



Standing Committee on Veterans Affairs

Annual Report

November 2004

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Hon. Murray Scott
Speaker
House of Assembly
Province House
Halifax, Nova Scotia

Dear Mr. Speaker:

On behalf of the Standing Committee on Veterans Affairs, I am pleased to submit the 2003 / 2004 Report of the committee for the First Session of the Fifty-Ninth General Assembly.

Respectfully submitted,

Mr. Michel P. Samson, MLA
(Richmond)
Chairman
Standing Committee on Veterans Affairs

Halifax, Nova Scotia
2004

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Foreword

Although there is no written mandate of the Standing committee on Veterans Affairs, the report was written with the understanding that the committee be established for the purpose of considering matters pertaining to the Royal Canadian Legion and Veterans of the Canadian Armed Forces.

The report is written under individual topics outlining the concerns and issues brought forth from each group / organization.

ORGANIZATIONAL MEETING**October 30, 2003****WITNESSES**

There were no witnesses present during this meeting. The Standing Committee on Veterans Affairs had, at this juncture, entertained public requests to meet with the committee. The Committee received a written request from the Royal Canadian Legion - Nova Scotia/Nunavut Command.

In addition, the Standing Committee had also invited representatives from Veterans Affairs Canada and the Insurance Bureau of Canada to meet with them to discuss issues and concerns that were brought forth by the Royal Canadian Legion, such as benefits and services; and commercial insurance rates for Legions and its local branches.

References to, and within, this transcript can be found on the Nova Scotia Government Web Site at: http://www.gov.ns.ca/legislature/hansard//comm/va/va_2003oct30.htm

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ROYAL CANADIAN LEGION - NOVA SCOTIA/NUNAVUT COMMAND

November 20, 2003

WITNESSES

Royal Canadian Legion - Nova Scotia/Nunavut Command

Mr. Victor Barnes - Command President

Mr. George Aucoin - First Vice President

Mr. Jack Hatcher - Chairman, Veterans Services & Seniors Committee

INTRODUCTION

Over the past several years the cooperation between the Legion Committee and the Standing Committee on Veterans Affairs has been a benefit to veterans, seniors and Legion members. The Royal Canadian Legion is very pleased with the results of this close relationship. Some examples of cooperation between the two entities are: the renaming of a section of Highway No. 102 (Veterans Memorial Highway); establishing a compulsory Canadian high school history course; the veterans licence plate; the meeting with the fire marshal that has been resolved to the Legions satisfaction and of their branches; the new no smoking regulations and the working relationship that the Legion has had with government officials in this matter regarding its branches; the senior safe driving program is satisfactory and the new Volunteer Protection Act that has put a lot of people at ease as far as helping out in the communities.

MATTERS OF DISCUSSION

Although there were a number of issues discussed throughout the meeting, outlined below are a few of the key issues.

— Self-Service Gas Stations. As previously presented to the Standing Committee on the issue of Self-Service and Full Service Gasoline Stations, the Legion continues to receive a number of inquiries and complaints from seniors, veterans and disabled persons about the lack of full service gasoline stations. It is almost impossible to get to a full service station, unless one drives quite a distance. The Legion would like to try to stop the progress of the self service stations and make sure that in each area there is a full service station. The Legion asked the Standing Committee, again, to assist them with this inquiry in any way possible.

The Standing Committee wrote to the Minister of Service Nova Scotia and Municipal Relations pointing out the absence of full-service stations available to senior citizens, veterans and disabled persons and to request that department officials work with the petroleum industry to try to find ways of addressing this growing problem. The Committee also noted that they have written a letter on behalf of the Legion to the Retail Gasoline Dealers Association of Nova Scotia to encourage the petroleum industry to take this issue seriously, and to take steps to provide a good mix of service as well as to provide opportunities for disabled persons to receive assistance in fueling their cars.

In response to the Committee's correspondence, Service Nova Scotia and Municipal Relations has stated that the government no longer has the authority to force the major suppliers to offer full-service in any particular outlet, that many consumers in the smaller centres and rural areas prefer the convenience of the full-service option, and that the department has been working on a solution to address the same concerns which the committee has heard and will post on its website the location of all the gasoline stations located in the province and the type of service each provides. It was also stated that this option may not be of use to all veterans and seniors since it relies on the Internet and they hope that the Senior Citizen's Secretariat will distribute the same list to their stakeholders.

The Retail Gasoline Dealers Association of Nova Scotia stated that they recognized that many motorists are gradually experiencing a decline in available services at retail outlets and in their opinion this trend is expected to continue. However, the decision to install self-serve facilities are almost exclusively made by the oil companies. Most independent retail dealers do not have the ability or confidence in the industry to invest the required capital and considering the

business climate within the industry today it is unlikely these conditions will change as almost all self-serve outlets are oil company operated or controlled. The Retail Gasoline Association always encourages retailers to train their staff to respond to motorists with special needs where an outlet has both full and self-serve offerings and shares the concern that senior citizens and persons in need of special assistance will continue to face greater difficulty accessing lower gasoline prices and other services. The Association does recognize that there is a need for some strictly self-serve outlets based on recent claims of customer preferences.

Further to this, attention was brought to the provincial rest stop in the Westville area and the fact that the establishment has only self-serve gas. Since it is a provincial rest stop it would have received some government funding and as such why does it not have any sort of full-service access in light of the concerns raised by the Legion and disabled groups.

As a result, the Standing Committee on Veterans Affairs unanimously agreed to pass a motion to write to the Minister of Transportation and Public Works requesting,

“information confirming provincial funding to the Westville Provincial Rest Stop and for the Department to look into providing full access service to veteran, senior and disabled motorists who frequent this establishment”.

— Video Lottery Terminals. The Legion has addressed this problem over a number of years, especially with respect to the breakdown on VLT revenues. The Legion was advised that they would receive a letter or have a meeting with the Minister of Finance, and have met several times with the Minister and staff of the Gaming Corporation, but with unsatisfactory results. The Legion has, again, asked the Standing Committee to assist them in addressing this particular issue.

The Legion claims that the government now receives 78.6 per cent of the take on the VLTs and the Legions get 21.4 per cent, but from these revenues they have to pay out such expenses as maintenance on the machines, telephone lines and other related costs, so their actual take is about 10 per cent. Therefore, they want to receive a higher percentage than the current one.

— Hospice. Currently there is no hospice east of Montreal. An initiative of the VON, in conjunction with the local Legion, is a hospice in the Kentville area for which they are trying to

raise funds to get it up and running. Once this hospice is in operation the Legion will ask the government to maintain it. This can save the government money since it currently costs less to house people in a hospice than in a hospital. It will be a first for Nova Scotia and the Legion is hoping that it will catch on throughout the rest of the province. As explained, a hospice is a place where a person who is dying can go and die in peace. It is a family-oriented environment where family can go and visit patients in their private rooms 24 hours a day. By contrast, in a hospital patients are restricted with respect to visitors and visiting hours. Also hospices can be used by anybody, not just veterans; whereas, the veterans wing in a hospital is strictly for veterans.

— Veterans Affairs Canada Benefits and Services.

· The Veterans Independent Program (VIP) is now available to the spouse of a veteran for the remainder of the spouse's life when the veteran is deceased. Veterans Affairs Canada made this change to services in 2003, but the program is retroactive to only 1990 for widow entitlements.

· An automated system now in place at the Department of Veterans Affairs. Veterans and their families had concerns about the level of service they received when calling the department; however, according to the Legion, there was a phone number available to service officers who gave out the number to everybody. This, in turn, backed up the phone lines making it impossible for clients to get through, so Veterans Affairs Canada removed the line and initiated a new automated service.

· Veterans Affairs Canada and the Legion have unanimously agreed, during a recent meeting, to set up a regular schedule of meetings to discuss and try to resolve problems within local legion areas and throughout the province.

· Merchant Marine benefits are slow to initiate as the Department of Veterans Affairs has to take the time to evaluate and validate who is/ was actually a Merchant Marine Veteran. The problem is most of the people who served with these veterans or were veterans themselves, are deceased, and Veterans Affairs Canada will not sanction the benefits until they receive verification that the person was a veteran or that some other person receiving the benefits served with that particular veteran.

DOCUMENTATION

The following documentation was requested by the Standing Committee on Veterans Affairs and furnished by the Royal Canadian Legion, Nova Scotia - Nunavut Command and the Department of Transportation and Public Works:

Correspondence from the Royal Canadian Legion regarding the hospice program;

Correspondence from the Department of Transportation and Public Works regarding Provincial Rest Stops in the Pictou and Cumberland County Rest Areas.

References to, and within, this transcript can be found on the Nova Scotia Government Web Site at: http://www.gov.ns.ca/legislature/hansard//comm/va/va_2003feb13.htm

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VETERANS AFFAIRS CANADA - ATLANTIC REGION

January 15, 2004

WITNESSES

Veterans Affairs Canada - Atlantic Region

Ms. Krista Locke - Acting Regional Director General

Mr. Barry Gallant - Acting Associate Director General

Mr. Paul Brown - District Director for Nova Scotia
Mr. Gordon Thomas - Client Service Team Manager, Halifax Office

INTRODUCTION

Veterans Affairs Canada's (VAC) mission is to provide high quality client-centred services and benefits that respond to the needs of veteran clients and others including Canadian Armed Forces and RCMP as well as their families. This is in recognition of their services to Canada and as well to keep the memory of their achievements and sacrifices alive for all Canadians.

The reporting structure within the department is as follows: there are five regional offices located across the country. In the Atlantic Region, the office is located in Dartmouth, and there are four district directors within Nova Scotia.

Veterans Affairs Canada has initiated their integrated service delivery framework, a comprehensive review of the way they provide services and what services they do provide. VAC is trying to meet these changes by organizing teams in each district into what they call a client service team; that is, a number of professionals on the team, along with support to provide a whole range of services to the client.

In order to allow the team in a district office to concentrate on the more complex and difficult client issues, Veterans Affairs Canada has set up across the country, three centres which they term loosely as the National Contact Centre. These "call centres" will take phone calls from clients. Although there are three centres, there are only two numbers, one for English speaking clients and one for French. This will make things much easier for clients, and clients will be connected to an actual person – not a voice automated system.

Veterans Affairs Canada has also incorporated the same system with their treatment program; ie, health benefits. They have centralized most of the treatment authorizations in three sites, Newfoundland, Montreal and Vancouver. Those three sites will do most of the paperwork related to treatment, and will also be the sites that will answer calls from the providers of service.

At the same time, Veterans Affairs Canada also looked at the corporate finance division and made sure that is as efficient as it can be. In addition to looking at the organization, VAC looked at the legislation and the regulations within the department, and have made some changes to improve service. They have also enhanced the amount of money that the former prisoners of war can receive, and reduced the amount of time that these veterans would have had to be a prisoner of war in order to receive compensation.

The department has re-established the Education Assistance Program, which is a program for children of veterans who either died because of their injuries in service or who have had a disability pension of 48 per cent and over and is deceased. They have also changed the Veterans Independence Program (VIP) which is now available to spouses of veterans. If the veteran is deceased, the spouse can continue to receive the housekeeping and grounds keeping maintenance that the veteran would have been receiving. Increased health care accessibility for medium-disabled pensioners has also been changed so that anybody receiving a disability pension of greater than 48 per cent will now be entitled to treatment benefits for any ailment for which they are receiving a recognized treatment.

In addition to these changes, Veterans Affairs Canada has also filled in a loophole relating to overseas veterans. Currently overseas service veterans now have access to a long-term care facility. The department has reinstated long-term care, nursing home care for Allied veterans who have lived in the country for more than 10 years and former prisoners of war will not only receive their pensions, but are also eligible to receive VIP.

MATTERS OF DISCUSSION

Although there were a number of issues discussed throughout the meeting, outlined below are a few of the key issues.

— Client Groups. On a national client base, Atlantic Canada has roughly 33,000 clients/veterans. In the regional client base, Nova Scotia has close to half of the clients in the Atlantic Provinces at 45.5 per cent; the other three provinces make up 55 per cent. The survivor group across the country will be approximately 23,000 because of the changes in the VIP and the continuing growth of retiring veterans from the RCMP and the Canadian Forces groups.

— Disability Pension Program. This program provides financial compensation for death or disability related to military service. It is not an income replacement program, it is the amount of compensation based on the extent of the disability, and is available to veterans and some qualified civilians. It also provides for survivor benefits that are payable to spouses or dependent children.

— War Veterans Allowance. This is a means-tested income assistance program available to veterans and survivors, and qualified civilians. It offers veterans a gateway to other programs that are offered through Veterans Affairs Canada.

— Institutional Care. Veterans Affairs Canada has a number of beds located at various facilities that they contract with the province. Currently VAC has 334 beds that they refer to as priority access beds in 12 facilities throughout the province. Because of age and other maladies, many of their veterans are requiring this type of service. Veterans Affairs Canada use to have what they called active treatment beds; however, since they do not use active treatment beds anymore, VAC has converted those beds into long-term care beds and because of the long wait list, beds are issued on an as needed basis. The department now allows a veteran access to that same type of service in a community bed and the department will pay for it.

— Veterans Independence Program. This is Veterans Affairs Canada's home care program, the goal of which is to help eligible clients remain healthy and independent in their homes and communities. It is needs-based and does not replace other federal, provincial and municipal programs.

Other benefits currently under review that may be associated with the VIP program is extended physio and gym memberships. There is some flexibility within this program and the area counsellor who would make some of the decisions in consultation with the health care team on certain requests of this nature.

— The Last Post Fund. This program administers the funerals, burials and grave markers of veterans. It is means-tested on the estate.

— Canada Remembers. This program is celebrated to keep the memory of the veterans' achievements and sacrifices alive for all Canadians.

— Veterans Week. This is the week that leads up to Remembrance Day. Veterans Affairs Canada has events all through the province that they support and attend. The annual ceremony of the Black Battalion, the Battle of the Atlantic, an Honours and Awards division in Ottawa which is responsible for in issuing medals and decorations to First and Second World War Veterans and some medals from the Korean War, to name a few of the events and ceremonies.

— Merchant Marines. Part of the issue with regard to the percentage of Merchant Marine applications being approved or not approved is that VAC cannot find any documentation on them. The department cannot reduce the requirements, but need some kind of document and/or a witness stating in a declaration that they were on a particular ship with the veteran in question.

— Area Counsellors. Currently there are 14 area counsellors in the Halifax Regional Municipality. Area counsellors are categorized by postal code, and are responsible for meeting with veterans and their families and other representatives to explain the benefits and services that are available.

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DOCUMENTATION

The following documentation has been requested by the Standing Committee on Veterans Affairs and furnished by Veterans Affairs Canada.

Veterans Affairs Canada Policy 3.0 - Gym Membership

Further information from Veterans Affairs Canada regarding:

Veterans Independence Program Lifetime Continuation for Spouses;
Last Post Fund and unmarked Veterans' graves;
Canada Remembers Youth-Related Programs;
Merchant Navy Applications;
Veterans Affairs Field Staff.

References to, and within, this transcript can be found on the Nova Scotia Government Web Site at: http://www.gov.ns.ca/legislature/hansard//comm/va/va_2003may01.htm

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**Royal Canadian Legion - Nova Scotia/Nunavut Command
“Youth Programs”**

February 26, 2004

WITNESSES

Royal Canadian Legion - Nova Scotia/Nunavut Command

Mr. Victor Barnes - Command President

Mr. Jack Hatcher - Honorary Treasurer

Mr. Steve Wessell - Chairman of Command

Observer:

Mr. Tom Waters - Assistant Editor, Torch Magazine

INTRODUCTION

The Royal Canadian Legion (RCL) - Nova Scotia/Nunavut Command met with the Standing Committee to ask for guidance and assistance for their youth programs. These programs are the Legion training camp, youth sports, the Call to Remembrance and cadets.

The Legion Leadership Training program

In the summer of 1964 Nova Scotia Command set up its own Leadership Training program for an estimated 60 students. The Command recruited 30 girls and boys who would be 15 to 17 years of age during the year of the camp, completed Grade 10 or 11 and were planning to return to school the following year. The first camp was held at Acadia University, and subsequent ones to be held in other areas when and if accommodations became available. Camps have been held at the Agricultural College in Truro and St Francis Xavier in Antigonish. Currently the total number of students who attend camp is 42.

The purpose of the camp is to offer the student an opportunity to develop leadership skills. This allows the individual to develop public speaking and communications skills, to learn

motivational skills, to be able to organize groups to conduct a specific task or pursue a course of action for the benefit of the group. The ultimate goal of the camp is to help the student develop his or her skills so that they will make a potential difference to any team and/or organization in which they may be involved.

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The main cost of this camp is covered by Nova Scotia/Nunavut Command, however, the local branches contribute towards the total expenses by paying a student's registration fee and may also assist in the transportation of the student to and from the camp and a bit of spending money. The camp is well conducted by eight professional teachers from various schools throughout the province and two chaperones. The camp is 10 days in duration and the students are covered by group insurance while in attendance.

Students must be recommended by their high school. Final selection is made by the Nova Scotia/Nunavut Command Leadership Training Committee and the camp director. Due to the rising cost of this camp, especially renting university facilities, the Command is having difficulty meeting its commitments although they have been advised that they may be eligible for some funding from the provincial government. The annual cost of renting a theatre for eight days is approximately \$5,000. which is a very significant portion of the annual cost of \$65,000 for this camp. In addition to this is the cost of uniforms, supplies, accommodations, food, and numerous other equipment required for a camp of this magnitude.

Track and Field Program

The Royal Canadian Legion track and field program dates back to the early 1950's. The present format of the camp was adopted in 1975 and has operated, with improvements for the past 29 years.

The camp is six days in duration, plus two days travel. The cost of this camp ranges in the vicinity of \$450,000 with Nova Scotia's share being \$40,000-plus. Each year the province can select up to 38 athletes to attend this camp. In addition, they may send two coaches and four chaperones. Approximately 200 athletes from across Nova Scotia participate in the Legion trials in July.

Up until the 1996-97 fiscal year, Sport Nova Scotia helped to fund (approximately \$3,000/year) this program; however, the agency decided that the Legion was no longer qualified for

assistance, and so the Legion has lost that funding. This program is in dire need of funding and unless it is obtained, this will be the last year the Legion can sponsor that program.

Cadet Program

The cadet program within the Command is small, however, it must be counted in their youth programs. The Legion branches sponsor over half of the 90-plus cadet units. In addition, the Command sponsors the Royal Canadian Legion Medal of Excellence making available a medal to a deserving cadet in each unit across the province.

They also make available to each cadet league \$1,000 to offset the costs of programs that advance the well-being of the cadets: for example, air cadets have an effective speaking competition; the Army cadets have a small rifle shooting program and the sea cadets run a bosun whistle leadership program. The above programs cost the Command approximately \$5,000 annually.

Call to Remembrance Program

The Call to Remembrance Program is an education quiz program designed for junior high and middle school students in Nova Scotia with a format based on the Reach for the Top quiz show. First presented in Windsor, Nova Scotia late in 1995, five schools participated with students from Grades 8 & 9. The program is now open to any student enrolled in Grades 7, 8 or 9 or in the case of a middle school, Grade 6.

The start of the quiz program covered subject matter based on Canada's participation in World War I, World War II, Korea and local military history. Topics such as the Gulf War, Afghanistan, NATO and peacekeeping missions have since been added to the program.

Since 1995 the Call to Remembrance Program has grown to include schools from Yarmouth to Sydney. Each school team consists of a maximum of six players, plus a coach. Presently 35 to 40 schools in eight different provincial zones are participating in regional competitions across Nova Scotia. This equates to approximately 200 to 240 students in competition.

Many hours of volunteer labour and money are donated by individual Legion branches in each zone across the province, in order to stage a regional competition. Each zone must have an organizing committee, they must prepare question packs, organize judges, timekeepers, scorekeepers and a moderator. Each regional committee could easily spend 500 to 600 volunteer hours preparing for and running a competition and spend upwards of \$1,200 to \$1,500.

Multiplying those figures by a low average of eight of 15 zones participating on a yearly basis shows that the local branches expends approximately 4,000 to 4,800 man-hours and \$9,600 to \$12,000 across the province in regional competitions. The provincial committee expends upwards of 900 to 1,000 man-hours in preparation for each competition. Approximately \$8,000 to \$9,000 is budgeted annually to cover the cost of equipment and repair, venues, administration, and food and lodging, amongst other things.

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Presently, the Call to Remembrance Program is floundering despite the fact that the volunteers are still able and the students are still willing to learn and compete. The funding to continue the program is much harder to obtain at the branch and provincial level, due to growing commitments to veteran and senior communities and the ever-increasing costs of maintaining a Legion branch, including the skyrocketing cost of insurance in Nova Scotia.

The Legion Command is in severe financial difficulty. Due to the rising costs of all of their programs they need assistance as soon as possible. The Command has taken great pride in organizing and funding these four youth programs at a cost of approximately \$125,000 per year. However, they find they can no longer support these programs financially at this level and must ask for assistance outside the Legion. The alternative is to cut back on the number of youth they can support or cancel the programs.

MATTERS OF DISCUSSION

Although there were a number of issues discussed throughout the meeting, outlined below are a few of the key issues.

— Program Fees. This year, the RCL faced a \$6,500 increase in the university fee for the leadership training program alone, and the other fees are going up as well. They have come to a

point that they just cannot afford it anymore. Currently, they may lose local branches because of the increased cost of insurance.

— Military Membership. Legion memberships are basically open to any Canadian citizen who would like to join. The relationship with the local military has grown considerably; the local military have helped the RCL with Dominion conventions, parades and facilities, and venues. The RCL supports, financially and PR-wise, the military through DND Family Days. Approximately \$5,000 a year is made available to the program. The RCL also lends financial support to DND's Falls Lake facility.

The RCL has developed a new program with regard to the military, called the Military Member at Large Program, where serving members across Canada can become a "floating" member of the Legion. Military personnel are not necessarily tied down to one Legion Branch where they pay dues, but once they have retired or settled down in a certain area they can join a certain branch.

— Veterans Affairs Canada. According to the Royal Canadian Legion, the only thing that Veterans Affairs Canada assists with on behalf of youth is some study material and supplies for the Call to Remembrance program. Veterans Affairs will not deal with youth programs; they stay strictly with veterans and the veterans programs that are in existence or are being developed.

— Insurance Rates. The Legion Command has had a few insurance companies call them inquiring if they are interested in discussing insurance rates. The Legion has informed the companies that they would be more than willing to do so, however, the problem that concerns them, at present, is that they have been trying for quite a time to get one insurance company to cover all of the Legions in the four Maritime Provinces.

— Full-Service/Provincial Rest Stops. Nova Scotia does have a provincial rest stop which was built in Westville and subsequently there will be a second rest stop constructed on the Cobequid Pass/Thompson Station. Discussion did ensue at the Committee level that these rest areas were designated as provincial rest stops. The actual agreements from the Department of Transportation and Public Works indicated that for both of the rest stops, Crown land was signed over to the developer along with a grant in the amount of \$200,000 for the establishment of these rest stops. The concern of the Committee was that since they are provincial rest stops, why is the province not making it a requirement that if there is going to be fuel service that it should at least have a minimum requirement to provide full-service pumps to deal with the issues raised by seniors, people with disabilities and others who are not comfortable using the self-serve. The

criteria set out by the government for anyone who wishes to operate one of the provincial rest stops, indicates no reference to fuel service.

As a result of this matter of discussion, the Standing Committee on Veterans Affairs unanimously passed the following motion:

“Therefore be it resolved that the Standing Committee on Veterans Affairs call upon the Minister of Transportation and Public Works to seek an amendment to the existing Memorandum of Understanding with the two developers for provincial rest stops and to add in a clause which would require where fuel service is made available at the provincial rest stops that a minimum requirement be established for providing full service fuel service to address the issues raised by the seniors, Legions, veterans and other concerned Nova Scotians”.

Also:

“That it also be resolved that the Department of Transportation and Public Works of the Government of Nova Scotia make it a mandatory requirement that any future provincial rest stops, in their Memorandum of Agreements if fuel service is to be provided, that minimum requirements are established for full-service fuel service”.

DOCUMENTATION

The Standing Committee on Veterans Affairs had requested and was furnished with the following documentation from the Department of Transportation and Public Works,

Correspondence regarding the Provincial Rest Stops in both Cumberland and Pictou Counties.

Regarding the multitude of issues the Legion has brought before the committee with regard to their youth programs, the Committee put forth the following motion.

“Be it resolved that a subcommittee of the Veterans Affairs Committee be struck to address issues brought forward to the committee by the Royal Canadian Legion, Nova Scotia/Nunavut Command”.

References to, and within, this transcript can be found on the Nova Scotia Government Web Site at: http://www.gov.ns.ca/legislature/hansard//comm/va/va_2004feb26.htm

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Sub-Committee on Veterans Affairs

Thursday, March 25, 2004

In Attendance

Mr. Michel Samson, MLA - Chairman
Mr. Jerry Pye, MLA
Mr. John Chataway, MLA

Meeting details

Royal Canadian Legion - Youth Programs

The sub-committee discussed the various issues that the Royal Canadian Legion had previously brought before the Standing Committee regarding RCL's youth programs and their lack of funding for such programs.

The sub-committee undertook to write, on behalf of the Royal Canadian Legion, to various government and departmental office inquiring about the type of funding and/or assistance that could be attainable by for its youth programs.

Veterans License Plate Program

There were still complaints and issues regarding the issuance of Veterans License Plates by various military and civilian persons. The sub-committee has endeavoured to write to the Royal Canadian Legion regarding these concerns and to ask if there is a possibility that the Royal Canadian Legion's executives and members would review the definition of a "veteran" with respect to the Veterans License Plate program.

Insurance Bureau of Canada

In light of the recent events surrounding rising insurance rate, the sub-committee has decided to issue an invitation to Mr. Don Forgeron of the Insurance Bureau of Canada to meet with them regarding the increase of insurance rates for Royal Canadian Legions.

WITNESSES

Insurance Bureau of Canada

Mr. Don Forgeron - Vice-President, Atlantic Region

ING Insurance Company

Mr. Dennis Furlong - President, Atlantic Region

Lombard Canada

Mr. Stan Keeping - Commercial Lines Director

INTRODUCTION

In spite of the tremendous amount of good work and goodwill that Legions generate in communities across this country, when it comes to liability insurance, unfortunately the Legions find themselves placed in a category with many other similar commercial risks. Two predominant premiums that Legions pay and which have caused concern are the commercial property and commercial liability insurances.

The basic formula when it comes to insurance premiums comes down to the premiums that insurers take in, and the interest income that they earn on those premiums before claims are paid. Subtract from that the claims paid out and expenses to do business, and what is left over at the end is a profit.

Commercial Premiums

Commercial premiums have increased over the years due to rising claims costs, which drive premium growth more than any other single issue. On the commercial side there has been a tremendous increase in the cost of re-insurance, which is the insurance that insurance companies buy to protect themselves from large losses. Then there are capital and capacity issues. Years of low earnings for the industry has meant that capital reserves have been severely depleted. The federal regulator requires that insurance companies have sufficient money on reserve in order to pay claims and when premiums rise it requires more capital to write the same amount of business because the premium volume is higher.

The Insurance Bureau has seen very serious issues develop with capital as a result of capacity – capacity refers to the capacity of the insurance company to write business, and if an insurance company requires an injection of capital in order to continue writing business, or to write more business then because of poor earnings over the last several years, many companies have opted not to write business.

On the commercial side, there have been many cases where companies have simply withdrawn from the marketplace for a variety of reasons, i.e. a lack of desire to put more capital into a line of business that was losing money; the inability of the insurance company to properly price their product limits them in trying to attract shareholders or investments into that company when the return on equity is low or non-existent.

Again, in spite of the work that the Legions do in their communities for veterans and so on, when it comes to liability exposure, because alcohol is being served from these premises, they are classified and pose very much the same types of risks that a bar or a similar type of establishment would pose. Legions do still enjoy lower premiums than a traditional bar would realize, but there is no question that they still are significant.

Royal Canadian Legion

The Insurance Bureau has met with the Royal Canadian Legion on at least one occasion to discuss what some of the potential solutions might be. One large provincial broker, who is attempting to secure for the Legions a group plan, suggested that if they were able to pool all of their resources, all of the Legions under one group plan, there might be some efficiencies there and there might be some opportunity to lower those premiums.

The industry is trying, through meetings with the Legions, through the development of group plans, through offering advice on risk management, to make available to Legions the expertise that insurance companies now have on how to minimize risk. There are things that all stakeholders can do to try to improve the situation.

During the course of the 1990's when premiums were flat, risk management on behalf of consumers and commercial establishments really was not at the forefront because there was no pressure to make sure that these establishments were practicing proper risk management techniques; however, now that those rates have risen; there is a need on behalf of the people purchasing the coverage to make sure that they employ the best risk management techniques possible. That alone will not solve this problem, but it will certainly help to mitigate some aspects of it.

Government

Governments also can play a role in this issue. There are legal issues that arise related to Legions and when talking about what the risk that is posed by Legions and other similar establishments, it centres on alcohol liability. For example, if a Legion is found to be even 1 per cent liable for an accident they could, depending on the circumstance, be forced to pay 100 per cent of the claim, because of the way legal liability laws are constituted in Canada.

MATTERS OF DISCUSSION

Although there were a number of issues discussed throughout the meeting, outlined below are a few of the key issues.

- Some of the reasons for high increases in commercial rates are due to rising claim costs; re-insurance; capital/capacity; and risk management increases.
- Alcohol liability means that the Legions take on the same risks that a similar establishment or bar would, although the Legions do enjoy a lower premium than others.
- One solution would be a group plan for all Legions. This would provide an opportunity for lower insurance rates. Some insurance brokers/agents and Legions across the country are in negotiations regarding the group plan; however, it is still undecided about who will pay the costs. Will it be paid by Dominion Command, the provincial Commands or local Legions.
- Of the 119 Legions currently in the province, five or six will have to close by years end due to the increase in insurance rates. The RCL is trying to amalgamate some Legions with others; however how other Legions would receive this is yet to be determined. The RCL also stated that they will be happy to meet with IBC representatives to discuss further negotiations with regard to the proposed group insurance.

DOCUMENTATION

There was no request for further documentation from the Insurance Bureau of Canada.

References to, and within, this transcript can be found on the Nova Scotia Government Web Site at: http://www.gov.ns.ca/legislature/hansard//comm/va/va_2004may27.htm

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Standing Committee on Veterans Affairs – 2003 – 2004 Annual Report

STATEMENT OF SUBMISSION

All of which is respectfully submitted to the House of Assembly
This _____ day of _____, 2004

Mr. Michel P. Samson, MLA (Chairman)
(Richmond)

Mr. Gordie Gosse, MLA
(Cape Breton Nova)

Mr. Cecil O'Donnell, MLA
(Shelburne)

Mr. David A. Wilson, MLA
(Sackville-Cobequid)

Mr. Bill Langille, MLA
(Colchester North)

Mr. Harold Theriault, MLA
(Digby-Annapolis)

Mr. Jerry Pye, MLA
(Dartmouth North)

Mr. Stephen McNeil, MLA
(Annapolis)

Committee Membership

During the 1st Session of the 59th General Assembly of the House of Assembly, the make-up of the Standing Committee on Veterans Affairs was comprised of the following members:

Mr. Michel Samson, MLA (Chairman)
(Richmond)

Mr. Gordie Gosse, MLA
(Cape Breton Nova)

Mr. John Chataway, MLA
(Chester-St. Margarets)

Mr. David A. Wilson, MLA
(Sackville-Cobequid)

Mr. Cecil O'Donnell, MLA
(Shelburne)

Mr. Harold Theriault, MLA
(Digby-Annapolis)

Mr. Bill Langille, MLA
(Colchester North)

Mr. Stephen McNeil, MLA
(Annapolis)

Mr. Jerry Pye, MLA
(Dartmouth North)

On December 31, 2004, the Standing Committee on Veterans Affairs sadly acknowledges the passing of one of its members. Mr. John Chataway, MLA (Chester-St.Margarets) has passed away due to ill health. Mr. Chataway will be truly missed.

Effective January 1, 2005 Mr. Gerald Sampson, MLA (Cape Breton the Lakes) will be replacing Mr. Michel Samson, MLA (Richmond) as a member of the committee. As well, Mr. Bill Dooks, MLA (Eastern Shore) will be replacing Mr. John Chataway, MLA (Chester-St. Margaret's).

Committee Meetings

The Standing Committee has been meeting on Thursdays since its establishment, and all meetings are open to the public. During the 1st Session of the 59th General Assembly the Standing Committee on Veterans Affairs has met on the following dates.

October 30, 2003
November 20, 2003
January 15, 2004
February 26, 2004
March 25, 2004
May 27, 2004

Notices

Notices of committee meetings are sent to all members of the committee, support staff of the caucus and legislative offices, the House of Assembly Press Gallery, the government wire services and is published on the internet.

Transcripts

Transcripts of the committee meetings are available from the Legislative committees Office, 3rd Floor, Dennis Building, 1740 Granville street, P.O. Box 2630 Station M, Halifax, NS B3J 3N5 or from the Legislature web-site:

http://www.gov.ns.ca/legislature/COMMITTEES/veteran_affairs.html

Reports

All reports of the Standing Committee on Veterans Affairs are compiled by the Legislative Committees Office and forwarded to the committee members for consideration. Once the report is finalized it is then distributed to the following:

The Speaker/Clerk of the House of Assembly; all members of the Legislative Assembly; all Presenters who made presentations before the committee; all Legislative Libraries across Canada, including the Territories and media. The report is also available to all persons interested in obtaining a copy from the Legislative Committees Office and is also available on-line through the provincial government web-site.

Acknowledgements

The Standing Committee on Veterans Affairs wishes to extend its gratitude to the following:

The Royal Canadian Legion, Nova Scotia/Nunavut Command; Veterans Affairs Canada and the Insurance Bureau of Canada. For their time and cooperation, special thanks is extended to Mr. Robert Kinsman, Manager of Hansard; Hansard Staff; to Mr. Jim McInnis, Co-ordinator of Legislative Television; Legislative Television Staff; Mr. Michael Laffin, Co-ordinator, House of Assembly Operations; House of Assembly Staff; and to Ms. Margaret Murphy, Legislative Librarian and Librarian Staff. The Committee also wishes to thank Ms. Darlene Henry, Committees Office, for her hard work and guidance throughout the year and for the preparation of this annual report.

Appendices

- A) Royal Canadian Legion, Nova Scotia/Nunavut Command
 - Correspondence regarding the hospice program

- Department of Transportation and Public Works
 - Correspondence regarding Provincial Rest Stop in Pictou County

- B) Veterans Affairs Canada
 - Gym Membership Policy
 - Veterans Independence Program Lifetime Continuation for Spouses
 - Last Post Fund and unmarked Veterans' graves
 - Canada Remembers Youth-Related programs

- Merchant Navy Applications
 - Veterans Affairs Field Staff
- C) Royal Canadian Legion, Nova Scotia/Nunavut Command
- Additional correspondence regarding Provincial Rest Stops in both Cumberland and Pictou Counties