Thank you for the question.

Essentially, where a veteran passes away as a result of a service-related disability—for example, they're on an overseas deployment and unfortunately killed during that situation—that would be considered a service-related death. Therefore, the income replacement benefit would be available to the survivor of that individual who passed.

Mr. Sean Casey: The other programs that you identified were the veterans emergency fund and the veterans independence program. Was there another one?

Ms. Crystal Garrett-Baird: I also referenced the disability pension, which is the monthly amount.

If we look right now, from the veterans emergency fund in last fiscal year, just over \$1 million was provided in support to 574 veterans and survivors. We also have the veterans independence program, which provides a number of supports and services to veterans. For example, right now it is supporting 28,000 survivors alone. The income replacement benefit is being provided to approximately 400 survivors. We have disability benefits being provided to over 36,000 survivors as well.

That gives you some scope on the number of survivors we are supporting through a variety of mechanisms, both shorter term, such as the veterans emergency fund, and longer term, through disability benefits and the income replacement benefit.

Mr. Sean Casey: You indicated that, when you embarked on this, the only information that Veterans Affairs had was the number of people who opted in to the optional survivor benefit. How many was that?

Ms. Crystal Garrett-Baird: I do not have that number right in front of me, but I can get it for you.

That was the challenge. When budget 2019 was announced, the only administrative data that we could access with any level of certainty was the number of individuals in receipt of the optional survivor benefit. We really wanted to get at who was not receiving that benefit, hence why we worked with Statistics Canada, the Canadian Armed Forces and the Canadian Institute for Military and Veteran Health Research to obtain both qualitative and quantitative data and work through the recruitment of individuals to support the work that Dr. Li did.

[Translation]

The Chair: Thank you, Mr. Casey.

I'd like to tell the members of the committee that while there was no address from the Treasury Board Secretariat, we have two representatives with us today: Ms. Nadine Labrie, the senior director, and Mr. Simon Crabtree, the executive director, both from pensions and benefits. They will also be available to answer your questions.

I saw a hand raised at one point. Mr. Crabtree, I assume you wanted to answer a question that was asked. Members of the committee can direct questions to you in a future round.

The second vice-chair of the committee, Mr. Luc Desilets, now has the floor for six minutes.

• (1355)

Mr. Luc Desilets (Rivière-des-Mille-Îles, BQ): Thank you, Mr. Chair.

My question is for Ms. Tattersall.

Have there been any serious actuarial studies to determine the total cost of repealing the post-60 marriage provision?

[English]

BGen Virginia Tattersall: A letter was sent to the parliamentary budget office in, I believe, 2012, for which there was an initial actuarial assessment done for three of the plans to see what this would potentially cost. That was well over a decade ago, and in the scope of actuarial assessments, those numbers would no longer be considered valid because the data has changed.

[Translation]

Mr. Luc Desilets: I find it hard to understand that this has not been reviewed for 10 years. And yet this is an important issue for thousands of women.

How do you explain that your department doesn't try to find out how much money this involves? A \$100,000 figure is one thing, but \$20 billion is something else entirely.

My question is again for you, Ms. Tattersall.

BGen Virginia Tattersall: Very well, thank you.

I would reply that we have had several difficulties in terms of the [Technical difficulty—Editor] of a pension.

[English]

The fact is that we have not examined this particular issue, but it is one we are aware of. We regularly receive questions about this issue, which we provide responses to, but it is not, at this time, one that I have had the means to engage a specific study on.

Again, it is an issue that is not just specific to the Canadian Forces Superannuation Act. It also impacts the public service, the RCMP and I believe a couple of the other acts, which I think my colleague from the Treasury Board would be well placed to explain.

[Translation]

The Chair: Mr. Desilets, Mr. Crabtree has raised his hand. He may want to answer your question.

Mr. Luc Desilets: All right.

I'm listening, Mr. Crabtree.

[English]

Mr. Simon Crabtree (Executive Director, Pensions and Benefits, Treasury Board Secretariat): Thank you very much.

The numbers that were calculated more than a decade ago estimated a total nearing \$1 billion as the cost to implement that. To give you a sense of order of magnitude, based on assumption changes that we've seen elsewhere, you could conservatively double that number as far as the cost goes. We would, of course, have to run exact scenarios based on the latest actuarial data, but a \$2-billion figure would probably bring you into the right ballpark.

[Translation]

Mr. Luc Desilets: Thank you for this response.

Ms. Tattersall, my question is for you, again.

Is Minister Anita Anand aware of the issue of the post-60 marriage provision?

[English]

BGen Virginia Tattersall: No, we have not had a chance at this point to fully brief the minister on issues such as this, and it's one of a number that clearly she would need to be briefed on. She has been very busy with other issues.

[Translation]

Mr. Luc Desilets: I understand.

The Standing Committee on Veterans Affairs is currently analyzing this file. It is my understanding that this file falls entirely under the purview of National Defence.

In your opinion, am I wrong?

• (1400)

BGen Virginia Tattersall: This is not just a Canadian Forces issue.

[English]

As I have said, the marriage after 60 clause is also in the public service—it's worded in a different way—as well as in the RCMP. This issue is about more than just the Canadian Forces Superannuation Act.

[Translation]

Mr. Luc Desilets: I'm addressing you again, Ms. Tattersall, but I'll leave you alone after this.

Is there any discussion with the Department of Veterans Affairs about this provision?

[English]

BGen Virginia Tattersall: Since I have held the responsibilities as DGCB,

[Translation]

we have not had any specific discussions about this, other than those we have had in preparation for our appearance today.

Mr. Luc Desilets: Thank you.

I have nothing to add at this time, Mr. Chair.

The Chair: Thank you, Mr. Desilets.

I now invite Ms. Rachel Blaney to take the floor for six minutes.

[English]

Ms. Rachel Blaney (North Island—Powell River, NDP): Thank you, Chair.

I thank all the folks who are here testifying today. It's very helpful and interesting.

My first questions are going to be for Dr. Li.

First of all, thank you very much for your presentation, and I thank you for including the quotes from some of the folks you worked with. I found those to be very impactful.

You talked in your written remarks about the difficulty in finding veterans and survivors to participate in this study. Obviously, COVID was a considerable challenge. I would also argue that another challenge is the fact that the people you were asking to do this work are very dedicated to this country and very service-oriented. They don't like to say anything bad about the country they were willing to put their lives on the line for.

I guess my question to you is how you found the 10 participants. Was there any modification in how you attracted those participants based on their service history and the fact that this is a group of people who largely served their country and don't complain? What were the criteria? Where in Canada were those folks living? I just want to get a sense of whether they were across the country or located largely in one or two centres.

Dr. Eric Ping Hung Li: They are across the country. We got individuals from Atlantic Canada, Ontario and B.C., and couples from Alberta. We have a pretty good selection with those 10 people.

Our recruitment strategies were through multiple networks. We ran some Facebook ads and also tried to join some community groups from that. It turned out that the next generation referred their parents or their moms to join our studies, and we went through the different personal networks we already had in the veterans community. At UBC, we have the STAR office, which has a really good relationship with DND and also Veterans Affairs. They helped us to find some leads here and there for that.

You're right about COVID. Our first few studies were really impacted by COVID. Also, thinking about the demographics, it was really hard to use electronic media to reach out to them for that, so there was a lot of relying on personal connections and multiple layers. That's really the challenge we had.

Ms. Rachel Blaney: I just want to clarify: Were they all veterans, or were there any RCMP veterans or federal public servants?

Dr. Eric Ping Hung Li: These were all military veterans.

Ms. Rachel Blaney: Okay. That's perfect.

How many of the 10 participants had married after 60, or were there any who had married before 60? Can you tell us, generally, with those 10 participants, what their general income status was? Were they all retirees living on a fixed income?

Dr. Eric Ping Hung Li: I would say that two of the veterans fell into the "married after 60" category, and then we had three veterans who were in a relationship. They are 60-plus and currently in a relationship, and they struggle with that current policy. Then we also did a little bit of comparison. There are the survivors who marry the veterans before the veterans turn 60. There were five individuals who fell into that category.

I would say that most of them are middle income or low income. They have lower incomes. One of the reasons.... We have a few veterans or survivors, which is what we call the veterans who do have some injuries. Based on the surveys, they're not going to get a full-time job or they retire early because of different types of physical and mental disabilities.

Having said that, they are not in the high-income category. I would say that's my sample size.

• (1405)

Ms. Rachel Blaney: Thank you. That's really helpful.

One of your recommendations was to consider removing the age limit, which I really appreciate. I'm just wondering. Did you conclude that the marriage after 60 clause should be eliminated in order to treat spouses fairly and recognize their personal sacrifice?

Dr. Eric Ping Hung Li: I would say that all the military spouses sacrifice in many ways. Based on my studies or interviews with these 10 individuals, to some extent they're very upset about that age limit. It sounds arbitrary to them. They've said, "If I get married at the age of 59, what's the difference if I get married at the age of 61? Why are you setting up these boundaries or these limitations?" I talk about seeing them and hearing them saying that.

Why would they put themselves in that position? It's a very strong component in terms of putting themselves or their partner in a disadvantaged position. I can say that's why my recommendation is that we need to consider removing this age limitation, yes.

Ms. Rachel Blaney: I find that interesting. You talked about the attachment people have with being called a gold digger. I've actually talked to a lot of people who are survivors—or who are planning to be survivors, though that's a hard thing to say—and on that impact of being called a gold digger, I've been really surprised. That really affects them. I'm just wondering if you saw that as well.

Dr. Eric Ping Hung Li: Yes, two participants really found that, especially in the disparities if the spouse is a little bit younger than the veteran, 10 years or 20 years younger. When they get together they worry about receiving that social stigma. One said they were getting away from that stigma because they had a full-time job, but I can definitely see that it is kind of surrounding them with the social stigma.

Ms. Rachel Blaney: My last question—and I only have few seconds—is around streamlining access to benefits on the VAC website. Could you tell us a little more about that and what challenges these participants had in accessing these services?

Dr. Eric Ping Hung Li: I would use this term—that they don't have the “literacy” to navigate through all the government websites. I know that there are a lot of programs supporting them, but the challenge is that they might be 60 or 70 years old. Every month they're getting a paycheque or a cheque from the government office and that is great, but suddenly you're putting these older adults in a situation...and I think that's the challenging part. We have to streamline. I'm thinking about how to really support them and thinking about that demographic of that person who is 70 years old plus. We have to find ways to help them.

Thank you for your questions.

The Chair: Thank you, Dr. Li.

Thank you, Ms. Blaney.

Now let's go to the second round. I would like to invite my honourable member Fraser Tolmie to begin his five minutes, please.

Mr. Fraser Tolmie (Moose Jaw—Lake Centre—Lanigan, CPC): Mr. Chair, it's great to see you again.

I thank all the presenters today.

I have to say that we've sat through numerous meetings concerning this subject. We've heard a lot of testimony, and to finish this off with you is great. I want to say thank you for your service. Thank you for what you're doing. I appreciate it.

Mr. Li, as I go through your report, it's been highlighted that you met with seven people. We heard from Statistics Canada that there are close to 6,000 veterans or survivors that are currently affected by this. Before you started doing your report, I'm sure you had something envisioned in your mind. How many people did you think you were actually going to be able to connect with over this?

Dr. Eric Ping Hung Li: We briefly worked with the Veterans Affairs office communications department, and we identified—I forget the exact number—over 200 individuals. We sent them invitations to participate, but it turned out just a few came back to us. In that way we identified some addresses to direct to those individuals, but we tried very hard. We were constantly going back to different people, but it was during the lockdown period during 2020.

I'm happy to continue if I have a chance, because I believe there are more people out there waiting to share their voices, but we had time constraints with the project funding. Again we tried for data, but it was at the beginning of COVID. We even approached seniors facilities in Edmonton that serve the veterans community, but they didn't accept research projects because they were running out of staff just to manage their everyday operations.

• (1410)

Mr. Fraser Tolmie: Please don't take this line of questioning as reflective on your performance.

What I find that I'm having a hard time bringing together here is that, through personal testimonies, this is a very sensitive subject for a lot of people, so when they have an opportunity to speak to it

and get engaged I find it very.... Like I said, I can't reconcile the fact that those numbers don't seem to line up.

Thank you for that. As I said, it's not reflective on you. I'm just concerned about the engagement on this report.

Is your report public or has it just been disclosed to the veterans affairs committee?

Dr. Eric Ping Hung Li: I submitted the full version of the report to CIMVHR, so they have my.... I don't think I made it public, but I'm happy to share the entire report with the committee here.

Mr. Fraser Tolmie: Just kind of springboarding from those, how long did it take for you to prepare this report and, apart from what we've just discussed, were there any other challenges that you feel maybe impacted the information that's been presented?

Dr. Eric Ping Hung Li: I would say it took us in total six months or more, around that, to reach out to the participants or to recruit the participants. To interview them usually takes around an hour to two maximum. Our conversations are online. It took us probably two to three months to analyze all the data.

Our report mainly captures the voices from the interviewees we had and then we report that and gather those voices into different themes. In the full report, we cover a little bit more because we're also covering veterans transition patterns, but that would be covered by the abstract of the version I presented you all today.

Mr. Fraser Tolmie: Thank you.

I know, Mr. Chair, I'm probably going to get red-carded fairly quickly here so....

The Chair: Exactly, you have 15 seconds.

Mr. Fraser Tolmie: The only other comment I have is for Mr. Crabtree.

Do you think Verstappen has a chance this weekend in Spain? I saw that he's a big F1 fan. I see that in the background.

Mr. Simon Crabtree: I love where the conversation went here. I think he's got the momentum. We'll leave it at that.

Mr. Fraser Tolmie: All right.

The Chair: We'll see. Thank you, Mr. Tolmie.

Now I'd like to invite Mr. Wilson Miao for five minutes, please.

Mr. Wilson Miao (Richmond Centre, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses attending today's study. It's very important for us to realize how much our veterans have done for us, and I really think this study will allow us to move further and support these veterans.

I'd like to direct the following question through the chair to Ms. Tattersall regarding the survivor benefit.

Can you briefly explain to us what the application process is, since this is an optional funding application that veterans can apply for?

BGen Virginia Tattersall: I can't speak to the mechanism in terms of the specific forms, but the process is that, if a member does marry or enter into a relationship, they must apply for an optional survivor benefit within one year of their marriage. That application for the benefit is done through the pension centre, which will then provide them.... It starts with a query to the pension centre, and then the pension centre will provide them with the appropriate forms.

I apologize. That was not a question that I came prepared to give you any more specifics on other than that.

Mr. Wilson Miao: Thank you for what you have provided so far.

Further to that question, how much does the applicant have to contribute in order to allow the survivor benefit fund for their spouse?

• (1415)

BGen Virginia Tattersall: It is the annuitant's decision as to how much they want to create as a benefit. They can choose that it be 30%, 40% or 50%. It is their choice. It is not a fixed amount by which they have to prescribe.

Mr. Wilson Miao: Thank you very much.

Is it true that after an applicant passes away after 60, let's say, the surviving spouse will not be eligible to collect that funding afterwards?

BGen Virginia Tattersall: I'm sorry. I'm not quite understanding the question. If the survivor passes away, what happens is that the annuitant will not now recoup into some account the amount that was set aside for the survivor benefit. In other words, they're not going to be made whole for the period of time for which they took a reduced annuity so that they could create the benefit. However, what happens is that their pension then will go back up to 100% of what they would have received had they never created the optional survivor benefit.

I hope that answers the question.

Mr. Wilson Miao: Thank you so much.

It's important for us to understand this, because there are also other pension benefits in the private sector and outside that a veteran can look into. Am I correct?

BGen Virginia Tattersall: There are certainly members who are part of the Canadian Forces Superannuation Act receiving benefits and also receiving benefits under the Canada pension plan and/or the Quebec pension plan, depending on their province of residence. They would be entitled to the OAS, the old age supplement, if they met the threshold. Then there would be anything they had invested on their own by way of RRSP funds to create further benefits for themselves. That would be on their side.

Mr. Wilson Miao: Thank you for sharing that with us.

You mentioned that between the veteran, RCMP and other public service survivors there are different acts there, but it's very similar

in context to where, in any marriage after 60, they are not eligible for the survivor benefit fund.

BGen Virginia Tattersall: Mr. Chair, I would request that Treasury Board respond to that one, please.

Mr. Wilson Miao: Ms. Garrett-Baird, maybe you can answer that, please.

Ms. Crystal Garrett-Baird: No, as Brigadier-General Tattersall indicated, I would defer this one to Treasury Board Secretariat. Veterans Affairs Canada has no jurisdiction over any of the superannuation acts that have been referenced.

The Chair: Let's try with Mr. Crabtree.

Mr. Simon Crabtree: Could you please repeat your question? I'm just making sure I understand. Is this in relation to the purchase of annuities or...?

Mr. Wilson Miao: Across survivors, the veteran, RCMP and other public service survivors, how are they different in context in terms of whether or not marriage after 60 will allow their annuity to be shared with their surviving spouse?

The Chair: Could you do it in 15 seconds, please, Mr. Crabtree?

Mr. Simon Crabtree: All right. I'll be very quick.

They all have very similar optional survivor benefits. They are all actuarially determined. They're calculated based on an actuarial formula as to what the reduction should be in the benefit to pay for this, depending on what the member opts for with regard to a replacement benefit for their surviving spouse.

The Chair: Thank you so much.

Thank you, Mr. Miao.

[*Translation*]

Mr. Desilets, you have the floor for two and a half minutes.

Mr. Luc Desilets: Thank you, Mr. Chair.

I have a few questions for Ms. Garrett-Baird.

You referred to the Veterans Survivor Fund, a \$150-million fund, if I am not mistaken.

How much of that has been used to date?

[*English*]

Ms. Crystal Garrett-Baird: Absolutely none of the funding has been used to date. The funding for research came from within the department's reference levels. We have not accessed the \$150 million that was put forward in budget 2019.

• (1420)

[*Translation*]

Mr. Luc Desilets: So the fund has been in existence for three years and there would still be two more years to use those monies.

Are there any plans?

[English]

Ms. Crystal Garrett-Baird: When budget 2019 was announced, as I noted, we had no information about this group of individuals to even know what their needs were or how this fund could properly address their needs. We did not want to create a fund that did not meet the needs of the survivors who were targeted.

As such, we engaged in two elements of research, one being the qualitative research as introduced by Dr. Li today. I want to indicate that there was a lot of work done with Dr. Li to support recruitment. Veterans Affairs Canada shared on its social media the study that was under way and how participants were needed. We also supported mail-outs and offered to engage veterans organizations.

The second element was the quantitative data piece that was undertaken with Statistics Canada. That was absolutely pivotal to inform us of the size and characteristics of this population. As I mentioned, that population is around 4,500 people.

[Translation]

Mr. Luc Desilets: Ms. Garrett-Baird, I have to interrupt you because I don't have much time.

Can Mr. Li's report be made available to this committee?

[English]

Ms. Crystal Garrett-Baird: I believe Dr. Li indicated that he would make that available.

I also want to reiterate that the research, both from Statistics Canada and the study that Dr. Li did, is key to what we're doing right now, which is determining the options and the way forward for the veteran survivors—

[Translation]

Mr. Luc Desilets: So you are assuring us that the report will be made available to us.

The people from Statistics Canada provided us with tables and results, but they were not asked to do an analysis of these results. These numbers and data are quite complex.

Would it be possible for an analysis to be done, since money is available? Could they do an analysis of their very thorough work, since they themselves are willing to do it?

[English]

Ms. Crystal Garrett-Baird: I can share with you the numbers that I shared in my opening remarks of how many individuals were identified by Statistics Canada, the percentage that was female and the percentages that are above and below the low-income median line. We're happy to share that information.

The Chair: Thank you, Ms. Garrett-Baird.

I'd like to invite Ms. Rachel Blaney for her two and a half minutes.

Please, go ahead.

Ms. Rachel Blaney: Thank you.

I'm going to have to rely on the witnesses to decide who the best person is to answer this question. I think it may be Mr. Crabtree, but if I'm wrong you will let me know.

I am trying to understand, because this is unique. When we think about the folks who are in this situation with the marriage after 60 clause, they are the ones who fill out the optional survivor benefit. That is not a normal practice for other pensions, from what I understand. We won't get into that.

What I am trying to understand is, if a member fills that form out and gives up between 30% to 50% of their pension.... For example, one of the veterans we are working with now has submitted over \$150,000 to put away for his wife when he passes. Now the wife is not doing well and it doesn't look like she's going to be with us much longer. When that happens, I understand that the veteran is removed from the OSB program and his pension returns to 100%, but what happens to all of that money? In this case, it's \$150,000?

Will that money come back to the veteran? This is them giving up their pension. To me, it's not the same as being a person who lives five years to 40 years. It is about saying, "Here's some of my money. I'm giving it up because I don't want this person to be without."

Can somebody please explain? Does that money stay in that big pot, or does any of that money come back to the person whose pension it was and who signed off on the optional survivor benefit?

Mr. Simon Crabtree: I would look at the optional survivor benefit, which, as you pointed out, is something that is not offered by most pension plans. It is something that the public sector plans put in place—I think it was in 1992—as an option.

I would look at this like term life insurance. It's an option that is provided to members that allows them to provide for a spouse who otherwise wouldn't qualify under a normal pension survivor benefit. It's true that the member's surviving spouse will not benefit from that in all cases. It's possible that they will pay in for a benefit and take a reduction for a period of time and they won't yield the benefit of it.

Yes, the plan would not be paying out in those circumstances, and the funds would remain in the plan.

• (1425)

Ms. Rachel Blaney: Thank you.

I think that's my time, Chair.

Thank you for answering that question clearly.

[Translation]

The Chair: Thank you very much, Ms. Blaney.

I now give the floor to Mr. Frank Caputo, the first vice-chair of the committee.

Mr. Caputo, you have the floor for five minutes.

[English]

Mr. Frank Caputo (Kamloops—Thompson—Cariboo, CPC): Thank you, Mr. Chair.

I'm going to actually follow up because I believe that MP Blaney kind of stole my thunder there.

I'm really having trouble with the numbers with this and how it all works. As the panel has probably gathered, one of the biggest points of contention is a veteran attempting to provide for their spouse or partner and the money they attempted to provide for their spouse or partner ultimately is relinquished and does not come back to them.

I'm sorry. I just launched in because I was so inspired by MP Blaney's question. First off, I thank you all for your service and for being here. I neglected to say that right from the get-go.

This is for Mr. Crabtree or Brigadier-General Tattersall.

I'm going to use an example because I'm having a lot of trouble visualizing this. For me, it's helpful if we use tangible numbers.

Let's say a veteran has a \$4,000 pension monthly—a big pension. They can give 20%, 30% or 50% or something along those lines and they decide to give 50%. That means that they're putting away \$2,000, as I understand it, every single month. That \$2,000 is there to compensate in the event that the veteran passes prior to their surviving spouse. Is everybody with me so far?

After four years, roughly \$96,000, by my math, has been put aside at \$2,000 per month over four years. If I understand this correctly, hypothetically, if the spouse or common-law spouse passes away at the four-year mark, is that \$96,000 never to be seen again?

Mr. Simon Crabtree: I will go on this one first.

In essence, you're right that the amount that's reduced of the benefit is forgone. Pension plans are a pooling of risks between members. They're not designed to pay out in every case for exactly what people pay into them. There are many employees or members who pay into these plans who never receive what they paid into them because they are deceased before they can yield those benefits or otherwise. That's true across all of our public sector plans.

As I said, I would look at the optional survivor benefit like purchasing a term life insurance policy. You are paying something for an insurance benefit that would be paid out to a spouse, but if that spouse predeceases you, those contributions you made to that term life insurance policy would not be returned to you afterwards. It is an insurance that you'd be purchasing, essentially. This is similar.

Mr. Frank Caputo: Of course, I see. The distinction I draw, sir, is this. Say I pay \$1,000 a year for an \$800,000 policy. In other words, I will probably never see that \$1,000 a year. The reason I'll never see it is that I am a 43-year-old who is unlikely to perish. An actuary has done the math and said that this is where it's going to go. Now, never seeing that \$1,000 again on a term life insurance, I think we can all agree, is substantially different from paying 50% of your pension into something for your spouse and you never see it again if your spouse dies first.

Am I being clear, first of all, on this?

• (1430)

Mr. Simon Crabtree: You're being exceptionally clear, but I would make the point here that we're talking about very different time horizons. Most of these people opting into an optional sur-

vivor benefit have very little time to accumulate any money into a plan. If they were to go out at 65 and buy a term life insurance policy, for the kind of money that we're talking about, they wouldn't be paying \$1,000 a month. They'd be paying many thousands of dollars a month.

It's very similar to a term life insurance policy if they were going to go out to the private market to buy a similar type of coverage. It's actuarially derived. These calculations are representative of the real cost of the plan for offering this benefit. These are not unfavourable calculations.

Mr. Frank Caputo: I fully understand what you're saying there, because you're right that buying term life insurance at 65 is a lot different from buying term life insurance at 43. I am mindful of that.

In anybody's experience, is there some sort of information gap here that people may not be realizing and seeing that? If I'm a veteran and I'm paying \$2,000 a month—

The Chair: Mr. Caputo, I'm so sorry, but you'll have to come back to that in the next round.

Mr. Frank Caputo: I was on a roll, Chair, but go ahead.

The Chair: I understand that.

Mr. Frank Caputo: Thank you.

[Translation]

The Chair: I see that Ms. Blaney has inspired you.

[English]

To conclude this round of questions, I'd like to invite Mrs. Rechie Valdez, for five minutes, please.

Mrs. Rechie Valdez (Mississauga—Streetsville, Lib.): Thank you, Chair.

Thank you to all the witnesses joining us for this important study. We've spoken to many witnesses, and as my colleagues have mentioned, this topic is very sensitive and a lot of them have been very impacted by this.

I'm going to direct these questions to Ms. Garrett-Baird. Hopefully they are for you, and if not, you can redirect me.

You mentioned that the \$150 million has not been used as of yet, and obviously the work, it sounds like, is now under way with the report that's been put in front of us. Are you able to share what alternative programs, if any, can be used to distribute the \$150 million? Are we at the point where you're formulating or thinking through what we're able to distribute or hoping to distribute?

Ms. Crystal Garrett-Baird: What we're doing right now is based on the the qualitative and quantitative research, both of which were inevitably delayed due to the pandemic. I think that's a very key consideration here. Now that we have it, we have been looking at it, and we're now using it to determine the options and the right approaches that could be a consideration for a veterans survivors fund and how best to support this population.

That's where we're at, while taking into consideration the other programs and services that the department offers, such as the veterans independence program, disability pensions, the income replacement benefit and the VAC assistance line, and then other social support programming, such as the guaranteed income supplement, old age security and the Canada pension plan. We're looking at things holistically as we look at the options and the data.

Mrs. Rechie Valdez: I appreciate that context.

I'm going to transition to asking you a bit about the Quebec model. As I understand it, this system deems the spouse of public sector retirees eligible for pension regardless of age at marriage.

Have any other jurisdictions that you know of used this model? Do you think it could be used at the national level?

Ms. Crystal Garrett-Baird: I can't speak to the model from a pension perspective. I can only speak to what Veterans Affairs Canada is providing and what it does.

Perhaps my colleagues at the Treasury Board Secretariat would like to weigh in on that.

Mr. Simon Crabtree: I can speak to this at a very high level.

We know that only a few pension plans in Canada offer a survivor benefit to a spouse or common-law partner whose union begins after retirement. As you pointed out, there is the Quebec plan, but there is also the Ontario Municipal Employees Retirement System, both of which have those. In both cases, the benefit is provided to the spouse at death and is only provided to that one survivor. That's to say that a married spouse would have priority over a common-law spouse in cases where a plan member was, say, separated at the time of death.

Even in plans that may offer that postretirement benefit, there are still obviously some eligibility restrictions. That means the person living with the member may not, upon their death, receive a survivor benefit.

It should be noted that these plans provide a benefit that's a percentage of what the member was receiving rather than a percentage of an unreduced pension benefit, which is what we offer under the public sector plans here in the federal government.

• (1435)

Mrs. Rechie Valdez: I got it. Thank you.

As you've heard already, since we've talked about it before, the U.S. is trying to take steps to remove the gold digger clause. It's very hurtful. Put yourself in their position. Who wants to be called a gold digger?

Has Veterans Affairs conducted any cross-jurisdictional research to look into having this removed here in Canada, or for the Canadian government to remove it?

Ms. Crystal Garrett-Baird: The focus of the work at Veterans Affairs Canada has been the research on the population and the veterans survivors fund. Given that we do not have jurisdiction over any of the pension plans referenced, whether it's the RCMP Superannuation Act, the Canadian Forces Superannuation Act or the Public Service Superannuation Act, we have not done comparisons, but

my colleagues from either National Defence or TBS may want to add there.

Mr. Simon Crabtree: Speaking broadly here for a moment, I would first say that it's unfortunate that the gold digger connotation is associated with this provision, because it's really not what it's intended to do. I think the restrictions on marriage after retirement were about aligning with family law and direction as to who would have rights to pension assets; wherein, family law would guarantee the rights of spouses regarding assets acquired during a period of marriage or common-law union.

As far as studies are concerned, we haven't done much work in this respect. There has not been much direction. Obviously, the question comes up from time to time.

The provisions offered under the plans are very similar to what's offered under most other Canadian plans. As we noted earlier, the optional survivor benefit is actually a more generous and flexible option that was added to our plan, and that doesn't exist elsewhere.

Mrs. Rechie Valdez: Thank you.

The Chair: Thank you, Mrs. Valdez.

I'd like to propose to all of you, witnesses and members, that we do another round of questions for 25 minutes, and after that we can take a health break. We have until four o'clock. Are there any objections? Can we go on with another round of 25 minutes?

Some hon. members: Agreed.

The Chair: That's great.

I invite Mrs. Wagantall, for five more minutes, please.

Mrs. Cathay Wagantall: Thank you, Chair.

I look at this, and it concerns me deeply. I don't think we're advising our veterans on the best direction of action to take as they get older. If they choose to get married at 60.... Obviously things are different now from what they were many years ago, and this is a norm.

I am concerned that, since 1994, there have been nine private member's bills on this issue, a motion in 2006 and then a 2015 mandate letter from the Prime Minister that made it a top priority to eliminate the marriage after 60 clawback clause. Then, of course, in budget 2019 that was all gone, and we're into a veterans survivors fund approach.

Clearly, I don't think our government is in a position right now to look at what this would cost to make those changes that, on a personal level for these veterans, should really be there.

I have a question about that \$150 million over five years, and that it hasn't been spent. The way I read it, it says, to better support the surviving spouses married after age 60, budget 2019 announced \$150 million over five years starting in 2019 to create a veterans survivors fund. However, as you were saying, that needs to be created—\$30 million a year. Why is there not far better research going into what this needs to be moving forward? It looks to me that it's not going to be set up well, if it is set up at all, and it needs to have proper research.

Dr. Li, what would you have liked to have available to you to do a more rounded approach to the particular study you did?

Dr. Eric Ping Hung Li: I would suggest that there would be some data triangulations that we would have to put together. When I am doing my qualitative research, I know that StatsCan is also putting out their numbers. I think a certainly it would be nice to see both datasets compared to each other. That would be one next step that I would like to see.

I also see some opportunities about getting those actual individuals who are impacted and seeing the needs and how our government is helping them. As I mentioned, there would be a spectrum of veterans and also their survivors who fall into these particular categories. Many of them are aged 70-plus, and many of them are living in very remote areas. That is not like someone you can see every day in Vancouver or Toronto.

Having said that, more effort needs to be put into identifying those individuals who are impacted. I think that would be my suggestion.

• (1440)

Mrs. Cathay Wagantall: Thank you. I really appreciate that.

Mr. Crabtree, you were talking about the actuarial assessments and that there hasn't been one for at least a decade. Is that normal?

I look at this and the amount of concern that has grown. You see it in the House of Commons, through these bills, these promises and then these changes. Why is there not a more up-to-date, constant reckoning of what this is actually going to cost the government if this were to happen or if that were to happen, to enable you to budget properly to make sure that the program can function?

Mr. Simon Crabtree: It's a good question. Ultimately we tend to do costings and enlist the services of the office of the chief actuary to support us in doing that kind of analysis only on an as-needed basis. It costs the plans money to perform these kinds of service, and there are a lot of different proposals that are put forward for changes to the plans, so unless something is being put forward for consideration by the government, we tend not to ask the office of the chief actuary to undertake this work.

Mrs. Cathay Wagantall: It costs.

Mr. Simon Crabtree: It does come with a cost, and that cost is borne by the plan, so we try to minimize and find—

Mrs. Cathay Wagantall: I hear you. That's fair enough. It's important that we understand these things and that veterans understand these things.

I have a question for Ms. Garrett-Baird.

You mentioned the different programs that are available for survivors to access. One of them you mentioned is the VIP, but again, here's the catch. It says it had to be used by the veteran.

I can tell you that it's one thing to be the veteran if you're the male in the family who may continue to do things like shovel and cut the grass, but if he is suddenly gone and the wife.... I can attest to the fact that I would struggle with those responsibilities, yet here it's attached again to whether or not the spouse needed it before passing away. This, to me, seems unreasonable. If we're truly concerned about meeting the needs of that veteran's spouse...and you're right, as Mr. Crabtree said, we're talking about people in their seventies, eighties and now occasionally nineties.

Mr. Chair, can she give a brief reply?

The Chair: Yes, you have 15 seconds.

Mrs. Cathay Wagantall: Thanks you so much, Chair.

The Chair: Ms. Garrett-Baird, go ahead for 15 or 20 seconds.

Ms. Crystal Garrett-Baird: Sure, I'll be very quick.

There is the ability. There are low-income gateways as well through the veterans independence program for some primary caregivers for housekeeping and grounds maintenance. There are other opportunities there that we can work through to support those individuals.

The Chair: Thank you. That was quick.

[*Translation*]

I now invite Mr. Stéphane Lauzon to take the floor for the next five minutes.

Mr. Lauzon, we are listening.

Mr. Stéphane Lauzon (Argenteuil—La Petite-Nation, Lib.): Thank you, Mr. Chair.

I'd like to begin by thanking the witnesses for being here today, on this Friday afternoon.

Mr. Li piqued my curiosity when he talked about the difficulty of reaching people on the ground. Little has been said about how the pandemic has made things more difficult over the past two years.

How to reach seniors is a concern, given the connectivity issues in some rural areas, where the Internet is not available. In addition, seniors have difficulty using the Internet and various communication technologies.

What difficulties have you had in reaching seniors in rural or remote areas? What were the barriers related to technology?

• (1445)

[English]

Dr. Eric Ping Hung Li: We rely on the second generation. I briefly mentioned that, so if they can help us to set up.... Let's say video conferencing is good, but I did have some interviews done on forms. They don't have the Internet access but can join the call and then we set up our one-hour telephone conversations with them. We still can kind of reach out to those individuals.

A good number of those participants are living in remote regions, but having said that, COVID really limited our outreach. I would say, in the ideal or dream scenario, I would like to go to those places and interview them in their own houses and see their situations.

We work closely with the Legions, but their lunches or veterans gatherings were all cancelled during that time. Having said that, these would be some of the vehicles, as I mentioned, if not interrupted by COVID.

Mr. Stéphane Lauzon: Let's talk about the Legion, because there are lots of Legions. They are far away from big centres. They're located in rural areas, and they don't even have Internet themselves. How was the collaboration with those organizations?

Dr. Eric Ping Hung Li: We tried with 200-plus Legions, but there were a lot who didn't respond to us. For those who responded to us, we only know they cancelled all their meetings during that time.

Mr. Stéphane Lauzon: It was difficult.

[Translation]

I have a question for Ms. Garrett-Baird.

There has been a pension reform process in the past. Your many partners, including National Defence, Treasury Board and the Department of Justice, were part of that process. Was your department also involved in that process or in the decision-making? Was it consulted?

[English]

Ms. Crystal Garrett-Baird: Could I clarify whether you're referencing the veterans survivors fund or the superannuation acts?

Mr. Stéphane Lauzon: Let's start with the veterans survivors fund.

Ms. Crystal Garrett-Baird: With respect to the veterans survivors fund, when budget 2019 was announced we engaged with Statistics Canada, the Canadian Armed Forces and the Department of National Defence to determine what data was available. When we determined that the administrative data related only to the optional survivor benefit, we continued to work forward on how we could obtain the quantitative data needed for us to learn about the characteristics and size of this population. We worked with both of those organizations, along with the Canadian Institute for Military and Veteran Health Research, on the qualitative piece that Dr. Li spoke of.

Of course, Treasury Board Secretariat is aware of this fund as well, but they're working through it in terms of awareness. They're responsible for other superannuation acts.

[Translation]

Mr. Stéphane Lauzon: Thank you for your answer.

As I understand it, you all worked together.

In terms of the current form of the Veterans Survivor Fund, can you tell us what the benefits are?

Can you also tell us if, during the discussions, you mentioned low-income seniors and survivor income-sharing?

[English]

Ms. Crystal Garrett-Baird: Yes, we have. Through the work we undertook with Statistics Canada, we were able to determine the number of individuals in this population. As I mentioned, it's estimated to be 4,500. Most had higher incomes compared with other Canadian females in the same age group. Over 1,200 survivors, or 27%, were in receipt of the guaranteed income supplement. Approximately 850 of the 4,500 living survivors, or 19%, had incomes below the low-income measure.

I would note as well that we are of course engaged with other partners across government, one of them being ESDC. We are aware that there are changes to the old age security program coming into play on July 2022 for individuals 75 years and older.

• (1450)

[Translation]

The Chair: Thank you, Ms. Garrett-Baird.

I now yield the floor to Mr. Luc Desilets.

Mr. Desilets, you have two and a half minutes.

Mr. Luc Desilets: Thank you, Mr. Chair.

I have a few short questions for Mr. Crabtree.

Mr. Crabtree, we said this famous program would cost \$1 billion. Can you tell us a little bit more about what that billion dollars would be used for?

[English]

Mr. Simon Crabtree: This \$1 billion or \$2 billion or whatever the final amount would be is an adjustment to the overall liability. This would be a one-time adjustment to the obligations of the pension plan to reflect these new expected benefits to be paid out over the course of current members' lifetimes and then in survivor benefits. This would not include members who have already retired and have predeceased. This would leave questions as to current members, I suppose, because this is on a go-forward basis.

That \$2 billion, just to reiterate, is a go-forward for those who are currently members and paying into the plan and not those who have already retired or who have already predeceased their survivors.

[Translation]

Mr. Luc Desilets: Would this include the "marriage after 60" provision and what comes after retirement?

The \$2 billion would be used for all of that, even to pay for liabilities. Is that right?

[English]

Mr. Simon Crabtree: That \$2-billion figure notionally is the removal of the marriage after 60 clause from all three public sector pension plans.

[Translation]

Mr. Luc Desilets: All right.

[English]

Mr. Simon Crabtree: It's only for current members paying in, not for those who predeceased and not those...beforehand.

[Translation]

Mr. Luc Desilets: All right.

You referred to the Government and Public Employees Retirement Plan, the RREGOP, which seems to be an example of a pension fund plan.

Do you believe that the basic principles of this plan would be applicable, in this case?

[English]

Mr. Simon Crabtree: Different plan sponsors have different objectives for their retirements. There are positives and negatives. The challenge with pension benefits in general is that they are a fairly blunt instrument because they apply to high-income earners as well as to low-income earners. Often when we look at, say, removing a limit like the marriage after 60 limitation that's in the plan, the biggest beneficiaries of this are going to be the high-income earners.

This is not a method necessarily of targeting any specific sub-population. The question is what we are aiming to do. If it's to, say, help ensure that low-income survivors are provided for in retirement, there are a great deal of costs and funds that are not going to be allocated to these members. It's a very small component.

[Translation]

The Chair: Thank you, Mr. Desilets.

I now recognize Ms. Rachel Blaney for the next two and a half minutes.

Ms. Blaney, we're listening.

[English]

Ms. Rachel Blaney: Thank you so much, Chair.

I would ask some questions of Ms. Garrett-Baird. The two are basically yes-or-no questions.

In answering questions, you have talked about survivor supports outside of the pension that people who are married after 60 could possibly use after their partner passes. I'm just wondering if you could submit to the committee how much of that money is flowing to that particular group. You were talking about hundreds of thousands of people. How much money, what program and how many people who are survivors and have no access to the pension is it impacting? Could you get us that information?

Ms. Crystal Garrett-Baird: I am able to provide you with what we know, which is that we're providing the income—

Ms. Rachel Blaney: Do you know? Do you calculate at all who accesses those programs and are not receiving the survivor's benefit?

Ms. Crystal Garrett-Baird: If you're referring to the optional survivor benefit, we don't—

Ms. Rachel Blaney: I'm not going to ask you that question because you don't want to understand it.

Statistics Canada did all of that assessment, but there was no analysis. Could you provide the committee with the analysis of the Statistics Canada information?

Ms. Crystal Garrett-Baird: Yes. What we found from our analysis was that—

• (1455)

Ms. Rachel Blaney: If you could submit that to us, that's perfect.

Now, around the veterans survivors fund, this does apply only to veterans. It doesn't apply to RCMP veterans, which is concerning to me. I know that none of the money has moved of the \$150 million. Does this assessment that you're going to share with the committee talk about how it's going to be moved and when it's going to be moved? Next, what is the department doing around the RCMP veterans?

Ms. Crystal Garrett-Baird: The information that I have articulated today, and that I will be sharing with you, is what we learned from Statistics Canada in terms of the characteristics of this population, which we are using to determine the way forward for the veterans survivors fund. Budget 2019 provided the funding for veterans of the Canadian Armed Forces. We are aware that the same clause applies to the RCMP Superannuation Act, but our work has been focused on Canadian Armed Forces veterans for the budget 2019 commitment.

Ms. Rachel Blaney: Okay, so there is no commitment for RCMP veterans. That's really helpful.

I will actually write you my question—the initial question that I asked, more specifically—hoping that you'll understand it then. If you could receive that and get that information back to the committee, or let us know if you can't, that would be extremely helpful.

That's my time. Thank you so much, Chair.

The Chair: You're welcome.

Now, I'd like to invite Mr. Fraser Tolmie to begin his five minutes, please. Is Mr. Tolmie there?

Maybe I can invite Mrs. Wagantall to take five minutes.

Mrs. Cathay Wagantall: Did we lose my friend?

The Chair: Maybe. I don't know.

Mrs. Cathay Wagantall: I don't know where to go with this anymore, quite frankly. I think we've learned a great deal today, but, I would be pleased...

I'm sorry. I'm getting a message.

Chair, they're wondering if you did not agree that we would be taking a break at this point in time. Perhaps there are some people who need a quick—

The Chair: Okay, but I was saying that after this round you would get five minutes.

Mrs. Cathay Wagantall: Okay.

The Chair: After that, we have Darrell Samson, so I will put that on the table to ask members if they want to stop.

Mrs. Cathay Wagantall: That's understood. I think we should take into account these people who have come to spend the afternoon with us. To keep them sharp as well, we ought to have the opportunity for a bit of a stretch break here—seriously.

The Chair: Yes, good. Okay.

Mrs. Cathay Wagantall: Thank you.

With that being said, I think we got a lot of clarity on what is and what isn't at this point in time.

I am very concerned about another promise in 2019 of \$150 million. It was supposed to kind of appease this whole concern about survivors receiving a portion of their loved one's pension when they pass away, and none of those funds have gone out yet. To put that money forward before being ready is a trademark of this government. They make announcement after announcement, even with COVID, and nothing has been established or put in place yet.

I would ask those of you who are engaged on that particular issue if you could please, even now, having had a little more time, Ms. Garrett-Baird, explain to us where that process is at. When and what can we expect to come out of that in light of the fact that it appears to me that there's not a will or perhaps an ability at this point in time to come forward and meet the desire of our veterans and their spouses, as was outlined in the 2015 mandate letter.

Ms. Crystal Garrett-Baird: Budget 2019 provided \$150 million to develop a veterans survivors fund. That fund, to be clear, will not—

Mrs. Cathay Wagantall: May I interrupt you there? I'm sorry. That's an important piece. You say, "to develop a fund". Do you mean "to create the fund" and that the money was not meant to actually go out to veterans' survivors but to figure out what the program would actually be? Was that what that money was for?

Ms. Crystal Garrett-Baird: No, the \$150 million was targeted for survivors. It was not to develop the fund. As I mentioned at the outset, the research that we have undertaken we have done within our own operating funding. We have not used that \$150 million because that is targeted for survivors.

I want to reiterate that the fund is not a change to the marriage after 60 clause in the Canadian Forces Superannuation Act. The focus would be on developing a fund for individuals who may be impacted by the clause.

This is not an issue where there has been a dragging of feet. We had no information, really, to understand what the needs of this population were or how many were a part of it so that we could actually determine how we would attribute this and what their actual needs were. Without any kind of information, we would be creating

a very ill-informed fund, and that would not meet the needs of individuals.

Mrs. Cathay Wagantall: I appreciate that. Thank you.

Ms. Crystal Garrett-Baird: That is why—

• (1500)

Mrs. Cathay Wagantall: I do appreciate that. That is what we need to hear because that kind of confirms what I'm saying here, I guess.

What we're doing, then, is what I see has been happening for a very long time in Veterans Affairs. We try to create something else to deal with the problem, rather than to streamline and make things simpler for our veterans as far as how those needs can be met. Can you give us just a sense...? I appreciate what you're saying because you're starting at ground zero, really, with this whole issue as far as having any kind of ability.

I'm sorry, Dr. Li, I didn't mean "ground zero", because there's been an effort made to do something on that file.

Realistically, how long do you think it will take to create this program, and how much has the department spent within itself at this point in time trying to do this to date?

Ms. Crystal Garrett-Baird: The department has been focused on the qualitative and quantitative research to inform what we're doing, and that is what we are looking at right now. What's the way forward for the veterans survivors fund, taking into consideration other supports that the department is providing to survivors, including monthly disability pensions, income replacement benefits, the VAC assistance line and the veterans independence program.

We are aware of this issue, and we are very committed to this issue because, otherwise, the discussion today around Dr. Li's research and the work we undertook with Statistics Canada would not have been done. That demonstrates the commitment that we have here and the seriousness of it. The pandemic has—

Mrs. Cathay Wagantall: As there are maybe 30 seconds left, I would like to ask one more question.

The Chair: You have 10 seconds.

Mrs. Cathay Wagantall: Okay.

Very quickly, would this mean that some other benefits would be rolled into it or disappear in the creation of this program?

Ms. Crystal Garrett-Baird: We are not looking at getting rid of any benefits. The focus here is on the needs of this population, taking into consideration what was stated in budget 2019. The focus is on taking the research that we have received and looking at that to determine where the needs are and what this population needs. That is helping us inform the way forward for the veterans survivors fund.

The Chair: Thank you, Ms. Garrett-Baird.

To conclude this round, I'd like to invite MP Darrell Samson for five minutes, please.

[*Translation*]

Mr. Stéphane Lauzon: Mr. Chair, could I speak for 30 seconds before Mr. Samson?

The Chair: Please go ahead, Mr. Lauzon.

Mr. Stéphane Lauzon: I will be brief, as I do not want to take up any of the time given to Mr. Samson.

The Chair: I've stopped the clock. We're listening.

Mr. Stéphane Lauzon: I think we had three good rounds of questioning with the witnesses, who answered several questions. As we are at the end of this third round and the study, I propose that we end the committee meeting after Mr. Samson's intervention.

Mr. Luc Desilets: I do not agree.

[English]

Ms. Rachel Blaney: Absolutely not.

[Translation]

The Chair: We have taken good note of your objection, Mr. Desilets and Ms. Blaney.

Mr. Lauzon, after Mr. Samson's five-minute intervention, I was going to invite the members and witnesses to take a five- to ten-minute break, and come back to complete at least another 25-minute round. Do you agree?

Mr. Stéphane Lauzon: Yes, that suits me.

The Chair: Excellent. We're going to complete this five-minute round with Mr. Darrell Samson. Then we'll take a 10-minute break and come back for a final round. I hope that's acceptable for our witnesses as well, and I thank them for their co-operation.

Mr. Samson, you have the floor for five minutes.

• (1505)

[English]

Mr. Darrell Samson (Sackville—Preston—Chezzetcook, Lib.): Thank you.

I just would like to begin by stating that I don't think we should be playing political games or using comments about this government making promises. I mean, we lived through 2005 to 2015, with major cuts to Veterans Affairs and the Canadian Armed Forces from the Conservatives. We didn't talk about that, but maybe we should have. The last speaker was saying that we made some promises, and the Conservative government was in power from 2005 to 2015 and didn't do anything on the survivor fund for those aged 60 and over. Let's just focus on getting this job done.

I'm glad for the discussion. I want to thank all members who are here today, and I want to thank Ms. Blaney for bringing the topic of the study up. I think this is very important, and there have been lots of discussions around that.

I guess I'd like to begin by asking—again, maybe you could identify this—has the Treasury Board, National Defence or Veterans Affairs...? How much are we hearing questions around the veterans' pensions after 60 survivors fund? Are we getting calls? Is it something that's being asked of us or asked of your responsibilities?

I guess I'll start with Mr. Crabtree. Are you having some requests or questions on that topic?

Mr. Simon Crabtree: I would suggest that the Department of National Defence would be better prepared or suited to answer this, simply because we don't deal with their membership directly.

Mr. Darrell Samson: That's good.

Go ahead, Brigadier-General Tattersall.

[Translation]

BGen Virginia Tattersall: Thank you, Mr. Chair.

The only time we get asked questions is at the Canadian Forces Pension Advisory Committee meetings.

[English]

The retiree representative will bring up at our CF PAC the question about marriage after 60, but in terms of this being a question that is asked of the pension centre, which is where these queries would be directed, I do not have numbers for you. I don't believe that they track that particular line of questioning.

Mr. Darrell Samson: I thank you for that answer.

Many of the witnesses shared with us that they didn't hear about this during their retirement session or preretirement session, if you want. Most of them found out about it afterward.

Can you confirm that this is being shared with members prior to their retirement, and to what extent? I got the feedback that most of them were not aware of it.

BGen Virginia Tattersall: In terms of the information that we communicate to our members, they have available via the pension website—which is managed by the pension centre, PSPC—information about the pension. That pension information is set up by whether they served before 2007 or after 2007, if they are married or if this is about a death. The information is organized in a way to permit them to get to an answer.

There is in the frequently asked questions—because I had it verified—a link with respect to a question about marriage after 60.

That's only one part of the information that members will get. There are second career assistance network briefings that are done about pensions, where this would be an issue that is raised. There is information about pensions in the transition guide. Now that we have the Canadian Armed Forces transition group, that is provided to members as well. There's a bulletin that has been distributed—

Mr. Darrell Samson: Okay, thank you. I wanted to share that, because a lot of them were saying that it was an issue.

Mr. Crabtree, you indicated that the fund is based on the pooling of risk, etc. Are there other funds where the survivor receives the money they put aside? You indicated that in this case, they don't.

Are there funds that you're aware of that pay back the monies that were invested if the survivor passes first?

• (1510)

Mr. Simon Crabtree: I'll defer a bit to our colleagues at Veterans Affairs.

If you're speaking generally to pension plans across Canada, there are different forms of pensions, which provide different types of guarantees in benefit payouts, both for members and survivors. They're more or less consistent with what the public sector plans offer though. There are different forms that provide, as I said, some forms of guarantees. Often, those guarantees come in the form, much like our optional survivor benefit, of a reduced payout initially.

Mr. Darrell Samson: I know my time is up.

You said Quebec, the municipal and Ontario.... Are they getting back 100% of what they put in?

The Chair: Answer in 10 seconds, please.

Mr. Simon Crabtree: No, it's also a pooled risk set-up there. It's always a trade-off. It's always risk pooling. The payouts are dependent on how long people live. It's very individually dependent.

Mr. Darrell Samson: Thank you.

[Translation]

The Chair: Thank you, Mr. Crabtree.

Ladies and gentlemen, as agreed, we're going to take a 10-minute break. We will return for the final round of questions, which will be initiated by Mr. Frank Caputo.

It's exactly 3:11 p.m.

At 3:21 p.m., Mr. Caputo will have turned on his microphone and he can begin.

With that, I will suspend the meeting for 10 minutes.

The meeting is suspended.

• (1510) _____ (Pause) _____

• (1520)

The Chair: Ladies and gentlemen, we are back in session.

I yield the floor to Mr. Frank Caputo for five minutes.

[English]

Mr. Frank Caputo: Thank you. I may not need all five minutes here.

Mr. Chair, I'm going to finish up with Mr. Crabtree. I see that MP Blaney is jumping up and down, but I don't know what she could possibly be trying to say to me.

Mr. Crabtree, I really want to make sure I understand this, because this has been a huge issue. I'm going to summarize what I perceive your message and your evidence to be, and then could you please confirm whether or not I got it right?

If I have it right, when a veteran contributes on behalf of their spouse.... We really should say "when a veteran and their spouse contribute" because it's the two of them. Let's say when they contribute that \$2,000 a month for a total of \$96,000 over the course of four years, if I understand it correctly, that \$96,000 is essentially—forgive my language—almost like hedging a bet, if you will, saying that, in the event they perish, that \$96,000 will go to pay me, would

it be, \$2,000 a month for the rest of my life or however much is to be paid?

Is that accurate?

Mr. Simon Crabtree: It's half of what the survivor benefit is, I believe. It's 1% instead of 2%, so it's half.

Mr. Frank Caputo: That would be \$1,000 a month.

Mr. Simon Crabtree: In that example, it would be.

Mr. Frank Caputo: In that example, you're paying \$2,000 a month in order to potentially get \$1,000 a month for the rest of your life in the event the veteran perishes.

First, do I have that right?

Mr. Simon Crabtree: That's correct, and I will add a precision, which is that it's half of their unreduced pension as well, because often plans—early retirement, CPP, etc.—can be reduced, so it's probably more than half. Anyway, for simplicity we will say it would be half, and you have that right.

Mr. Frank Caputo: I have enough trouble with numbers, so, yes, let's just leave it at that. Some actuary has come up with this, if I understand it correctly. In order to not bankrupt the pension fund, this is the way it has to be.

Is that right?

Mr. Simon Crabtree: Again, these are members' funds, so all members contribute and they risk-pool together. Someone is actuarially calculating what the cost is projected to be for the plan on average, and they're trying to offset this to be neutral to the plan.

Mr. Frank Caputo: Theoretically, somebody, as MP Wagantall said, could—it may be wiser—take that \$2,000 a month and invest it at, say, 6% or 7%, and at the end of the day they have their principal plus that. That's a decision they ultimately have to make, but they're guaranteed, in that case, not to lose any money. They just might not get anything in the event that the veteran passes first.

Mr. Simon Crabtree: That's effectively a fair statement. Again, when we're looking at this as an actuarial calculation, they're trying to assume very much what this will cost the plan, and that's kind of looking at another alternative with a set of assumptions about what you could get as a return for these funds, etc., but yes, it's a defined benefit versus kind of a defined contribution. You're basically trying to lock in a set amount of money here if you're going to keep it aside and not reduce your benefit through an optional survivor benefit, but if the survivor goes on to live 15 years and save longer than what was anticipated in this calculation, they in theory could make much more money under the optional survivor benefit than they would have had they put this money aside or if they put the money aside and lost money in the markets.

There's a bit of uncertainty. It's maybe not gambling exactly but it's uncertain, yes.

• (1525)

Mr. Frank Caputo: I'll take it one step further then, again, just so I'm clear. Let's say a veteran and their spouse decide to put in the 50% at \$2,000 and that veteran passes after six months, so only \$12,000 has been contributed. Would it stand to follow then that the surviving spouse would then receive, let's say, \$1,000 a month for the rest of their life?

Mr. Simon Crabtree: That's correct. Again, it depends on what the member opted for—30%, 40% or 50%. Assuming it's 50%, that's what they would get for the rest of their lives.

Mr. Frank Caputo: I'll summarize then. Your point, if I have it correctly, is that there are risks in everything. In this case, let's say you take 50% of your pension and you die after six months, it was the greatest investment you could have made, because you paid \$12,000 and the survivor got \$1,000 per month for the next 30 years.

The flip side of it is that, if you pay into that for 25 years—you start at 65 and live to 90—you see zero of that. In that case, it's really the worst investment you could have made, because you have put money aside and see no interest and no return on that.

Do I have a fair summary there?

Mr. Simon Crabtree: It's accurate, but I will also point out that it is the same for the entirety of all defined benefit pension plans. I could pay in as a member for my entire life. I could have a spouse and we both pass away within a few years of my retirement. I would have paid in hundreds of thousands of dollars and received nothing in return.

It is the formula and the nature—

Mr. Frank Caputo: I see my time is done. I'm sorry, MP Blaney.

The Chair: Thank you, Mr. Caputo.

[*Translation*]

I would now like to invite Mr. Lauzon to take the floor for five minutes.

Members of the committee may also share their time.

Mr. Stéphane Lauzon: Thank you, Mr. Chair.

Once again, it's a pleasure to participate in the discussion and ask questions. I'd like to go back to the topic that was already discussed with Ms. Garrett-Baird.

The question I asked you earlier was about your responsibilities for the new pension plan. In the current model, the three pension funds have been amalgamated into one.

What are the benefits of this pension model for veterans?

Can you describe some of these benefits?

[*English*]

Ms. Crystal Garrett-Baird: Thank you.

If you are referring to the Pension Act, the new veterans charter and pension for life, the advantage of pension for life—and the new Veterans Charter, which was the precursor to pension for life—is that we now have a suite of benefits and services that can be provided to veterans and their families. It includes areas such as rehabilitation and financial support, whether it's the income replacement benefit or the Canadian Forces income support benefit. Those are areas that we did not have pre-2006. We only had the monthly disability pension and supports such as the attendance allowance and exceptional incapacity allowance for veterans who had very serious injuries.

We were able to step back and realize that this model was not enough for our modern-day veterans. They were in need of rehabilitation and support such as career transition services. Move forward to 2019 when we identified gaps in education and training, so we launched the education and training benefit. We also put in place supports such as the caregiver recognition benefit for family members or caregivers of the most seriously disabled veterans, to ensure they are getting what they need.

That whole suite of benefits is encompassed by a very strong case management system and other supports such as the VAC assistance line. We are working with our Canadian Armed Forces colleagues on the veteran family program to ensure that there is a seamless transition once a member is released and comes over to VAC for support. We are always looking at ensuring that Canadian Armed Forces members, veterans and their families are getting the supports and services they need.

As mentioned, where we have identified gaps in areas such as education, training and the caregiver recognition benefit, those supports have been put in place. Even if we step back again, since 2016 over \$11 billion has been provided for veterans through our budgets. Most recently, in budget 2022, there was additional funding of over \$201 million to continue to reduce wait times and address veterans' homelessness.

We continue to evolve to ensure that our programming is supporting the needs of those we serve, which is the most important thing—their well-being and their health.

• (1530)

[*Translation*]

Mr. Stéphane Lauzon: Thank you very much.

Do the numbers you have given us also take into account all the programs that help veterans?

Have you done an analysis of the programs we offer, such as psychological help, family support, support for veterans' spouses, as well as all the rehabilitation therapies?

Have you considered the costs of all these programs in place for veterans?

[*English*]

Ms. Crystal Garrett-Baird: When we're developing these programs and services, there is costing done, along with a forecasting of how many veterans and family members that we know will benefit from it.

For example, in budget 2021, a new mental health benefit was announced, which launched on April 1, 2022. That is targeted to veterans who are applying for disability benefits related to a mental health condition such as PTSD, anxiety and depressive disorders. There was \$140 million put forward for that benefit over five years, and then ongoing support. It is in place to ensure that individuals or veterans coming forward with mental health conditions can access treatment immediately upon application while they're waiting for their disability benefit to be processed.

I see that my time is up.

The Chair: Yes, exactly.

[Translation]

Thank you, Mr. Lauzon. Your time is up.

Mr. Stéphane Lauzon: Thank you very much.

The Chair: You're welcome.

I now invite Mr. Luc Desilets to take the floor for two and a half minutes.

Mr. Desilets, you have the floor.

Mr. Luc Desilets: Thank you, Mr. Chair.

My first question is for Mr. Li.

Mr. Li, I respect the work you do at the University of British Columbia. You have a doctorate and you have done important work in the past.

Here's what concerns me. The sample for your study was small and nothing happened the way you wanted it to. This is not your fault. People, legions and others did not respond, which is a great shame.

Do you believe, as an academic, that your study meets the high standards of research quality and that we can really consider investing millions of dollars in light of your three recommendations?

[English]

Dr. Eric Ping Hung Li: Thank you for your question.

I would say that the small sample size is the reality of that, but I think that in the quality of the conversations we had with the veterans and the survivors, we covered some of the ground that we wanted to in going back to identifying the reasons and what would be their financial well-being.

We had qualitative researchers trained in anthropology backgrounds as well. We had a smaller sample size, but that is sometimes good in the calibre and quality of the information we are getting. I think we captured quite a lot of the voices. Are we going to be saturated in some ways in terms of the themes...? I can see that more samples would be good and more of a time frame spent with veterans and survivors would be helpful with that.

But I think that in this exercise we did our very best in the pandemic times to collect those voices to present to you. I would say that we did pass along good qualitative research.

Thank you.

• (1535)

[Translation]

Mr. Luc Desilets: I am fully aware of that, Mr. Li. I do not question your work.

However, the result being what it is, do you think, yes or no, that we should absolutely take this into account when considering the investment of millions of dollars?

[English]

Dr. Eric Ping Hung Li: That is a very good question.

For that, I shared it in my report and my recommendations. That recommendation, or that insight, was from the veterans I talked to and from the survivors I talked to for this. I'll leave it to the standing committee to make those decisions. As a researcher, I think I'd just like to do a fair job in reporting the voices I collect.

Thank you.

The Chair: Thank you, Mr. Li.

Thank you, Mr. Desilets.

I'd like to invite Ms. Rachel Blaney to take her two and a half minutes.

Please go ahead.

Ms. Rachel Blaney: Thank you so much.

If I could ask a question through you, Chair, of Ms. Tattersall, my question is this: Is she aware that REGS, another committee in this place, has requested that the minister attend to explain the government's intentions regarding eliminating this clause on after 60...? That's question one.

The second one is this: Has she been called on to provide briefing notes about this clause to anyone in National Defence and, if so, who?

BGen Virginia Tattersall: Mr. Chair, to the first question, no, I am not aware of an appearance of Minister Anand before any other committee, but then I don't tend to go through all of the information of the various committee appearances on a daily basis.

To the second question, if I have prepared any briefing notes, I think there may have been a briefing note that was passed to me to outline what the challenges are with marriage after 60. That was approximately three and a half years ago.

Thank you.

Ms. Rachel Blaney: Thank you. That's extremely helpful.

I will come now to Mr. Crabtree.

I know that the Treasury Board sometimes provides recommendations, so I'm wondering if the Treasury Board has a policy specifically on this clause. Does the Treasury Board support the elimination of the clause? Why or why not?

Mr. Simon Crabtree: Essentially, right now the current government has yet to respond in Parliament to Bill C-221 and, as such, I wouldn't be able to comment on the government's position in this respect.

That being said, I understand that similar private member's bills and petitions have been introduced in previous Parliaments that may be part of the public record, so that may give you an indication. That being said, at the same time, we can't confirm whether the government's position would be the same as previous responses.

Ms. Rachel Blaney: Thank you.

I will come back to Ms. Garrett-Baird.

Could I just get clarity if VAC has responsibility for RCMP veterans? I am very clear that this is the case, but I just want to clarify if there's a misunderstanding.

Ms. Crystal Garrett-Baird: The department has a memorandum of understanding with the RCMP to administer disability pensions on their behalf under the RCMP Superannuation Act, so we do provide that support.

The RCMP are not eligible for some of the other supports I mentioned today such as the income replacement benefit and areas like that, because that is outside of the department's mandate. What we do is support those RCMP members who have service-related injuries or illnesses who come forward for disability pensions.

[*Translation*]

The Chair: Thank you very much.

I would like to invite Ms. Wagantall or Mr. Tolmie to speak for the next five minutes.

[*English*]

Mrs. Cathay Wagantall: That's fine.

The Chair: Go ahead, Mrs. Wagantall.

Mrs. Cathay Wagantall: They're having trouble tracking who's doing what at this point in the day, I think. That's fair enough.

I just have one question for Ms. Garrett-Baird.

In regard to Statistics Canada, the data tables requested by Veterans Affairs Canada were to provide a broad and general understanding of the financial situation and occurrence of low income among spouses of veterans who entered into a new relationship at age 60 and after. I believe that you clarified that this is what was asked and provided by them to VAC.

However, according to Statistics Canada, it has never been asked by Veterans Affairs Canada to do any specific analysis on the impact of the marriage after 60 clause or the veterans survivors fund. I just wonder, in light of all the information that is needed to be able to deal with this as quickly as possible to come up with decisions around that fund, why was that the case? Why were they not asked to do that additional work?

• (1540)

Ms. Crystal Garrett-Baird: Starting, as I mentioned earlier, when budget 2019 was announced, we engaged Statistics Canada to explore how to identify veterans who marry after the age of 60, and in the coming months that work was.... We really launched what we needed to look at here, while working with DND and the Canadian Armed Forces.

In May 2019, Statistics Canada proposed a method for obtaining that information, and then in June of 2019, VAC asked Statistics

Canada that the work be undertaken to identify survivors. Fast-forward to September of 2019, and Statistics Canada was able to confirm that they could locate the appropriate data and that they would be able to provide us with data tables, because that is what Statistics Canada does. They are able to pull the data together and provide it to us so that we can look at it and determine where those gaps are.

Mrs. Cathay Wagantall: Okay.

Ms. Crystal Garrett-Baird: Over the coming months, we continued to work with Statistics Canada and CAF on those data linkages. Subsequently, in March 2020, when the pandemic occurred, all non-mission critical work at Statistics Canada had to be halted until further notice, including this project, and this work had to be done on site. From March to October 2020, Statistics Canada was unable to provide any information to us—

Mrs. Cathay Wagantall: Okay. I appreciate that. I understand the dynamics of the process.

However, then they haven't been asked for any analytic support because you don't see that as their role or there's nothing that they can contribute. I'll ask for a yes or no—really briefly.

Ms. Crystal Garrett-Baird: When we received the data from Statistics Canada in February 2021, we—

Mrs. Cathay Wagantall: Just a yes or no.

Ms. Crystal Garrett-Baird: We worked with Statistics Canada for two months on analyzing the data to ensure we understood it and were getting the information we needed.

Mrs. Cathay Wagantall: Okay, great. Thank you.

Chair, how much time do I have left?

The Chair: You have two minutes left.

Mrs. Cathay Wagantall: I would be pleased to pass that on to my colleague, Ms. Blaney, if she would like to take the time.

Ms. Rachel Blaney: Today is a very good day. I am willing to accept that, absolutely, if that's okay with you, Chair.

The Chair: This is the first time I've been in that position.

Mrs. Cathay Wagantall: It's unique, isn't it?

The Chair: It's unique.

For two minutes, I think I should consult with the clerk, but let's go.

Ms. Rachel Blaney: Thank you so much, Chair.

The Chair: Ms. Blaney, go ahead.

Ms. Rachel Blaney: I will come back to Ms. Garrett-Baird.

I'm curious. One thing we heard from Stats Canada was about the information that they were asked to draw. I'm just wondering why the request for stats was so narrow as to not include contrasting information, such as comparing the number of survivors who do not qualify for pensions because of the marriage clause to the number of those who do qualify.

Who specifically ordered her to request this statistical information, and who has the information been shared with? Have other departments or the minister seen it? That would be helpful for me.

Ms. Crystal Garrett-Baird: We went to Statistics Canada, and what they were able to share with us is the number of veterans who received a CAF superannuation pension between 1938 and 2016. They were then able to break that out and give us the number of survivors with a CAF pension as of December 2018, and survivors without a CAF pension—

The Chair: Excuse me, Ms. Garrett-Baird, we have a problem with the translation. You have 20 seconds left, but I have to check with the clerk to see if the situation is clear.

I will suspend the meeting to clear that situation.

Thank you.

[*Translation*]

The meeting is suspended.

• (1540) _____ (Pause) _____

• (1545)

The Chair: We are resuming the meeting.

[*English*]

Madam Garrett-Baird, you have 25 seconds to complete your intervention. After that, we'll go to Sean Casey.

Please go ahead, Ms. Garrett-Baird.

Ms. Crystal Garrett-Baird: Perfect.

On the study that we worked on with Statistics Canada, the focus there was on living survivors of a deceased veteran who were in receipt of a CAF pension before death and who married on or after the veteran's 60th birthday. What we wanted was basically the number of survivors who were not receiving any income from that CAF pension. As I noted, we were able to get the number of veterans, right back to 1938, with a superannuation pension, survivors with a CAF pension and survivors without a CAF pension.

The Chair: Thank you so much.

To close this round, I'd like to invite MP Sean Casey, for five minutes, please.

Mr. Sean Casey: Thank you, Mr. Chair. I'll be sharing my time with MP Valdez.

I want to pick up where Ms. Garrett-Baird left off.

Ms. Garrett-Baird, I think you indicated now a couple of times that the research that was done indicated there were 4,500 survivors who, if the clause were eliminated, would be receiving a pension.

Do I have that right, or is it simply 4,500 who married after 60?

Ms. Crystal Garrett-Baird: No, it's 4,500 survivors who did not receive a pension.

Mr. Sean Casey: If the clause were to be eliminated today, the Government of Canada would then be required to pay a survivor's pension to those 4,500 people. Is that right?

Ms. Crystal Garrett-Baird: I would have to defer to my colleague at National Defence, but based on our research that was done, as of the end date on the research it was 4,490 survivors.

Mr. Sean Casey: Okay. I see that Mr. Crabtree has turned his mike on. Before I go to him, I want to point something out. Maybe you can incorporate this in your answer, Mr. Crabtree, if you are inclined to participate in this discussion.

When we had Statistics Canada in front of us, they told us that the number who married after 60 presently stands at between 4,000 and 6,000. The number who have had their spouses deceased is between 2,000 and 4,000. The number we're getting from Ms. Baird is 4,500, and the number that we got from Statistics Canada, as of 2018, was between 2,000 and 4,000.

Did you have something you wanted to contribute?

Mr. Simon Crabtree: I was just going to add, with regard to what if the marriage after 60 clause were removed, that when we talked about costing and that cost earlier on, it was really only in reference to those who are still contributing. There is always that question of how to treat those who have already retired or where members have already deceased.

That is not included in the costing, and neither would it necessarily be included or captured if the marriage after 60 clause were to be removed. There would have to be specific consideration for how to treat those who have already retired and those who have already passed. That's just to say that it was not implicit.

• (1550)

Mr. Sean Casey: Thank you, sir.

I will cede the remainder of my time to Ms. Valdez.

The Chair: Go ahead, MP Valdez, please.

Mrs. Rechie Valdez: Thank you, Chair.

My questions are for you, Dr. Li. You have done this extensive research. I really appreciate everything you've done for that. I want to know something that I haven't heard yet. Can you share what the participants mentioned about the stigma they faced entering a marriage after 60? Did a lot of them face stigma for entering these relationships?

Dr. Eric Ping Hung Li: I would say that most of the stigma is after they enter the relationship, especially when there are major age differences of 10-plus years. They're labelled gold diggers for that.

The others are pretty much of a similar age. I can also see some patterns between couples or survivors who were also serving in the army too, or they stayed home to take care of the family. I can definitely see some very general patterns there. Being unemployed for pretty much 30 or 40 years, they are also carrying another stigma. It's not like the gold digger kind of stigma. I think definitely there would be some different labels or stigmas surrounding this population.

Thank you for the question.

Mrs. Rechie Valdez: No problem.

The other thing, too, is more around psychological support. Have they asked for any type of resources that we can provide them? Can we help them in any way from that perspective?

Dr. Eric Ping Hung Li: I think most of the stress is really, as I mentioned earlier, the double hit they get. They have financial struggles and at the same time they've lost their spouse. Having said that, some emotional support from people like social workers would really help them as they go through those challenging moments.

There's also a loss of socialization because of the financial difficulties. I remember a lady in her seventies telling me that she had to stop going to the coffee shop because \$7 for a coffee was too expensive.

I'll conclude my statement there.

Mrs. Rechie Valdez: Thank you.

I think my time is up, Mr. Chair. Thank you.

The Chair: Thank you so much.

[*Translation*]

Indeed, the time is up.

That puts an end to this round of questions.

I really must thank all the witnesses who have participated in this meeting, which is the longest we have had with witnesses. Their testimony will be very useful for our report.

On behalf of the members of the committee and on my own behalf...

[*English*]

Ms. Rachel Blaney: Mr. Chair, I'm sorry to interrupt you. I know you're thanking everyone.

The Chair: Go ahead, Ms. Blaney.

Ms. Rachel Blaney: Thank you so much.

I heard several committee members today talk about the Quebec provincial pension process. I'm just wondering if we could direct the analyst to be able to reach out and get more information so that when the report is written he has access. We are hearing a lot of anecdotal information, which I really value, but I think it's important that we actually get that information. I don't think we have a lot more time in our time here.

I'm just wondering if it's okay with you, Chair, that we ask if the analyst could retrieve that information directly from the source so that the report captures that.

Thank you. I'm sorry for interrupting.

The Chair: No, that's okay.

Ms. Rachel Blaney: Thank you to all of the witnesses.

Mr. Sean Casey: Mr. Chair, while we're adding things on to our body of work, I know that we didn't cover off what the degree of uptake was on the optional survivor benefit, although it appears that one of the witnesses wanted to answer that. I think that would be helpful too.

The Chair: Right after this meeting I'm going to talk to the clerk and the analyst to see. It's important to have a full report, I agree with you.

[*Translation*]

Mr. Luc Desilets: Excuse me, Mr. Chair.

The Chair: Yes, Mr. Desilets?

Mr. Luc Desilets: I would like to ask a question.

We asked Ms. Garrett-Baird if we could have an analysis of the report. I have heard the responses and I have tried to get confirmation from my colleagues, but I am not sure that we will have an analysis of the Statistics Canada report. Perhaps the analyst or the clerk could tell us if we got an official "yes".

The Chair: I listened to the conversations too, but from my point of view there was no official yes or no. In order to avoid re-contacting the witness, we could listen to the recording with the analyst and the clerk to verify this information.

With that, members of the committee and witnesses, I thank you once again. I would like to mention your names before I let you go.

We had with us Dr. Eric Ping Hung Li, from the Canadian Institute for Military and Veteran Health Research. Dr. Eric Ping Hung is an associate professor at the University of British Columbia. We also heard from Brigadier-General Virginia Tattersall, director general, Compensation and Benefits at the Department of Defence; Ms. Crystal Garrett-Baird, director general, Policy and Research at the Department of Veterans Affairs; Ms. Nadine Labrie, senior director, Pensions and Benefits at the Treasury Board Secretariat; and Mr. Simon Crabtree, executive director, Pensions and Benefits at the Treasury Board Secretariat.

Again, thank you very much for participating in this session and for answering questions from the committee members.

Before adjourning the meeting, I would like to inform the members of the committee that as of June 3, for the next meetings, we will be studying the report that we started on service dogs for veterans. If we have enough time, we will study the report on the desecration of monuments in honour of veterans.

I would also like to inform the members of the committee that there was talk of receiving Major Brandon J. Archuleta, but unfortunately he declined the invitation. So on June 3, we will move on to the consideration of those reports, and we will certainly continue that consideration on June 10 and June 17 as well.

With that, I would like to know if members agree to adjourn the meeting.

There is no objection. Again, on behalf of all of us, I thank all the technical team, the interpreters, the analyst and the clerk who have accompanied us during this session.

With that, I wish you all a fine end to the day and an excellent long weekend.

The meeting is adjourned.

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