

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

STANDING COMMITTEE

ON

VETERANS AFFAIRS

Thursday, January 10, 2008

Committee Room 1

**Federal Superannuates National Association (Nova Scotia) &
Royal Canadian Legion - Nova Scotia/Nunavut Command**

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VETERANS AFFAIRS COMMITTEE

Harold Theriault (Chair)
Keith Bain
Patrick Dunn
Chuck Porter
Gordon Gosse
David Wilson (Sackville-Cobequid)
Percy Paris
Manning MacDonald
Wayne Gaudet

[Gordon Gosse was replaced by Leonard Preyra.]

In Attendance:

Darlene Henry
Legislative Committee Clerk

WITNESSES

Federal Superannuates National Association (Nova Scotia)

Ken Brown
Provincial Advocacy

Peter Kerr
Deputy Regional Director (Nova Scotia)

Royal Canadian Legion - Nova Scotia/Nunavut Command

Dave Blanchard
President

Marc Gauthier
Service Officer

Jack Hatcher
Treasurer/Chair of the
Veterans & Senior Services Committee



House of Assembly
Nova Scotia

HALIFAX, THURSDAY, JANUARY 10, 2008

STANDING COMMITTEE ON VETERANS AFFAIRS

9:00 A.M.

CHAIR

Harold Theriault

THE CHAIR: Good morning, gentlemen. I believe we can start our meeting now. There are two or three people who are not here, they may be a little late. I know that Mr. Gaudet, the member for Clare, sent his regrets. He had a doctor's appointment this morning so we said we would cover for him.

We'll go around the table and introduce ourselves and then we can get you folks to introduce yourselves, do your presentation, take your time and after the presentation we'll have some questions and answers. You'll have some questions, we'll have some questions and hopefully we'll have some answers. So with that, we'll start with Chuck.

[The committee members introduced themselves.]

KEN BROWN: Good morning, Mr. Chairman, and committee members. I'd like to begin by introducing myself and also thanking you for the opportunity to bring to your attention an issue which we believe warrants your consideration. My name is Ken Brown and I am the Provincial Advocacy Officer for the Nova Scotia Region of the Federal Superannuates National Association.

At this time I would like to introduce the members of our delegation, which is composed of representatives from both the Federal Superannuates National Association and the Royal Canadian Legion, Nova Scotia/Nunavut Command. Today the Federal Superannuates National Association is represented by Peter Kerr, to my right. Peter is the Deputy Regional Director for the Nova Scotia Region of the Federal Superannuates National Association.

Joining us in our presentation are the following representatives of the Royal Canadian Legion, Nova Scotia/Nunavut Command: Dave Blanchard, Command President; Marc Gauthier, Command Service Officer and Jack Hatcher, Command Treasurer and Chair of the Veterans and Senior Services Committee.

Both the Federal Superannuates National Association and the Royal Canadian Legion are non-profit organizations and members of the Group of Nine, which is a Seniors' Advisory Council of Nova Scotia, an organization which has been asked to provide advice to the Government of Nova Scotia on issues of importance to our seniors. Both our organizations represent RCMP retirees, as well as a significant number of military veterans who have served their country and who, at this point in their lives, have become seniors. All too often their service, while deployed in areas of conflict, has resulted in injuries that will carry adverse effects for the rest of their lives.

The Government of Canada recognizes the sacrifices of veterans in many ways. For instance, afflicted veterans may, under the Pension Act, receive a disability pension for injuries and suffering which was a direct result of service-related duties or activities. This Act pertains primarily to members and former members of our military forces and in some cases members of the RCMP, and provides compensation to our veterans for injuries received during World War I, World War II, the Korean War, Special Duty areas and peacetime service.

With respect to military members, the Government of Canada passed the Canadian Forces and Veterans Re-establishment and Compensation Act, also referred to as the New Veterans Charter, which replaced the Pension Act for claims filed after April 1, 2006. In essence, this has the effect of terminating the monthly pension system and replacing it by a lump sum award.

Please note that the New Veterans Charter is not available for claims resulting from World War I, World War II and Korean War injuries as these individuals are still under the protection of the Pension Act. It should be noted that individuals who are covered under the New Veterans Charter are not subject to having their lump sum included as part of their income when applying for social housing in this province, but that the World War I, World War II, Korean War and other qualified recipients are still affected.

The pensions which flow from the Pension Act are not deemed to be taxable income when veterans in receipt of disability pensions complete their annual income tax and benefit returns either at the federal or provincial level. It should be noted that such monthly disability pensions are not even entered on the taxation return form, yet when it comes to applying for government subsidized housing here in Nova Scotia, disability pensions exempted for personal income tax purposes are treated as income for the purposes of determining the amount of rent to be paid by disabled veterans.

We believe that the Government of Nova Scotia should bring to an end the practice of including disability pension monies as part of a veteran's income when these disabled individuals apply for financially assisted housing programs within our province. We believe rather that Nova Scotia should only use the net income of these veterans as reported on line 236 of the income tax and benefit return filed annually.

Nova Scotians have a proud history of serving their country and from the hometowns of the casualties being reported in Afghanistan, it would appear that that tradition continues today. Nova Scotia provides more soldiers, sailors and airmen per capita than the national average and we definitely have a strong military presence in our community. These individuals deserve nothing less than to be treated with respect, dignity and fairness by our governments.

It would seem that pensions such as these that are awarded not for service, but to compensate for the sometimes devastating consequences of that service, should not be treated as simple income at any level. This income is currently exempted for personal taxation purposes and we believe it should also be exempted by our province when determining the amount of rent to be paid by disabled veterans who apply for provincially assisted housing programs. Doing otherwise not only financially penalizes disabled veterans applying for social housing programs, but also sends a message of disrespect and fails to demonstrate a we care attitude for veterans who have sustained permanent injury incurred while in the service of their country.

While we have not had access to the detailed information in order to assess the cost of implementation, we believe that any revenues lost will be insignificant compared to the debt we owe these veterans. We are also under the belief that such action will not affect the provincial playing field since such programs ultimately are paid by everyone and not only those seeking housing assistance. Surely we can afford to avoid adding insult to injury to what appears to be a clawback of disability pensions for those who have given so much to this country and our beloved province.

We, on behalf of our veterans, respectfully urge your committee to initiate whatever action is necessary to eliminate the current practice of including disability pensions awarded under the Pension Act when calculating money to be charged for provincially assisted housing. Again, we would encourage you to only use the applicant's net income from line 236 of their income tax return when assessing provincially assisted housing programs.

As a matter of interest please note that British Columbia, Manitoba and Newfoundland and Labrador already provide this type of consideration. We would also like to note that a similar appeal has already been made to the Minister of Community Services, but to no avail. We remain hopeful, however, that this multi-Party committee may view the matter differently and be able to convince the Government of Nova Scotia to reconsider the matter and bring about the desired results.

We would like to thank you for your invitation and attention and look forward to a positive response to our presentation. Mr. Chairman, we would now be pleased to take any questions from the committee.

THE CHAIR: Thank you, Mr. Brown. We will go around the table - I believe Manning MacDonald is first - and we'll give equal time to each member to ask questions and see if we can come up with some kind of resolution for you.

MANNING MACDONALD: Thank you, Mr. Chairman and thank you very much for the presentation. I'll be very brief. There are a couple of questions I'd like to ask and I'll continue with a couple of comments that I would like to make regarding the presentation.

How long ago was the appeal made to the Minister of Community Services and who actually made the request?

KEN BROWN: We got her response mid-December.

MANNING MACDONALD: Just recently?

PETER KERR: In the last three months, I've got the dates.

MANNING MACDONALD: Fairly recent, so it would be something that would be very much in their minds today at Community Services, okay. Just a couple of comments on the presentation. First of all, I think your request is most reasonable and, Mr. Chairman, I certainly would support any motion that comes before this committee today to recommend to the Minister of Community Services that we do in fact recognize the significant service of this group and agree with them that disability pensions should not be included. I would be prepared at the end to make that motion.

Having said that, I think most of the people who I deal with in my area are looking for senior citizen housing - the group that you're talking about - and contrary to some opinion, they don't have a lot of money. A lot of these veterans are living on what you would call a very limited income; this hurts them when they are applying, there's no question in my mind about that. I didn't realize that you had made a representation to the Minister of Community Services for relief of this and I certainly am disappointed by the response you received to date, but hopefully, maybe this committee can encourage the minister's office - and I'm sure the minister, herself, probably is sympathetic to your plight. But perhaps what happens more often than not in the government bureaucracy - it gets tied up and the senior civil servants who would be dealing with this would be giving the minister all kinds of reasons why it can't be done, instead of giving a reason why it can be done.

Mr. Chairman, I just wanted to make those brief comments. I certainly agree 100 per cent with the presentation today and would be prepared to make a motion at the end

of the discussion to that regard. Thank you.

THE CHAIR: Thank you. Who's next? Go ahead, Mr. Porter.

[9:15 a.m.]

CHUCK PORTER: Thank you, gentlemen, for coming in and giving your presentation. I just want to say that I absolutely concur 100 per cent with Mr. MacDonald's comments and I would be more than happy to support a motion brought forward here today back to whether it is Community Services or whomever to try to make some progress in this area, it certainly needs to be done. Manning is quite right - there are a number of veterans who are living day to day, basically week to week and month to month with their incomes and whatever we can do to help assist them is not enough, probably easily said. I would certainly support anything that would go with that. Thank you.

THE CHAIR: Thank you. Mr. Wilson.

DAVID WILSON: Thank you, Mr. Chairman and thank you for your presentation. I wasn't aware of this situation, I know we hear a lot about the clawbacks to the pensions once you reach 65 and that seems to take a lot of the attention. Definitely, I'm concerned to hear this and to know that our seniors who are usually on a limited income are treated this way. I am encouraged by the members opposite, especially members from the government, that they will support this because I think it's important that we, as a committee, recognize some influence we might have as a committee here in the province.

Just a couple of questions, the first one is would it be possible to have a copy for the committee of the response that the minister sent to you? Is that okay with you? Have you done any calculations on what the difference would be for a senior who is receiving a disability pension who is evaluated with all that income, compared to if they were not evaluated with the full income? Have you done that? Maybe you haven't, it's not that important, but I'm just wondering if you would have any kind of information around that?

MARC GAUTHIER: It varies too much with pensions. Disability pensions, if they are awarded on a monthly basis could vary from as low as \$120 a month to over \$1,500 a month if a person is 100 per cent disabled. It varies too much, that range is impossible to calculate.

DAVID WILSON: Definitely the percentage that they charge of your income, if you're making \$1,500 more a month, I guess it would definitely increase.

MARC GAUTHIER: And if I may again, you mentioned about this clawback at 65 - this would be apples and oranges. One would deal with their superannuation pension as this one deals strictly with pension obtained because of disability.

DAVID WILSON: And that's maybe why I'm not aware of it. You always hear about the other clawback. So definitely you'll have our support and hopefully if the member beside me will make a motion, we'll support that and try to encourage the government to do the right thing here. I don't think any Nova Scotians would stand up in protest if we, all of a sudden, or the government decided to give a break to seniors, especially veterans, here in Nova Scotia. I'm encouraged by the members' support so we'll also support that motion.

LEONARD PREYRA: Well I would concur, I think it makes great sense. I'm surprised - we're talking about a disability pension that's presumably there to correct some difficulties that veterans would have in needing assistance and coping with that disability. So it's not actually income, by any stretch of the imagination. I haven't dealt with many veterans in my constituency because most of them are at the Veterans Memorial Hospital.

Certainly from dealing with seniors, I know that the disability benefits they receive there are not adequate to make up for the disabilities they suffer. So it's hard to see that as income under any circumstances and given that it applies to assisted living housing, we're not talking about seniors who are living in the lap of luxury. So I agree completely with you and certainly we will give you whatever help you need to make that case.

MARC GAUTHIER: Well it's a pension given, again, for the pain and suffering of injuries received while serving our country. So on one hand the federal government gives a disability pension, on the other hand the provincial government takes - I won't say all of it but part of it. So even if it is taking one penny from them, from that disability pension, it is just not fair. I would consider it a big slap on the face, on one hand recognizing that you got hurt, injured and here's a pension; on the other hand, the provincial government takes part of it or a portion of it, it's just not right.

THE CHAIR: Mr. Dunn.

PATRICK DUNN: I'll be extremely brief because I don't want to repeat some things that were already said. I think Mr. MacDonald has summed it up very nicely and I think it is a very reasonable request and I'm looking forward to supporting it, from the standpoint of this committee. I would be very pleased to do so. Thank you, Mr. Chairman.

THE CHAIR: Mr. Bain..

KEITH BAIN: Thank you, Mr. Chairman. I can't disagree with anything that has been said here this morning and I think we all recognize the need that is out there. I know that on the government side we'll certainly do everything we can to help in situations. Thank you very much for your presentation. It has brought some awareness to me, I

didn't even know this was happening so it has certainly opened my eyes and I want to thank you for that.

KEN BROWN: We really don't have any idea how many people in Nova Scotia this may affect. We know of three cases - one in the Valley and a couple in Antigonish County.

MANNING MACDONALD: There are some in Cape Breton too.

KEN BROWN: Yes, I'm sure there are.

THE CHAIR: Mr. Porter.

CHUCK PORTER: Thank you, Mr. Chairman, again and gentlemen, just reading the letter that was sent from Minister Streach here, in the second to last paragraph it says: "The Province does, however, exclude prisoner of war compensation, gallantry awards and special purpose allowances (attendant allowances, exceptional incapacity allowances and clothing allowances) from the definition of income . . .". I'm reading that and I'm wondering, that is something that would change, perhaps, maybe with this motion going forward. Would you see that changing or would you see that staying over and above what's . . .

MARC GAUTHIER: Yes, I think we would see that as beyond and above what has already been, I think, granted, yes.

CHUCK PORTER: Thank you.

THE CHAIR: Thank you, Mr. Porter. Mr. Manning MacDonald.

MANNING MACDONALD: Just by way of comment, and then I'll put the motion on the table if you would agree, Mr. Chairman. Certainly there's not a precedent being set here because, Chuck you said it and Dave just reminded me of this, that it is already being done for certain categories so I mean this will just add to that. I certainly don't have a problem with that and I think if my motion is in order I move that the Government of Nova Scotia - actually you put it very good here yourself so I'm just going to echo your comments - that the Government of Nova Scotia should bring to an end the practice of including disability pension monies as part of a veteran's income when these disabled individuals apply for financially assisted housing programs within our province. We believe, rather, that Nova Scotia should only use the net income of these veterans, as reported on Line 236 of the income tax and benefit return. I would so move that motion, Mr. Chairman. This motion would go to the Minister of Community Services from this committee.

THE CHAIR: Shouldn't maybe this motion also go to the Minister of Finance?

MANNING MACDONALD: Yes.

THE CHAIR: There's a motion on the table. Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

Was that too easy?

MANNING MACDONALD: By way of comment, Mr. Chairman, I would say that I think you caught the committee by surprise because I'm sure the committee didn't realize this was going on. So thank you for doing that, really.

DAVE BLANCHARD: Mr. Chairman and committee members, I just want to explain something. We're sitting here this morning, we've got people from the Legion, we've got people here from the Federal Superannuates National Association. Just where these come together, well basically the bottom line is we both represent veterans. I, myself, work for the federal government, I'm a member of the Legion and I'm also a member of Ken's Federal Superannuates National Association but it's just that the other one, the superannuates association, brings in members from ex-military, ex-government workers can all belong to that and basically it's the same rules for the Legion, just to clear the air why we're both putting this forward because we both received letters about where this problem lies and everything. Thank you.

THE CHAIR: Thank you. With that, Mr. Kerr, when you first contacted me concerning this, I wanted to write back and say that there's something wrong here, that this is not right but I didn't dare to do that until today, until all committee members heard this out because it isn't right and we have to take care of our veterans to the best of our ability in this province.

I think we're lucky here that we do have this committee in this province to help you for situations like this. So I'm glad this went around like it did, that's what I was hoping for but like I said, I didn't dare to say anything back to you until you got here in front of the committee.

PETER KERR: That's understandable. Thanks very much, Mr. Chairman.

THE CHAIR: I thank you, thank you very much for coming in and with that, if there are no more questions or no more comments, we could take the rest of the morning off from this meeting.

Oh yes, just a second, we've got a little business here to do. On the agenda we have for February 14th the Black Watch Association of Canada. Are we all agreeing on that?

MANNING MACDONALD: I think Dave has something to say about that. (Laughter) Valentine's Day . . .

DAVID WILSON: No, no I don't. (Laughter)

THE CHAIR: Valentine's Day, it could be a romantic meeting.

Are there any more groups we would like to add to the list? There were two mentioned - the Korean War veterans and the Last Post Fund.

DAVID WILSON: If I may, Mr. Chairman, I think maybe you could send a letter to both of those groups asking if they would be willing to come to the committee, or if they have any information they could come to the committee with to update us on.

One area definitely a concern of mine since I was elected was the Last Post Fund. I know that they had some shortcomings years ago but I think everything is up-to-date. If we could send maybe a letter just requesting to see if they had any information to update the committee and leave it up to them - I mean, you don't want to force anybody to come and before our committee.

THE CHAIR: We can invite them.

DAVID WILSON: Yes, definitely.

THE CHAIR: We'll send an invitation to both the Last Post Fund and the Korean War veterans. Thank you for that - and it doesn't matter which order.

DAVID WILSON: No, if they don't feel they have any more information to update us, then that's fine, too. As I say, you don't want to bring a group here just to bring them here, as long as they want to - if they're satisfied to come and update us on some initiatives, that would be great.

THE CHAIR: Okay, well thank you. So our next meeting will be February 14th. Thank you.

[The meeting adjourned at 9:28 a.m.]