

# **Canadian Forces Grievance Board**



**For the period ending  
March 31, 2006**

**Departmental Performance Report**

---

The Honourable Gordon J. O'Connor, PC, M.P.  
Minister of National Defence

---

## Table of Contents

<b>SECTION I – OVERVIEW</b> .....	<b>1</b>
Chairperson’s Message.....	2
Management Representation Statement .....	3
Summary Information .....	4
Overall Board Performance .....	7
<b>SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME</b> .....	<b>11</b>
Analysis by Program Activity.....	12
Expected Results.....	13
<b>SECTION III – SUPPLEMENTARY INFORMATION</b> .....	<b>22</b>
Organizational Information .....	23
Table 1: Comparison of Planned to Actual Spending (including FTEs).....	24
Table 2: Resources by Program Activity .....	24
Table 3: Voted and Statutory Items.....	25
Table 4: Services Received Without Charge .....	25
Table 5: Financial Statements of the Canadian Forces Grievance Board .....	25
Table 6: Travel Policies .....	36
Table 7: Service Improvement .....	36
<b>SECTION IV – OTHER ITEMS OF INTEREST</b> .....	<b>38</b>
Contacts for Further Information .....	39
Statutory Annual Reports and Board Reports.....	39

---

## **SECTION I – OVERVIEW**

---

## Chairperson's Message

I am pleased to submit the Canadian Forces Grievance Board's Departmental Performance Report, for the period ending March 31, 2006. The year 2005 marked the Board's fifth anniversary, providing an opportune moment to assess our work to date and to examine what procedural improvements could be made. We also took the time to recognize our many successes, in particular those related to increased outreach to members of the military, heightening their awareness about our mandate, and the overall improved productivity of the Board.

Throughout 2005-06, we continued to raise awareness - through networking opportunities across the country with key stakeholders, particularly among the members of the Canadian Forces—about our role in the administrative military justice system.

The qualities of a good complaint redress system are to assure grievors that their grievances will be dealt with in an equitable and responsive manner. This objective, amongst others, has been served with the establishment of the Grievance Board. We provide the external oversight needed to maintain public confidence in the way the Canadian Forces deal with grievances by allowing grievors access to an independent organization, separate from the chain of command, before any final decisions are made on their grievances.

When reviewing grievances, the Board takes a system-wide perspective. The findings and recommendations we issue provide carefully reasoned analyses of rules and policies, thereby helping to identify and resolve systemic issues. This in turn can serve as a guide to future decision-making in similar cases, or an informal resolution before a grievance is even filed. This systemic function provides both an enhancement and a value-added dimension to our reviews and mandate.

2005-06 was also a benchmark year with an improved overall closure rate with respect to grievance reviews. The average time to treat cases in the past years has been on average 9 months; this has since been reduced to an average of a little over 6 months. We expect to increase this level of efficiency even further in the future.

In terms of corporate management, the Board will continue to assess its recruitment approaches and strategies through the development of its Integrated Human Resources and Business Plan. Further, we will continue to maintain a strong focus on learning for all employees and align our Human Resources practices to meet the requirements of the new *Public Service Modernization Act (PSMA)*.

Finally, the Board continues to work in concert with other organizations involved in the grievance process, namely the Director General, Canadian Forces Grievance Authority and the Office of the Ombudsman. Our reasons for doing so are mutual: to promote solutions that will provide the speedy and just resolution to grievances. This means maximizing efficiency and reducing bureaucracy to a necessary minimum so that the complaint resolution for the Canadian Forces works as intended.



Diane Laurin  
Chairperson

---

## Management Representation Statement

I submit for tabling in Parliament, the 2005-06 Departmental Performance Report for the Canadian Forces Grievance Board.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2005-2006 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the TBS guidance;
- It is based on the department's approved Program Activity Architecture structure as reflected in its MRRS;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada in the DPR.

---

Name: Diane Laurin  
Title: Chairperson

---

## Summary Information

**The Board's Raison d'être** – The Board officially began operations on June 15, 2000, when it received its regulatory authority. It is external to and independent of the Canadian Forces (CF) and the Department of National Defence (DND), with the statutory mandate to review military grievances and to submit findings and recommendations to the Chief of the Defence Staff (CDS).

The Board's mandate is to issue fair, impartial, transparent and expeditious findings and recommendations on grievances from members of the Canadian Forces, in accordance with the *National Defence Act (NDA) and referred to under Chapter 7.12 of the Queen's Regulations and Orders for the Canadian Forces (QR&O)*. The Board is mandated to review grievances pertaining to:

- deductions from pay and allowances;
- reversion to a lower rank or release from the Forces;
- the application or interpretation of policies relating to the expression of personal opinions, political activities, and candidature for office, civil employment, conflict of interest and post-employment compliance measures, harassment or racist conduct;
- pay, allowances and other financial benefits;
- the entitlement to medical care and dental treatment; and

The Chief of the Defence Staff shall refer every grievance concerning a decision or an act of the Chief of the Defence Staff in respect of a particular officer or non-commissioned member to the Board for its findings and recommendations. The CDS also has the discretionary power to refer any other type of grievance to the Board for review.

### A Unique Role

The Board is the first and only civilian body in the world that reviews military grievances. In its role as an administrative tribunal, it conducts objective, transparent and independent reviews of grievances, with due respect to fairness and equity for each member of the Canadian Forces (CF), regardless of rank or position. It ensures that the rights of military personnel are considered fairly throughout the process. Ultimately, it is part of the Board's long-term objective to contribute to the improved working conditions for CF members; to have a positive effect on morale, and to instil confidence in the effectiveness and fairness of the improved grievance process.

The Board is a civilian administrative tribunal with quasi-judicial powers. To fully examine all information that could be relevant to a grievance, if it appears necessary, the Board can conduct hearings, summon civilian or military witnesses, and compel them to give oral or written evidence.

The Board reports its findings and recommendations to both the CDS and the grievor. Its recommendations may deal not only with the grievance itself, but with potential systemic changes that could alleviate a problem or issue Forces-wide.

#### **Mission**

To review grievances, in order to render fair and impartial findings and recommendations in a timely and informal manner to the Chief of the Defence Staff and the grievor.

#### **Vision**

The Board's grievance review skills and expertise will be recognized through the quality of its findings and recommendations.

This will be realized when:

- The principles of integrity and fairness guiding the Board create a climate of confidence in members of the Canadian Forces;
- Members of the Canadian Forces are confident that the Board's findings and recommendations are objective, timely, fair and impartial;
- The work of the Board has a positive impact on the conditions of work for military personnel and contributes to a better understanding and application of regulations, policies, and guidelines;
- Other public agencies, in Canada and abroad, consult the Board regarding their own grievance management and review processes.

## Financial Resources (\$000's)

Planned Spending	Total Authorities	Actual Spending
\$6,235.0	\$6,589.0	\$6,188.5

## Human Resources \*

Planned	Actual	Difference
46	46	43

\* Includes Board Members appointed by Governor in Council.

## Departmental Priorities

Status on Performance	2005-06	
	Planned Spending	Actual Spending

**Strategic Outcome:** The recommendations of the Canadian Forces Grievance Board are implemented in the Canadian Forces and lead to improvements in the conditions of work.

### Alignment to Government of Canada Outcomes: [Income Security and Employment for Canadians](#)

Priority No. 1 (Ongoing)	<p><b>Program Activity:</b> Review of Canadian Forces grievances referred by the Chief of the Defence Staff.</p> <p><b>Expected Results:</b></p> <ol style="list-style-type: none"> <li>1) By 2006 the grievances referred to the Board will be reviewed on average within a six month period as a result of increasing its production, maintaining a reasonable cost per grievance; and meeting its timeline standards.</li> <li>2) Staff and Board Members developmental and training needs will be met.</li> <li>3) Establish a resourcing strategy over three years to ensure rigorous planning of human and financial resources needs.</li> </ol>	<p><b>Performance Status</b></p> <p>Ongoing</p> <p>Met expectations</p> <p>Met expectations</p>	3,092,300	
Priority No. 2 (Ongoing)	<p><b>Program Activity:</b> Review of Canadian Forces</p>	<p><b>Performance Status</b></p>	397,000	

Status on Performance		2005-06	
		Planned Spending	Actual Spending
External Communications	grievances referred by the Chief of the Defence Staff.  <b>Expected Results:</b> 1) Better understanding of the Board's work from stakeholders, the Canadian Forces and the Public service environment.  2) Enhancing knowledge sharing.	Ongoing          Met expectations	

**Performance status**

- "Met expectations" indicates that all 2005-06 expectations identified in the RPP were fully met;
- "Ongoing" indicates that milestones for results were identified beyond March 31, 2006, and are therefore ongoing;
- "Partially met expectations" indicates that some or most of the 2005-06 expectations were met; and
- "Not met" indicates that the result statement was not achieved in the timeframe specified and/or where significant work remains.

**Context and Operating Environment**

Many factors beyond the Board's control affect the time it takes to resolve a grievance; these factors being the complexity of a grievance, as many can be very intricate, requiring extensive research and the gathering of additional information. The number of Board members and personnel of the Board influence also its capacity to treat grievances.

There are various avenues available to CF members to address a complaint. We note that there is still confusion surrounding the roles of the different stakeholders who deal with grievance cases or complaints within the Canadian Forces grievance process. However, the Board has steadily increased its outreach and communications activities in order to connect with members of Canadian Forces. Outreach also helps the Board to increase awareness of its own role in enhancing the quality of life in the Canadian Forces.

---

## Overall Board Performance

### Priority # 1 Operational productivity

#### Commitments

To achieve its objectives to improve operational productivity, the Board undertook several initiatives in 2005-06 fiscal year. They included commitments to:

- Strengthen performance through monitoring its Performance Measurement Strategy;
- Increase production;
- Ensure that timeline standards are met;
- Reinforce sound internal management; and
- Ensure rigorous planning of human and financial resources needs.

#### Main Achievements

- During the reporting period, the Board made it a priority to complete a lingering backlog of cases, pre-dating 2004. To achieve this, the Board made certain exceptions regarding its timeline standards, and the prioritization of its active case load. Nonetheless, the Board experienced a significant improvement in its review times of its steady-state cases<sup>1</sup>, having increased the percentage of grievances reviewed within a year from an average of 23% over the first four years to 67% for the cases referred since 2004-05 (data as of August 24, 2006).

Figure 1 details the timeline for completed cases, segmented according to the fiscal year in which they were referred to the Board.

Figure 1

Year Cases Referred to CFGB	Less than 6 months	6 months to 1 year	More than 1 year
2000-2001	6.60%	10.66%	82.74%
2001-2002	6.80%	20.41%	72.79%
2002-2003	8.19%	13.45%	78.36%
2003-2004	6.85%	16.44%	76.71%
2004-2005	9.62%	38.46%	51.92%
2005-2006	50.00%	42.11%	7.89%

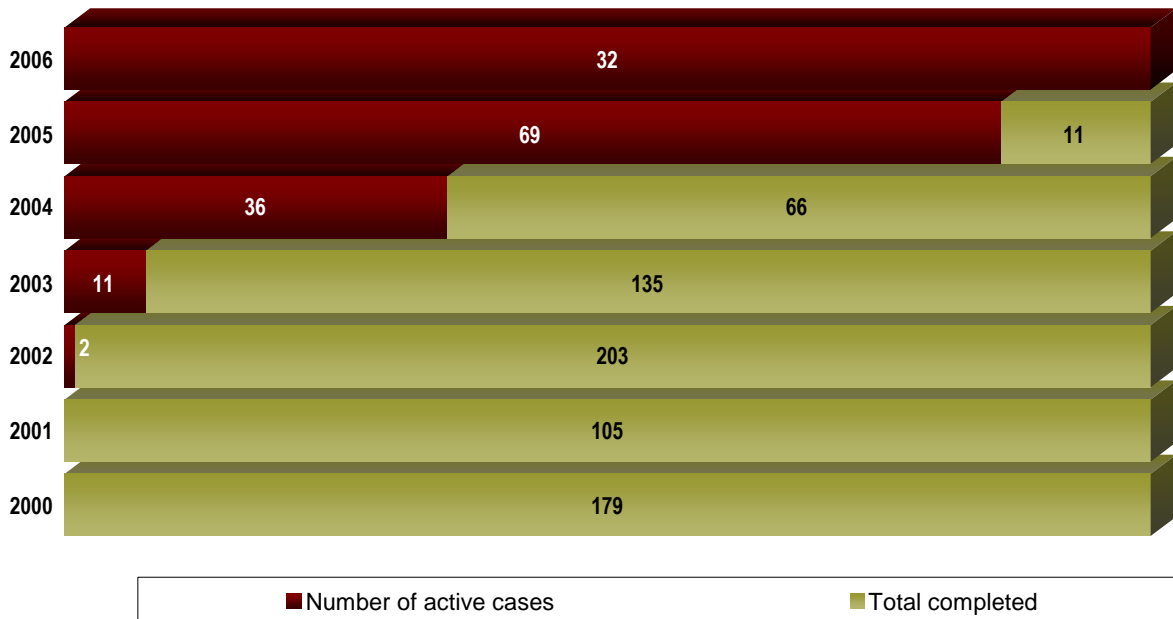
---

<sup>1</sup> Cases referred to the Board after January 1<sup>st</sup>, 2004.

Figure 2 represents the status as of March 31, 2006 of the inventory of cases by the year they were referred to the Board. At the time of writing this report, only 6 cases remain from the backlog of cases pre-dating 2004, one of which is in abeyance.

**Figure 2**

**Status of the inventory of cases by year referred to the Board**  
Data as of March 31, 2006



- In early 2006, an additional step was added to the grievance review process involving a preliminary evaluation of all files for the purpose of identifying important legal matters or issues requiring full research. During this process, files that can be reviewed more quickly can be identified, including those relating to simple issues or those whose subject matter had been handled previously by the Board.
- In compliance with the new *Public Service Modernization Act (PSMA)*, the Board developed an Integrated Human Resources and Business Plan, to ensure that its human and financial resources needs are in place.
- The Board has started to align its HR practices with the requirements of the *Public Service Modernization Act (PSMA)*, which included training for the managers and staff as well as developing internal policies and procedures.

---

## ***Lessons Learned***

Not all cases are equal in terms of the time it takes to complete a review. Factors that affect completion time include the promptness with which the Board receives additional information from the grievor or the CF and/or the complexity of the case. In addition there is the challenge surrounding the recruitment and retention of staff as well as Board Members. Nonetheless, the Board is confident that it will be able to reduce the review time of the remainder of its caseload significantly so that the majority of cases can be completed, on average, within six months of referral to the Board.

## **Priority # 2 External Communications**

### ***Commitments***

The Board will work to enhance its external communications by:

- Reaching out to our clients and stakeholders;
- Sharing information through increasing exchanges with our clients, stakeholders and target audiences;
- Actively participating at senior level forums;
- Disseminating information on the impact of the Board's work.

### ***Main Achievements***

The Board has been active in developing tools and practices that will be used on an on-going basis to meet its communications commitments. Specifically, it has:

- Developed an electronic newsletter showcasing its work, to be sent to a subscriber list of key audiences;
- Redesigned its website to allow for easier navigation and specifically to highlight the Board's regular posting of its case summaries;
- Redesigned its information brochure for mail-outs two to three times a year to a variety of stakeholder groups;
- Undertaken tours of various CF bases by senior Board management to meet with CF members and brief them on the grievance process and the Board's work;
- Hosted groups of visiting military officials from foreign countries interested in knowing more about the work of the Board;
- Spearheaded a joint committee involving all the key stakeholders in the grievance process to discuss best practices, and to coordinate efforts to improve the grievance system in particular.

## ***Lessons Learned***

The Board recognized from the beginning that it would have to consciously reach out to its clients – the members serving in the Canadian Forces – to familiarize them with the work it was doing and strengthen their understanding of the organization's mandate and the role it plays in enhancing their quality of life. This means that the care and the expertise the Board brings to bear on its review of individual grievances and the high level of confidence the Chief of the Defence Staff has shown by supporting the majority of its findings and recommendations needs to be communicated on a consistent basis.

---

The Board will continue to focus its efforts on the communications channels already in place within the military. Senior military leaders play major roles in promoting understanding of the Board's mandate, challenges and work; the support shown for the Board at senior CF levels means there are clear opportunities for the organization to embark on initiatives that will demonstrate its relevance to CF members and foster a more informed environment in relation to the Board's role. These communication efforts are further enhanced when Board Members and senior management visit CF bases and facilities; and attend seminars, conferences and presentations on key issues. All of the aforementioned remain important means of engaging CF members and Board stakeholders directly, as does the information found in its publications and on its website.

While much has already been accomplished through past outreach activities, the Board will build on these efforts in order to demonstrate how the organization is evolving and meeting its commitments. Getting the word out about what the Board does also helps to address perceptions of overlapping jurisdictions between the different redress mechanisms for the CF. As such, the Board will continue to foster its partnerships with the other agencies involved in the grievance process.

---

## **SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME**

---

## Analysis by Program Activity

**Strategic Outcome:** The recommendations of the Canadian Forces Grievance Board are implemented in the Canadian Forces and lead to improvements in the conditions of work.

**Program Activity:** Review of Canadian Forces grievances referred by the Chief of the Defence Staff.

**Financial Resources:**

(in \$000,s)

Planned Spending	Authorities	Actual Spending
\$3,260	\$3,395.0	\$3,370.1

**Human Resources:**

Planned	Authorities	Actuals
28	28	27

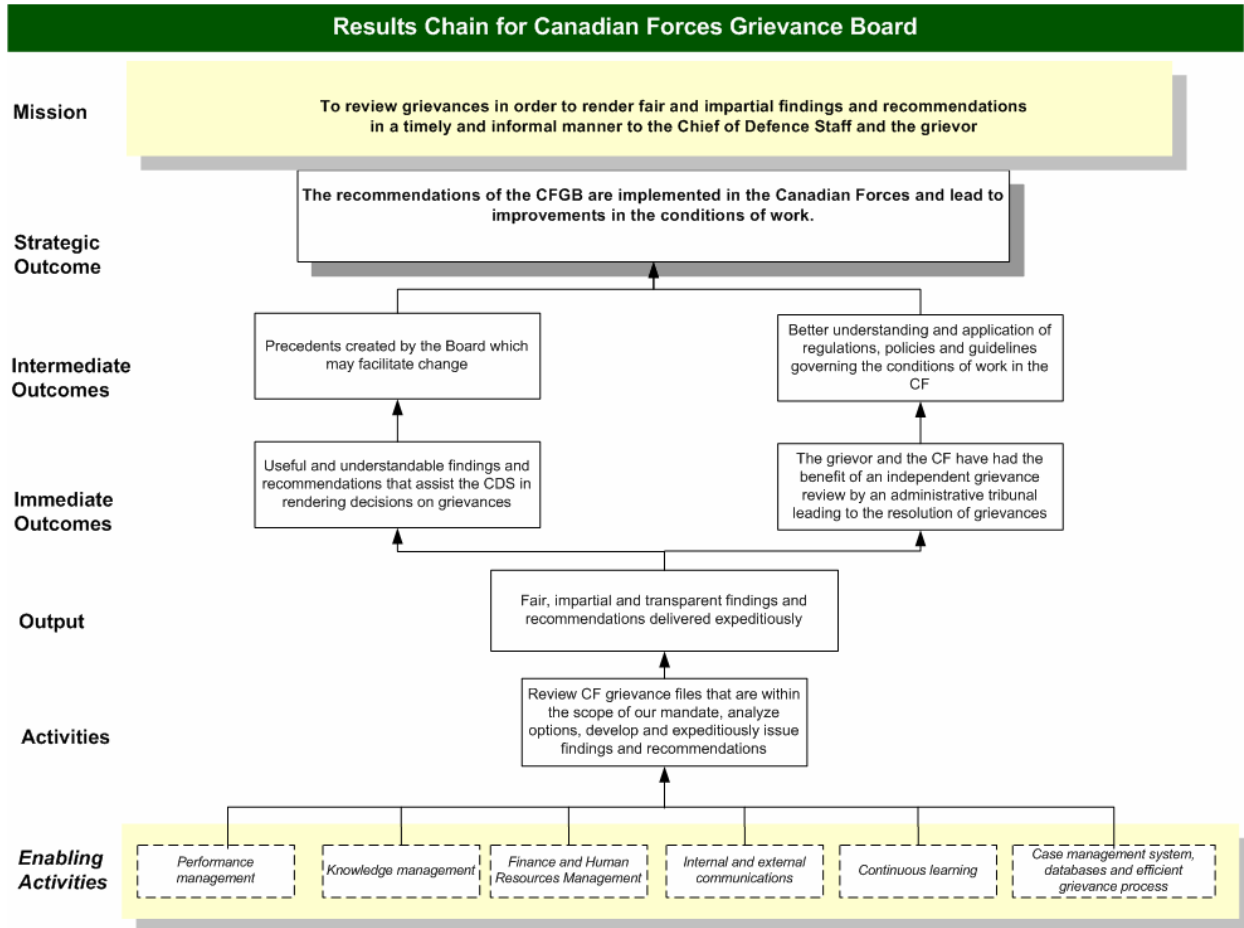
Note: The contribution of Corporate Services to this Program Activity is \$2,818.4 and 16 FTE.

The Board conducts objective and transparent reviews of grievances with due respect to fairness and equity for each member of the CF, regardless of rank or position. It ensures that the rights of military personnel are considered fairly throughout the process and is committed that its Board Members act in the best interest of the parties concerned. The findings and recommendations it issues are not only based in law but form precedents which ensure coherence in the interpretation and the application of policies and regulations within the Canadian Forces.

As an institution vested with quasi-judicial powers, the Board must ensure that its recommendations conform to law and in accordance with its enabling statute and the relevant legislation. In particular, the Board members must be conversant with decisions taken by the Canadian courts in the various areas related to the Canadian Forces and that may affect the Board's work or the grievances it has to review. The Board must show deference to the decisions taken by higher courts regarding grievances by CF members, including the Federal Court, Trial Division. The Board members shall be responsible for knowing, among others regulations: the Queen's Regulations and Orders for the Canadian Forces (QR&O), the Canadian Forces Administrative Orders (CFAOs) and the Treasury Board policies which apply to the grievance in question and which help to support the analysis, and assist in the development of the Board's findings and recommendations.

## Expected Results

The Board's Results Chain or Logic Model demonstrates how each of the items contributes to the fulfillment of the Board's mission and the achievement of its strategic outcome.



**Logic Model – Immediate outcomes:** These are the short-term results of the Board’s activities and its output.

Planned immediate outcomes	Performance Indicators
Useful and understandable findings and recommendations that assist the CDS in rendering decisions on grievances.	1) CDS decisions are in support of the Board’s recommendations.
The grievor and the CF have had the benefit of a grievance review by an independent quasi-judicial tribunal leading to the resolution of grievances.	2) CDS finds the Board’s findings and recommendations (F&R) useful and understandable. 3) Federal Court Judicial Reviews uphold the Board’s findings and recommendations.

### Overview of CDS Decisions

For the period covered by this report, the CDS provided decisions on 107 grievances, and fully or partially endorsed 90.6% of the Board’s recommendations, shown at Figure 3. Twelve additional cases that had been reviewed by the Board were either resolved by the CF by means of an informal resolution (six cases) or were withdrawn by the grievor (six cases) subsequent to the issuance of the Board’s findings and recommendations and prior to the CDS decision on the case.

**Figure 3**

CFGB’s Findings and Recommendations (F&R)	CDS DECISIONS RENDERED IN FY 2005-06			
	CDS fully endorses CFGB’s F&R	CDS partially endorses CFGB’s F&R	CDS does not endorse CFGB’s F&R	Totals
Upheld	17	7	5	29
Partially Upheld	14	9	1	24
Denied	46	2	4	52
Withdrawn	2			2
<b>Totals</b>	<b>79</b>	<b>18</b>	<b>10</b>	<b>107</b>

---

## Federal Court Decisions

By virtue of section 18.1 of the *Federal Courts Act*, a grievor may apply to the Federal Court (Trial Division) for a review of a CDS decision. Grounds for such application are limited to a perceived error of law or of fact, in the appearance that the decision was made in breach of the duty of fairness or of the principles of natural justice, without due consideration of the evidence, or where the deciding authority seems to have acted in a way that is contrary to the law. In 2005, the Federal Court of Canada rendered decisions on three such applications.

In its 2004 Annual Report, the Board made reference to a grievance whose argument revolved around whether or not the city of Blainville should be included in the geographic area of Montreal for the purpose of the Post Living Differential (PLD). Among other things, the Board concluded that the 45-minute rule for travelling time between the place of residence and the workplace should not be absolute, particularly in major centres like Montreal. The Board had recommended that the CDS uphold the grievance by including the city of Blainville in the geographic area of Montreal. Although the CDS did recognize that there was excessive variation in travelling times, particularly in a major metropolitan area, he pointed out at that time that the boundaries of the geographic area of Montreal had been delineated on the basis of dominant physical features within a reasonable radius of the major service centre. The CDS accordingly rejected the Board's recommendation on the grounds that the city of Blainville was located outside these physical features.

Seized with the grievor's application for judicial review, the Federal Court first determined that the standard of review for a CDS decision involving a grievance is that of a clearly unreasonable decision. Consequently, since the definition of the area of service which gives entitlement to the PLD essentially involves the exercise of the commander's discretionary authority, it is protected from judicial reviews unless the commander failed to exercise his discretionary powers in good faith, or unless the decision was taken illegally or for irrelevant reasons. The Honourable Judge Pinard concluded that the CDS had not committed an error in refusing to uphold the grievance and that his decision not to follow the recommendations of the Board was clearly justified under Paragraph 29.13 (2) of the *National Defence Act*. The Court accordingly rejected the application for judicial review.

---

In the second decision, the Federal Court granted the application for judicial review. Mr. Justice Blanchard held that the decision of the CDS was invalid because the CDS did not acknowledge the violations of the rules of natural justice and procedural fairness.

In that case, the applicant (the grievor) was the subject of a complaint of harassment. An initial investigation was ordered and it was declared closed when the results of the police investigation into the complaint were obtained. After letters were received from the originator of the harassment complaint, the Commander (Comd) ordered a summary investigation. Following this second investigation, the Comd found that there was a basis for the complaint and that the applicant should be placed under counselling and probation (C&P). The applicant argued that he had not been informed in writing of the results of the first investigation and was not aware of the reasons for a second investigation, and that this prevented him from submitting his observations. The applicant filed a grievance.

The CDS approved the findings and recommendations of the Board to the effect that the CO should have given the applicant an opportunity to respond to the allegations. Given the seriousness of the conduct alleged by the complainant and the consequences of the C&P, the applicant should have received relevant information at an appropriate time. However, the CDS also approved the findings of the Board to the effect that, throughout the grievance process, the applicant had an opportunity to express his objections on several occasions, despite the difficulties and delays experienced by him in obtaining copies of the investigations. Finally, like the Board, the CDS concluded that the applicant was given more than one opportunity to make his observations after the notice of intention to recommend counselling and probation was issued, however, the applicant deliberately refused to submit them. The rules of natural justice were accordingly observed.

The Court determined that the investigation conducted in this case was more judicial in nature than administrative, that the allegations were serious, that the decision was likely to have serious consequences for the persons affected and that the applicant was legitimately entitled to expect that a certain procedure would be observed. In particular, the Court noted that the failure to disclose the information to the applicant, whose records supported the complaint of harassment, did not allow him to make his observations as part of the investigation and the imposition of the C&P. Consequently, the applicant did not have an opportunity to be heard. Furthermore, concerning the C&P, the applicant should have been able to make observations before the decision on its imposition had been made. Finally, the Court noted that the applicant was not given sufficient notice and that he had co-operated with the authorities, unaware that a new investigation was under way.

In response to the Federal Court's order that the case be reviewed, the CDS ordered that all documents relating to the C&P be removed from the grievor's military file. The CDS also sent the file to the Director of Civil Claims and Litigation (DCCL) for consideration of any potential claims.

---

In a third file, the Federal Court dismissed the application for judicial review. In that case, the Board had recommended that the CDS uphold the grievance by ordering the grievor's entitlements to Separation Expense (SE) be re-calculated in accordance with regulations, and that any money due be paid. The Board also recommended that the salary Equalization Factor (SEF) the grievor received during his posting to United Nations Truce Supervision Organization (UNTSO) be reviewed and re-calculated, if necessary. The Acting/Chief of Defence Staff (A/CDS) concluded that the grievor was treated in accordance with QR&O 209.997(4), the applicable benefit authority, while the Board was of the opinion that there was no provision in QR&O 209.997 allowing for the substitution of an analogous benefit for rations and quarters.

The A/CDS found that the regulation should receive a flexible interpretation and he reduced the SE. In relation to the SEF, the A/CDS disagreed with the Board's finding that paragraph 35 of the CFAO 205-5 authorizes an additional reduction of 25% of the SEF, which should be paid at 75%. The A/CDS was satisfied that the correct authorities were applied; however, he directed that the Assistant Deputy Minister (Human Resources – Military) ensure that the appropriate rates were applied to the grievor's SE and SEF benefits.

In its decision, the Federal court decided on two issues. First, relying on the Supreme Court's decision in *Pushpanathan*, Mr. Justice Hughes determined that the standard of review applicable to the CDS' decision should be reasonableness *simpliciter*. On the second issue, the judge found no reviewable error in the CDS' decision and dismissed the application, stating that pursuant to section 209.997(2), the CDS may provide "*limitations and conditions*" and that the wording in subsections (3) and (4), namely the word "*available*", is subject to a variety of meanings depending on context. The Court added that the Canadian Forces Administrative Order 209.3 is a proper "*limitation and conditions*", and that "*allowances in lieu*" of rations and quarters may be considered as having made rations and quarters available.

**Logic Model – Intermediate Outcomes:** These are the longer term results, that flow from the Board’s activities, outputs and immediate outcomes, and which will demonstrate progress towards achieving its ultimate result.

Planned intermediate outcomes	Performance Indicators
Precedents created by the Board, which may facilitate change.	CDS decisions to address systemic issues raised by the Board that merit further study for possible policy or regulatory change.
Better understanding and application of regulations, policies and guidelines governing the conditions of work within the CF.	Reduction of grievances of the same nature.

**Figure 4**

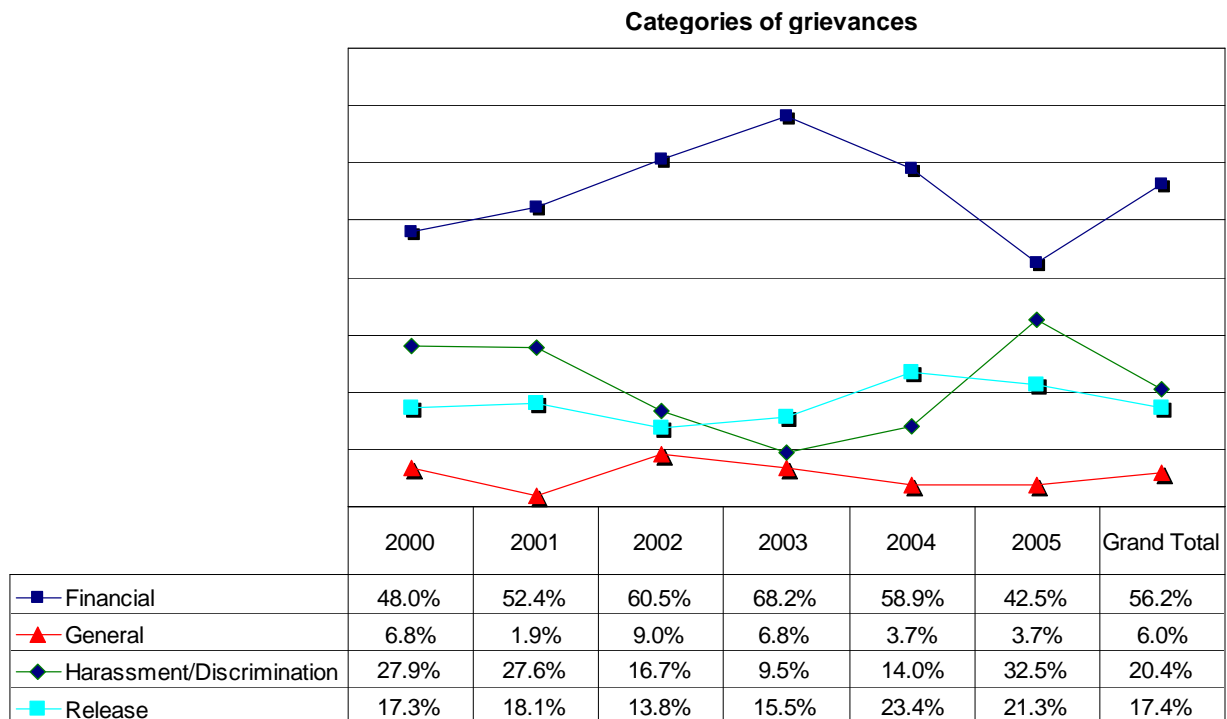


Figure 4 depicts the distribution of category of cases by the year they were referred to the Board. While the Board received fewer cases in 2005 than in any other year, the percentage of its harassment cases represented a significant increase. However, these percentages are not meant to reflect any particular trend in grievances within the Canadian Forces as a whole. Our experience to date shows us that financial grievances continue to dominate our workload since 2000.

---

## **An issue of procedural fairness**

There are two primary rules that underline the right to procedural fairness: the right to be heard and the right to an impartial hearing.

The right to be heard includes the right to be informed of the case being made against the member, its subject, and its consequences in a timely manner in order to allow the member concerned to present comments to the deciding authority.

The right to an impartial hearing means that the decision-maker must be unbiased, and act in good faith. In a number of files reviewed last year, the Board found the rules of procedural fairness had not been followed during the course of an administrative review.

For example, in one instance regarding a harassment investigation, the grievor was not given the opportunity to examine the statements made by witnesses. The Board noted it and the CDS agreed with the Board. Because the Responsible Officer (RO) had based his decision on a flawed investigation, the investigator's report, the supporting documentation, the RO's decision, and all related documents were ordered removed from the CF member's file.

In another case, a Commanding Officer who was to be relieved from command was not provided with all the information considered by the deciding authority. The CDS agreed with the Board that the grievor should have been given the information that was used to support the decision against him. And finally, another case showed the grievor had not been given all relevant information before the file reached the Board. The CDS agreed that the grievor should have received a copy of the complete grievance file prior to the Board completing disclosure in the process of its analysis and that a timely presentation of this information may have allayed the grievor's concerns and obviated the need for the grievance.

The CDS has been largely positive in his response to the Board's concerns regarding the lack of procedural fairness. The Board is optimistic that any follow-up as a result of its observations may help to alleviate future problems of this nature.

## **Recommendations on Systemic Issues**

The Board's mandate places it in an ideal position to identify systemic issues. In the context of individual cases, the Board makes several recommendations of a systemic nature to the CDS. For example, where it identified inconsistencies in a policy that led to inequities, or where it noticed a potential or a need for broader improvements in the Canadian Forces generally, the Board has recommended that the CDS take additional action, beyond disposition of the individual grievance.

For the decisions rendered in 2005, the CDS endorsed a number of recommendations on systemic issues. A sample of these cases follows.

**Treatment of Reservists  
Employed at Cadet Summer Training Camp**

A member of the Cadet Instructor Cadre (CIC), grieved the fact that he did not receive Separation Expense (SE) while he attended a Cadet Summer Training Camp (CSTC).

The grievor denounced the practice of attach posting CIC members while Regular and Primary Reserve (P Res) Force members attended CSTCs on Temporary Duty (TD), alleging that the practice was discriminatory.

The Board found that the grievor was not entitled to SE. The Board also found that the practice of attach posting CICs to CSTCs was not discriminatory but it was inequitable in the circumstances of this case.

The Board recommended that the CDS amend the current instruction which requires CIC members to be attach posted for CSTC duties while other component members are on TD. Further, the Board recommended the CDS consider means of retroactively awarding the grievor TD benefits for the period in question.

Subsequent to the Board's findings and recommendations, the grievor indicated that he accepted the Board's findings that he was not entitled to SE and that he did not suffer discrimination or unethical conduct

The CDS partially agreed with the Board's recommendations. The CDS directed that the grievor be re-offered Leave Travel Assistance (LTA). The CDS agreed with the Board's finding that the practice of sending CIC officers to CSTCs on attached posting status compared to TD is inequitable, but he did not concur with the recommendation that the grievor be retroactively provided with TD benefits. The CDS also directed the Vice Chief of the Defence Staff to conduct a review to address the question of inequitable treatment of Reservists employed at CSTCs. The CDS added that this review should assess the need to treat CIC officers at CSTCs differently than other personnel, and the feasibility of harmonizing benefits.

**Inconsistency on Child Care Funding at Home  
and Child Care During House Hunting Trip**

The primary issue raised in this grievance was whether the grievor was entitled to reimbursement of the Canada Mortgage and Housing Corporation insurance premium, tax and fee. A secondary issue was whether the grievor was disadvantaged compared to higher income earners, as the amount of the funding envelope is based in part on the posting allowance, a salary-based benefit.

The Board found that the grievor's relocation benefits under the Integrated Relocation Pilot Project (IRPP) were calculated in accordance with the relevant IRPP policy directive, and that his claim was handled in a way that was consistent with the directive. The Board also found that the IRPP is not inequitable simply because it includes a salary-based benefit.

The Board recommended that the CDS deny the grievance, but that certain corrective measures be considered.

The CDS agreed with the Board's recommendation to deny the grievance. He was satisfied that the grievor received all of the benefits and allowances authorized under the IRPP. However, the CDS agreed with the Board that there is an inconsistency in providing for reimbursement from the core component up to a set maximum when child care is hired during the House Hunting Trip (HHT), but not paying anything from the core component when the same children are taken on the HHT. The CDS asked the ADM (HR-Mil) to ensure that the inconsistency identified by the Board be examined, that the feasibility of an amendment be explored, and a report provided to him in due course.

---

## Standardized Approach to Recovery of Overpayments

The grievor was compulsorily remustered from a specialist occupation to a non-specialist occupation and was granted vested rights to pay. Due to a series of administrative errors, the grievor received salary overpayments in an amount exceeding \$25,000. Nine years later, the CF determined that she was overpaid and recovery action was taken. The grievor was also informed that an amount in excess of \$5,000 would be taken from her severance pay on release.

The Board reviewed the legislative provisions applicable to the recovery of overpayments by the Crown and noted that the provisions of the Financial Administration Act (FAA) confirm the Crown's right to recover overpayments of salary and allowances. The Board also reviewed FAA provisions, as well as Treasury Board (TB) regulations made under the authority of the FAA, which set out the circumstances in which a debt can justify write-off, remission or forgiveness.

The Board found that the overpayment was a valid debt owed to the Crown and the CF was justified in commencing recovery action. The Board found that the debt was not eligible for either write-off, remission or forgiveness, as it did not meet the criteria established by the FAA or TB.

The Board also found that the extended recovery period, which included a deduction from the grievor's severance pay, was calculated in a fair and equitable manner, in accordance with the applicable legislation and regulations, so as to reduce any financial burden the grievor may be faced with.

The Board recommended that the CDS deny the grievance. As it did previously in similar cases, the Board also recommended that the CF adopt a standardized approach to the recovery of overpayments.

The CDS agreed with the Board's findings and recommendations. He was satisfied that the CF was legally bound to recover the overpayment and that he did not have the authority to write-off, remit, or forgive the grievor's debt to the Crown.

Moreover, the CDS agreed with the Board's recommendation that a standardized approach to the recovery of overpayments be adopted. To that end, the CF is presently exploring the feasibility of amending the National Defence Act and the Canadian Forces Superannuation Act.

## Restriction of Transportation Assistance Benefits

The grievor alleged that he was unjustly denied Transportation Assistance (TA) as a Class B Reservist employed in excess of 30 days. At one time, this benefit was routinely granted to all Class A and Class B Reservists who met certain criteria, regardless of the length of their period of service.

The issuance of a Director Compensation and Benefits Administration (DCBA) policy message limiting TA to Class A Reservists and those Class B Reservists serving less than 30 days effectively disentitled the grievor to the allowance.

The Board found that the DCBA policy message illegitimately restricted the TA benefit by improperly disqualifying persons who otherwise met the regulatory criteria set out in Compensation and Benefits Instruction (CBI) article 209.045. The Board concluded that the entitlement provided by CBI article 209.045 must prevail, and found that the grievor was entitled to TA in accordance with the provisions laid out therein.

Notwithstanding, the Board found that restricting TA to 30 days or less for Class B Reservists was both reasonable and consistent with the original intent of the benefit, and that it was also in accordance with similar provisions in the Treasury Board Travel Directive.

As such, the Board recommended that the CDS request that the National Defence Headquarters administrators take the appropriate steps to seek an amendment to the Treasury Board regulation regarding TA.

The CDS agreed with the Board in part and partially granted the grievance. The CDS agreed with the Board that the DCBA policy message illegitimately restricted the TA benefit when it disqualified persons who met the criteria established by TB in CBI article 209.045. Accordingly, the CDS directed that the grievor be paid TA for the days on which he commuted to Class B place of employment.

The CDS also agreed with the Board's observation that the policy choice contained in the DCBA's message was reasonable and well aligned with similar provisions applicable to the public service; however, the appropriate means to bring about that objective was to seek an amendment to the directive in question.

Consequently, the CDS directed that the ADM (HR – Mil) ensure that the DCBA message be rescinded, the systemic implications of this decision be examined, and a plan be developed to address the irregularities caused by the improper restriction of TA benefits.

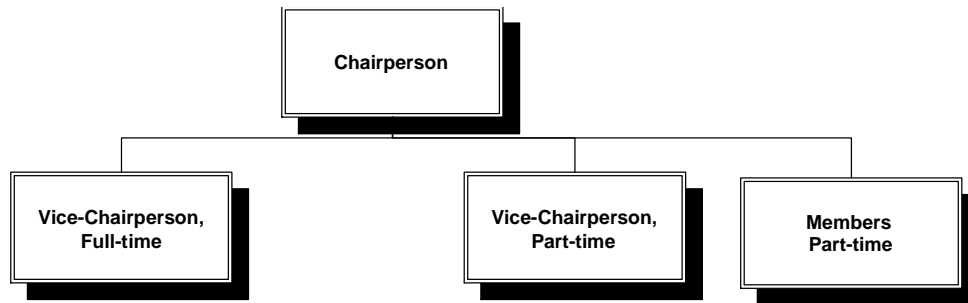
---

## **SECTION III – SUPPLEMENTARY INFORMATION**

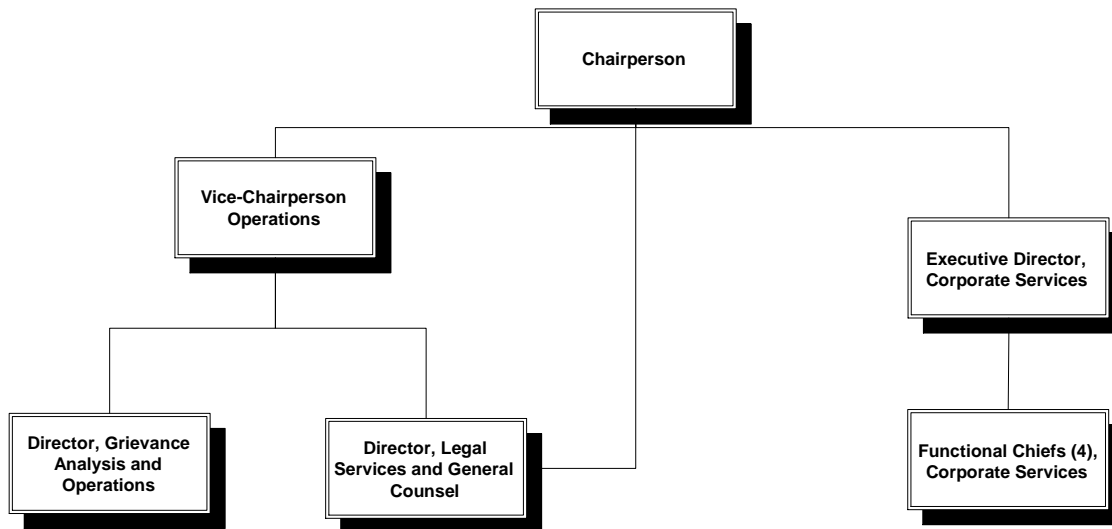
---

## Organizational Information

### *Board Members*



### *The Management Team*



- The Chairperson is ultimately accountable for the work carried out by the Members of the Board.
- The Chairperson, the Vice-Chairperson and other Board Members are primarily supported in their work by the Director, Grievance Analysis and Operations.
- Grievance officers review individual grievances and seek legal input and advice when conducting their research.
- In addition to providing legal advice to grievance officers and Members of the Board, legal counsel led by the Director, Legal Services and General Counsel, also provide legal opinions to the Chairperson and the Vice-Chairperson on a wide range of issues.
- The Executive Director is responsible for providing corporate services to support the operations, including strategic business planning and performance reporting, in addition to communications, finance, administration, information technology and human resources services.

**Table 1: Comparison of Planned to Actual Spending (including FTEs)**

(in \$000,s)	2003-04 Actual	2004-05 Actual	2005-06			
			Main Estimates	Planned Spending	Total Authorities	Total Actuals
Review of Canadian Forces grievances referred by the Chief of Defence Staff	6,513.0	6,784.1	3,225.0	3,260.0	3,395.0	3,370.1
Corporate Services	N/A	N/A	2,985.0	2,975.0	3,194.0	2,818.4
<b>Total</b>	<b>6,513.0</b>	<b>6,784.1</b>	<b>6,210.0</b>	<b>6,235.0</b>	<b>6,589.0</b>	<b>6,188.5</b>
Plus: Cost of services received without charge	254.1	276.0	243.0	243.0	243.0	276.8
<b>Total Departmental Spending</b>	<b>6,767.1</b>	<b>7,060.1</b>	<b>6,453.0</b>	<b>6,478.0</b>	<b>6,832.0</b>	<b>6,465.3</b>
<b>Full-time Equivalents*</b>	46	47	46	46	46	43

\* Includes Members appointed by the Governor in Council.

**Table 2: Resources by Program Activity**

(in \$000,s)		
2005-06		
Program Activity	Budgetary	Total
	Operating	
Review of Canadian Forces Grievances referred by the Chief of Defence Staff		
Main Estimates	3,225.0	<b>3,225.0</b>
<i>Planned Spending</i>	3,260.0	<b>3,260.0</b>
Total Authorities	3,395.0	<b>3,395.0</b>
<i>Actual Spending</i>	3,370.1	<b>3,370.1</b>
<b>Corporate Services</b>		
Main Estimates	2,985.0	<b>2,985.0</b>
<i>Planned Spending</i>	2,975.0	<b>2,975.0</b>
Total Authorities	3,194.0	<b>3,194.0</b>
<i>Actual Spending</i>	2,818.4	<b>2,818.4</b>

**Table 3: Voted and Statutory Items**

(in \$000,s)	Canadian Forces Grievance Board	2005–06			
		Main Estimates	Planned Spending	Total Authorities	Total Actuals
XX	Operating expenditures	5,608.0	5,626.0	5,963.0	5,562.5
(S)	Contributions to employee benefit plans	602.0	609.0	626.0	626.0
	<b>Total</b>	<b>6,210.0</b>	<b>6,235.0</b>	<b>6,589.0</b>	<b>6,188.5</b>

**Table 4: Services Received Without Charge**

(in \$000,s)	2005–06
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board of Canada Secretariat (excluding revolving funds). Employer's contribution to employees' insured benefits plans and associated expenditures paid by TBS	276.8
<b>Total 2005–06 Services received without charge</b>	<b>276.8</b>

**Table 5: Financial Statements of the Canadian Forces Grievance Board**

Financial statements are prepared in accordance with accrual accounting principles. The unaudited supplementary information presented in the financial tables in the DPR is prepared on a modified cash basis of accounting in order to be consistent with the appropriations-based reporting. Note 3 on page 32 of the Financial statements reconcile these two accounting methods.

Canadian Forces  
Grievance Board



Comité des griefs des  
Forces canadiennes

Chairperson

Présidente

60, rue Queen Street, 10<sup>th</sup> Floor/10<sup>e</sup> étage  
Ottawa, Ontario K1P 5Y7

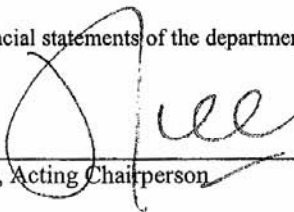
## Canadian Forces Grievance Board Statement of Management Responsibility

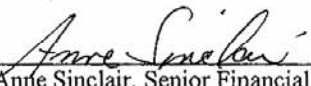
Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2006 and all information contained in these statements rests with departmental management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the department's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the department have not been audited.

  
Jim Price, Acting Chairperson

  
Anne Sinclair, Senior Financial Officer

Ottawa, Canada  
July 20, 2006

Canada<sup>EME</sup>

**Canadian Forces Grievance Board**  
**Statement of Operations (unaudited)**  
for the year ended March 31  
(in dollars)

	<b>2006</b>	<b>2005</b>
<b>OPERATING EXPENSES</b>		
Personnel	4,544,018	4,291,116
Other professional services	739,139	963,876
Rental	581,467	718,560
Accounting & Legal services	150,498	170,146
Travel and Relocation	124,901	111,435
Machinery and Equipment	110,740	141,524
Telecommunication services	91,117	108,911
Informatics services	77,398	138,194
Training and Educational services	68,887	97,789
Materials and Supplies	59,434	58,379
Communication Services	42,103	44,847
Repairs	16,862	135,634
Amortization of tangible capital assets	15,943	23,772
Postage and Freight	11,129	9,243
Protection Services	4,006	11,024
Interest	3,361	1,555
Publishing and Printing	3,222	9,457
<b>Total Expenses</b>	6,644,225	7,035,462
<b>REVENUES</b>		
Revenues	90	15
<b>Total Revenues</b>	90	15
<b>Net Costs of Operations</b>	6,644,135	7,035,447

The accompanying notes form an integral part of these financial statements

**Canadian Forces Grievance Board**  
**Statement of Financial Position (unaudited)**  
**at March 31**  
**(in dollars)**

	<b>2006</b>	<b>2005</b>
<b>ASSETS</b>		
<b>Financial assets</b>		
Accounts Receivable - Other Government Departments	365	340,975
Advances	6,057	75,136
<b>Total financial assets</b>	6,422	416,111
<b>Non-financial assets</b>		
Tangible Capital assets (Note 4)	31,887	47,830
<b>Total non-financial assets</b>	31,887	47,830
 <b>Total</b>	 <b>38,309</b>	 <b>463,941</b>
 <b>LIABILITIES</b>		
Accrued salaries and wages	181,278	263,906
Accounts payable - External parties	243,075	434,830
Accounts payable - Other government departments	297,449	333,590
Vacation pay	166,089	150,153
Employee severance benefits	646,788	486,708
<b>Total Liabilities</b>	1,534,679	1,669,187
 <b>Equity of Canada</b>	 (1,496,370)	 (1,205,246)
 <b>Total</b>	 <b>38,309</b>	 <b>463,941</b>

Contractual obligations (Note 7)

The accompanying notes form an integral part of these financial statements

**Canadian Forces Grievance Board**  
**Statement of Equity of Canada (unaudited)**  
at March 31  
(in dollars)

	<b>2006</b>	<b>2005</b>
<b>Equity of Canada, beginning of year</b>	(1,205,246)	(1,394,126)
Net cost of operations	(6,644,135)	(7,035,447)
Current year appropriations used (Note 3)	6,188,481	6,777,504
Change in net position in the Consolidated Revenue Fund (Note 3)	(112,180)	110,838
Revenue not available for spending	(90)	(15)
Services provided without charge by other government departments (Note 8)	276,800	336,000
	276,800	336,000
<b>Equity of Canada</b>	<b>(1,496,370)</b>	<b>(1,205,246)</b>

The accompanying notes form an integral part of these financial statements

**Canadian Forces Grievance Board**  
**Statement of Cash Flow (unaudited)**  
For the Year ended March 31  
(in dollars)

	2006	2005
<b>Operating Activities</b>		
<b>Net Costs of Operations</b>	6,644,135	7,035,447
<b>Non-Cash items included in Net Results</b>		
Amortization of tangible capital assets	(15,943)	(23,772)
Services provided without charges by	(276,800)	(336,000)
<b>Variation in Statement of Financial Position</b>		
Increase (decrease) in advances	(69,079)	64,969
Increase or (decrease) in accounts payables and accrued liabilities	134,508	(220,018)
Increase or (decrease) in receivables	(340,610)	319,871
	6,076,211	6,840,497
<b>Cash applied to operating activities</b>		
	6,076,211	6,840,497
<b>Capital Investment Activities</b>		
Net acquisitions of capital tangible assets	-	47,830
<b>Financing Activities</b>		
Net cash provided by government	6,076,211	6,888,327
	6,076,211	6,888,327

The accompanying notes form an integral part of these financial statements

---

## **Canadian Forces Grievance Board Notes to the Financial Statements (unaudited)**

### **1. Authority and Objectives**

The Canadian Forces Grievance Board (CFGB) is an independent, arms-length organization that was created through amendments to the *National Defence Act* (NDA) approved by Parliament on December 10, 1998. The amendments that were made to the NDA were aimed at modernizing and strengthening the military justice system, making the whole grievance review process simpler and shorter for members of the Canadian Forces. The CFGB's mandate is to review all military grievances referred by the Chief of Defence staff (CDS) as stipulated in the NDA and issue fair, impartial, transparent and expeditious findings and recommendations to the CDS, who is the final adjudicator on the grievance.

### **2. Summary of Significant Accounting Policies**

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

- (a) Parliamentary appropriations – the Canadian Forces Grievance Board is financed by the Government of Canada through parliamentary appropriations. Appropriations provided to the CFGB do not parallel financial reporting according to Canadian generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position is not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.
- (b) Net Cash Provided by Government - The department operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the department is deposited to the CRF and all cash disbursements made by the department are paid from the CRF. The net cash provided by government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.
- (c) Change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non spendable revenue recorded by the department. It results from timing difference between when a transaction affects appropriations and when it is processed through the CRF.
- (d) Expenses — Expenses are recorded on the accrual basis:
  - Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment;
  - Services provided without charge by other government departments for the employer's contribution to the health and dental insurance plans and legal services are recorded as operating expenses at their estimated cost.

---

(e) Employee future benefits

- i. Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multi-employer plan administered by the Government of Canada. The department's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the plan. Current legislation does not require the department to make contributions for any actuarial deficiencies of the Plan.
- ii. Severance Benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(f) Contingent liabilities – Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

(g) Tangible capital assets – All tangible assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost. The department does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, assets located on Indian Reserves and museum collections.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the capital asset as follows: Informatics hardware - 3 years.

(h) Measurement uncertainty - The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

### **3. Parliamentary Appropriations**

The Department receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Department has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

---

**(a) Reconciliation of net cost of operations to current Year appropriations used:**

	<b>2006</b>	<b>2005</b>
<b>Net cost of Operations</b>	6,644,135	7,035,447
Adjustments for items not affecting appropriations		(in dollars)
Add (Less): Service provided without charge	(276,800)	(336,000)
Employee severance benefits	(160,080)	-
Amortization of tangible capital assets	(15,943)	(23,772)
Vacation pay	(15,936)	-
Other adjustments	(2,142)	
Revenues	90	15
Refunds of Prior Years Expenditures	15,157	53,984
	<u>6,188,481</u>	<u>6,729,674</u>
Adjustments for items affecting appropriations		
Add (Less): Capital Acquisitions of tangible capital assets	-	47,830
	<u>6,188,481</u>	<u>6,777,504</u>
Current year appropriations used	<u>6,188,481</u>	<u>6,777,504</u>

**(b) Appropriations provided and used**

	<b>2006</b>	<b>2005</b>
Vote 15 Operating expenses	5,963,000	7,699,000
Statutory amounts	626,036	563,102
Less:		
Available for use in future years	-	-
Lapsed appropriations: Operating	(400,555)	(1,484,598)
Current year appropriation used	<u>6,188,481</u>	<u>6,777,504</u>

---

(c) Reconciliation of net cash provided by Government to current year appropriations

	2006	2005
		(in dollars)
Net cash provided by Government	6,076,211	6,888,327
Revenue not available for spending	90	15
Increase or decrease in net position in the consolidated Revenue Fund		
Increase or (decrease) in advances	69,079	(64,969)
Increase or (decrease) in receivables	340,610	(313,272)
Increase or (decrease) in payables – others	(191,755)	286,506
Increase or (decrease) in payables – OGD	(36,141)	(125,855)
Increase or (decrease) in accrued salaries	(82,628)	59,366
Refund of prior year expenditures	15,157	53,984
Other adjustment	(2,142)	(6598)
	<u>112,180</u>	<u>(110,838)</u>
Current year appropriation used	<u>6,188,481</u>	<u>6,777,504</u>

#### 4. Tangible Capital assets

##### Informatics Hardware

	2006	2005
		(in dollars)
Original Cost	230,592	182,762
Additions in the year	-	47,830
	<u>230,592</u>	<u>230,592</u>
Accumulated Amortization tangible capital assets (beginning of year)	182,762	158,990
Amortization of tangible capital assets for the year	15,943	23,772
Accumulated Amortization tangible capital assets (end of year)	<u>198,705</u>	<u>182,762</u>
<b>Total net book value (NBV)</b>	<u>31,887</u>	<u>47,830</u>

#### 5. Employee Benefits

- (a) Pension benefits: The department's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension plans benefits and they are indexed by inflation.

Both the employees and the department contribute to the cost of the Plan. The 2005-06 expense amounts to \$463,266 ( 2004-05 \$ 412,754), which represents approximately 2.6 times the contributions by employees.

The department's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits: The department provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	<b>2006</b>	<b>2005</b>
		(in dollars)
Accrued benefit obligation, beginning of year	486,708	493,306
Expenses for the year	160,080	(6,598)
Accrued benefit obligation, end of year	<u>646,788</u>	<u>486,708</u>

## 6. Contingent liabilities

### Claims and litigation

Claims have been made against the department in the normal course of operations. Some potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

## 7. Contractual Obligations

The nature of the department's activities can result in some large multi-year contracts and obligations whereby the department will be obligated to make future payments when the services/goods are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in dollars)	2007
Accommodation	559,752
Total	559,752

## 8. Related party transactions

The department is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The department enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the department received services which were obtained without charge from other Government departments as presented in part (a).

### (a) Services provided without charge:

During the year the department received without charge from other department the employer's contribution to the health and dental insurance plans. These services without charge have been recognized in the department's Statement of Operations as follows:

	<b>2006</b>	<b>2005</b>
		(in dollars)
Employers contribution to the health and dental insurance plans	276,800	336,000

## Table 6: Travel Policies

Travel Policies
The CFGB follows and uses TBS Travel policies parameters

## Table 7: Service Improvement

Subsequent to a Formative Evaluation held in 2004-05, the Board developed a mail survey, designed to seek feedback from grievors about the organization's grievance review process and its client services. The pilot project began in July 2005 and is still on-going; when grievors are sent the Board's Findings and Recommendations regarding their case, the survey is included.

The survey is centered largely on closed-ended questions which allow the respondents to rank their answers. This type of questioning was chosen because it allows the respondents to indicate how closely their feelings match the question or statement on a rating scale, thereby relaying their degree of feelings or attitudes about an area or issue the Board wants to evaluate, and, or, monitor.

This data collection methodology was developed in-house and there is no pre-set sample size. The number of surveys going out is in accordance with the number of grievors receiving the Board's final analysis on their grievances, the Findings and Recommendations, numbering approximately 12 a month; as such, it is in large part intermittent.

If a higher level of "accuracy" of feedback was required, the Board would require a larger sample size than the approximate 70 surveys that have gone out to date. And while the response rate to date of 20% may not necessarily be taken as definitive, that is not to say the results are not useful. Rather, the Board feels the information received and yet to be received will be useful if a consistent response identify a problem or issue. At the very least, the survey provides grievors with an opportunity to give the Board anonymous feedback, should they feel it important to do so.

The following provides an overview of the 14 responses the Board has received so far.

Questions	Results
<b>Clarity of information:</b> Information provided to the grievor in written or verbal communication.	86% agreed or strongly agreed.
<b>Accessibility:</b> Obtain information on the status of the grievance:	59% were neutral, agreed or strongly agreed
<b>Official languages:</b> In written or verbal communications.	85% agreed or strongly agreed.
<b>Procedural fairness:</b> the grievor was provided with the appropriate disclosure of information and given the opportunity to respond.	79% were neutral, agreed or strongly agreed
<b>Quality:</b> The quality of the Board's Findings and Recommendations as to were they easy to	86% were neutral, agreed or strongly agreed

<b>Questions</b>	<b>Results</b>
understand and have they addressed each of the issues of the grievance and provided a sound analysis of the issues.	
<b>Objectivity:</b> Grievance reviewed in a fair and unbiased manner.	93% were neutral, agreed or strongly agreed
<b>Timeliness:</b> The review of the grievance was completed in a reasonable amount of time.	50% were neutral or agreed
<b>Overall assessment:</b> Satisfaction of the service provided by the CFGB	79% were neutral, agreed or strongly agreed
Was the Board In favor of the grievance:	Yes 50% No 43% Did not answer 7%
Type of Grievances:	Release: 7% Financial: 64% Harassment/Discrimination: 14% General: 14%
Knowledge of the Board prior to submitting a grievance:	Yes 64% No 29% Did not answer 7%

Of concern to the Board is the issue of timeliness; comments from the survey have shown that it is not necessarily the Board's segment of the process but the overall grievance process that concerns the grievors.

As reported for Priority # 2, the Board spearheaded a joint committee involving all the key stakeholders in the grievance process to discuss best practices, and to coordinate efforts to improve the grievance system in particular.

As well, as reported for Priority # 1, an additional step was added to the grievance review process involving a preliminary evaluation of all files for the purpose of identifying important legal matters or issues requiring full research. During this process, files that can be reviewed more quickly can be identified, including those relating to simple issues or those whose subject matter had been handled previously by the Board.

The Board will continue to seek opportunities for client feedback and service improvement as part of its performance management process.

---

## **SECTION IV – OTHER ITEMS OF INTEREST**

---

## Contacts for Further Information

*Anne Sinclair*  
*Executive Director*  
*Canadian Forces Grievance Board*  
*Telephone: (613) 996-7027*  
*E-mail: [sinclaira@cfgb-cgfc.gc.ca](mailto:sinclaira@cfgb-cgfc.gc.ca)*

### **Canadian Forces Grievance Board**

Toll free telephone: 1 877 276-4193  
Toll free fax: 1 866 716-6601  
Fax: (613) 996-6491  
(613) 995-8201  
(613) 992-6979

## Statutory Annual Reports and Board Reports

Visit the Board's Web site at <http://www.cfgb-cgfc.gc.ca/> for more on case summaries, Annual Reports and more about the work of the Board.