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## COMPENSATION AND BENEFIT ENTITLEMENTS FOR DOMESTIC OPERATIONS

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*SERVICE PAPER - ÉTUDE MILITAIRE*

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FOR DOMESTIC OPERATIONS**

Maj Erik Rozema-Seaton

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## COMPENSATION AND BENEFIT ENTITLEMENTS FOR DOMESTIC OPERATIONS

### ISSUE

1. The aim of this service paper is to request that the allowances and benefits authorized for personnel deployed on Canadian Armed Forces (CAF) domestic operations and exercises be reviewed and amended. The desired end state is to align compensation provided to deployed members experiencing similar conditions and circumstances regardless of the location they are deployed to, domestically or internationally.

### INTRODUCTION

2. The recent government initiatives regarding benefits for CAF members serving on international operations is a significant milestone in recognizing and compensating members for the hardships faced while deployed. However, CAF operations are not confined to international locations and work is still required to recognize domestic service contributions. Highlighted in Canada's Defence Policy, in order to be strong at home the CAF needs to be "ready to assist in times of natural disaster, other emergencies, and search and rescue."<sup>1</sup> While not normally as intense and extensive in duration as international operations, domestic operations and exercises nevertheless present challenges to CAF members. Numerous CAF operations are conducted annually across Canada, including Op LENTUS, Op BOXTOP, Op NEVUS, Op NUNALIVUT, Op NANOOK, Op SABOT, as well as search and rescue missions.<sup>2</sup> Additionally, Canadian

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<sup>1</sup> Department of National Defence, *Strong, Secure Engaged: Canada's Defence Policy* (Ottawa: DND Canada, 2017), 14.

<sup>2</sup> Department of National Defence, "Current Operations List," last accessed 4 February 2018, <http://www.forces.gc.ca/en/operations/current-list.page>.

Forces Station (CFS) Alert, the most isolated CAF location in the world, is managed in the same manner as a deployed operation.<sup>3</sup>

3. This paper proposes that CAF members should be compensated at a level equal to international operations for the circumstances and conditions they experience as a result of their domestic deployment. This is not an argument for tax relief to apply to domestic deployments and this will not be discussed in this paper; however, several financial and leave related benefits are currently available for members deployed on international operations but not to members deployed domestically. This paper will initially discuss the benefits associated with service at CFS Alert and use it as the primary example for the need to modify benefits for domestic operations. Subsequently, the paper will highlight several policies that should be amended for those members deployed on other domestic operations. Finally, several possible courses of action and recommendations will be provided in order to amend current policies and orders to align with the arguments presented.

## **DISCUSSION – CFS ALERT**

4. CFS Alert is a domestic isolated location that conducts operations in a similar manner to international deployed operations. Military personnel are force generated (FG) from across the CAF and are attached posted to the station for tour lengths of 3 to 6 months. Personnel assigned to CFS ALERT experience the same personal challenges during their pre-deployment, deployed, and post deployment phases as personnel who are assigned to international operations.<sup>4</sup>

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<sup>3</sup> Department of National Defence, “Canadian Forces Station Alert,” last accessed 4 February 2018, [www.rcmf-arc.forces.gc.ca/en/8-wing/alert.page](http://www.rcmf-arc.forces.gc.ca/en/8-wing/alert.page).

<sup>4</sup> *Ibid.*

5. Several allowances are in place to compensate members deployed to CFS Alert due to the unique isolated location, environmental hardships, administration, and leave challenges. These allowances are similar in purpose to those allowances provided to members deployed on international operations; however, in most cases the compensation is at a reduced level and/or rate. In several instances members deployed to CFS Alert are not entitled to benefits outlined in the Compensation and Benefit Instructions (CBI) due to the location of the post as there is either no policy, or the policy only applies to international locations. This places members at a disadvantage compared to their peers deployed overseas. In order to fairly and equitably compensate personnel deployed to CFS Alert relative to other deployed personnel, several amendments to the CBI, potentially including the Military Foreign Service Instructions (MFSI), and Canadian Forces Leave Policy Manual should be considered.

6. CBI 11.3.01 – Special Allowance – CFS Alert. Members deployed to CFS Alert qualify for the Special Allowance CFS Alert which is intended to provide compensation to members “in recognition of exceptional conditions associated with multiple tours of duty at CFS Alert.”<sup>5</sup> This allowance is similar to the Operations Foreign Service Premium (OFSP) which “is provided in recognition of service on operations and to cover expenses not specifically covered by other allowances and benefits.”<sup>6</sup> Even though the two allowances are provided for similar reasons, there is a significant difference between the rates and the requirements to qualify for a higher rate level. Effective 1 Apr 2017, the lowest level of OFSP for an unaccompanied member is \$826/month. Effective 1 Apr 2013 (the most recent rate update) the lowest level of Special

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<sup>5</sup> Department of National Defence, *Compensation and Benefits Instructions for the Canadian Force* (Ottawa: DND Canada, 2017), Chapter 11, page 22.

<sup>6</sup> *Ibid.*, Chapter 10, page 51.

Allowance – CFS Alert is \$116/month.<sup>7</sup> This significant rate difference is a considerable point of friction for members deployed to CFS Alert.<sup>8</sup> In contrast, CAF members deployed at Thule Air Force Base (AFB) in Greenland are eligible for the OFSP and experience the same, if not better conditions than those at CFS Alert. Based on the similar purpose and intent of these benefits, their rates should be established at a comparable level.

7. CBI 10.3.04(4) – Point Accumulation and CBI 11.3.02 – Accumulated Time. The entitled OFSP level is determined by the accumulated service on operations at the rate of one point per calendar month of service. Points for OFSP can be accumulated from participation in any international operation that is designated eligible. This is intended to compensate members for the cumulative effects that multiple deployments create.<sup>9</sup> The monthly rate of the Special Allowance CFS Alert is determined only by the number of months a member has served at CFS Alert.<sup>10</sup> The inability to accumulate points and receive a higher allowance for serving in multiple other locations is not in line with the benefit provided via the OFSP policy. Consideration should be given to amend the Special Allowance Alert policy in order to compensate a member for the cumulative effects of deploying multiple times, regardless of location. Other than location, the conditions experienced during a deployment to CFS Alert are no different than those of a deployment on an international operation. Service at CFS Alert should be considered to receive the OFSP (instead of the separate Special Allowance CFS Alert) and the time should be eligible for OFSP point accumulation.

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<sup>7</sup> *Ibid.*, Chapter 10, page 52 and Chapter 11, page 23.

<sup>8</sup> The author was the Commanding Officer of CFS Alert between Jan and Jul 2018.

<sup>9</sup> Department of National Defence, *Compensation and Benefits...*, Chapter 10, page 53.

<sup>10</sup> *Ibid.*, Chapter 11, page 22.

8. CBI 11.2.01 - Isolation Allowance. Members deployed to CFS Alert qualify for the Environmental Allowance (EA) which is a sub-component of the Isolation Allowance. Its intent is similar to the Foreign Service Hardship Allowance in that it compensates members for the harsh environmental conditions experienced in northern locations. The monthly rate is comparable with the Hardship Allowance level III and no changes are required. There is no provision to compensate members for repeated deployments such as the Hardship Allowance Bonus provides. The Hardship Allowance Bonus is intended to compensate members who have served on multiple deployments and is additional compensation for their cumulative service and hardships endured being away from home. A similar mechanism should be in place for CFS Alert and this should be calculated using time at CFS Alert as well as time that qualifies for OFSP points.<sup>11</sup>

9. CBI 10.03.07 – Risk Allowance. The intent of the Risk Allowance is to compensate members for the risks associated with a post, specifically those risks related to hostile acts or intent. An allowance of this nature does not apply to members posted to CFS Alert and consideration should not be given to amend the current policy.

10. CBI 11.4.05 – Alert Leave Travel Assistance (ALTA). Members deployed to CFS Alert qualify for the ALTA which is provided to mitigate the hardship of separation from dependants similar to the intent of the Home Leave Travel Assistance (HLTA). Both the ALTA and the HLTA are administered and reimburse members in a similar manner. The current ALTA policy is similar to the Home Leave Travel Assistance (HLTA) and does not need to be amended. This

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<sup>11</sup> Department of National Defence, *Compensation and Benefits Instructions...*, Chapter 11, page 3, and Chapter 10, page 57-58.

benefit is only mentioned to demonstrate the similarities between deploying to CFS Alert and international operations.

11. CBI 10.28.01 – Custodial Expense and Private Motor Vehicle Storage. Members deployed to CFS Alert do not qualify for this benefit as it is incorporated within the Military Foreign Service Instructions (MFSI) and only applies to members deployed outside Canada. The intent of this instruction is to provide assistance for expenses associated with maintaining a vacant residence and to reimburse a member for the storage of a private motor vehicle while on deployment outside of Canada.<sup>12</sup> A similar benefit is provided for personnel within Canada under CBI 208.834 for motor vehicle storage only; however, only posted members are eligible to receive it. Members should be eligible to receive some form of assistance for the additional expenses associated with maintaining a vacant residence while they are deployed to CFS Alert. Single members may be required to incur out of pocket expenses in order to maintain their property, avoid damage, or meet insurance requirements. Being away from home for an extended period of time (i.e. 6 months) has the same impact on an individual regardless of the location the member is deployed to. Not providing this benefit to members who deploy within Canada places them at a disadvantage compared to members who deploy internationally.

12. Leave Policy Manual - 5.10.01 Special Leave (Relocation). The amount of pre-deployment and post-deployment leave authorized for members assigned to CFS Alert is not equitable to that of members who deploy on international operations for the same periods of time (annex A). For example, Commanding Officers (CO) are only authorized to grant 2 days of Special Leave (Relocation) prior to departure and 2 days upon return home to members to deploy

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<sup>12</sup> *Ibid.*, Chapter 10, page 190.



on a 90 day or more period of duty at CFS Alert. Members who deploy outside of Canada for the same period of time are authorized 5 days Special Leave (Relocation) prior to departure and 7 days upon return home.<sup>13</sup> Tours of duty of 90 days or longer require the same amount of preparations regardless of location, and all members should be afforded the same opportunity to have the time to attend to administrative, personal, or family needs that this leave is intended to provide. Additionally, the post deployment leave period is just as essential for personnel who have returned from CFS Alert, an isolated location with limited communication, in order to allow them to adjust to their home environment, reintegrate with their family, and re-establish a routine. This is highlighted within Strong, Secure, Engaged (SSE), which states “Prolonged absence from loved ones can put strain on families and relationships. The Canadian Armed Forces must deliver on its responsibility to care and support our people when they encounter these challenges.”<sup>14</sup> To meet this principle, the circumstances members experience should dictate the amount of leave authorized, not the country the member is operating in.

## **DISCUSSION – OTHER DEPLOYMENTS**

13. Many of the arguments for benefits to other domestic deployed locations are similar to those presented for benefits associated with service at CFS Alert. The following are the primary benefits that should be reviewed and consideration given to modify the existing policies to match the level of compensation with that provided to members deployed on international operations.

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<sup>13</sup> Department of National Defence, A-PP-005-LVE/AG-001, *Canadian Forces Leave Policy Manual* (Ottawa: DND Canada, 2016), 60.

<sup>14</sup> Department of National Defence, *Strong, Secure Engaged...*, 19.

14. CBI 209.50 – Leave Travel Assistance (LTA). The provisions within CBI 209.50 are similar in nature to those benefits provided for personnel on international operations who are eligible for Home Leave Travel Assistance (HLTA). As the benefits are similar in rate and level there is no requirement to modify this policy.

15. CBI 10.03.07 – Risk Allowance. Operations conducted within Canada do not face hostile threats that this benefit is intended to compensate for; therefore, this benefit should not be extended to personnel conducting operations in Canada.

16. CBI 10.28.01 – Custodial Expense and Private Motor Vehicle Storage. Any personnel departing their home unit for an extended period of time (30+ days) should be provided this benefit in order to ensure their personal property is protected due to their absence. This benefit should apply regardless of the location a member is deployed. Additionally, it should only apply to those members who do not have a dependent living at their primary residence that would be able to perform these duties on the member's behalf.

17. Canadian Forces Leave Policy Manual - 5.10.01 Special Leave (Relocation). Members deployed for extended periods of time should be afforded the same time to prepare for a deployment as well as reintegrate following the mission. The hardships and challenges placed on members and their families are the same regardless of where the member is deployed to. The authorized amount of leave for domestic operations should be amended to match that provided for international operations.

## CONCLUSION

18. Throughout Canada's Defense Policy it is made clear that "people are at the core of everything the Canadian Armed Forces does to deliver on its mandate."<sup>15</sup> The primary objective of this policy is to be strong at home; however, there is a significant gap with how members are compensated between domestic and international operations. The personnel that deploy within Canada should be provided the same opportunities and benefits as those that deploy overseas under similar conditions and circumstances. Ensuring members are equitably compensated for their operational contributions is a significant step in demonstrating commitment to CAF personnel. This will also have a positive impact on morale, and assist with alleviating multiple retention related issues (such as compensation dissatisfaction). Additionally, standardizing benefits for operational deployments will remove several of the challenges in force generating personnel for isolated deployments such as CFS Alert by creating an additional incentive when seeking volunteers. Most importantly, these changes are required in order to meet the principles of CAF leadership doctrine and the intent of investing in CAF members, outlined within Canada's Defence Policy.<sup>16</sup>

## RECOMMENDATION

19. The compensation and benefit entitlements for members assigned to CFS Alert and other operations within Canada should be re-evaluated and standardized with those provided to members deployed on international operations. Even though CFS Alert is a domestic RCAF

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<sup>15</sup> Department of National Defence, *Strong, Secure Engaged...*, 19.

<sup>16</sup> *Ibid.*, 19; Department of National Defence, A-PA-005-000/AP-006, *Leadership in the Canadian Forces: Leading the Institution* (Kingston, ON: Canadian Defence Academy, Canadian Forces Leadership Institute, 200), 103-118; Department of National Defence, A-PA-005-000/AP-004, *Leadership in the Canadian Forces: Conceptual Foundations* (Ottawa: Canadian Defence Academy, Canadian Forces Leadership Institute, 2005), 48-54.

station, it experiences many of the same challenges, conditions, and hardships as international operations, and in many circumstances, to a more significant degree. Personnel are force generated and the station is managed in the same manner as a deployed task force. Members deployed on other domestic operations also experience the same hardships and challenges as their peers deployed overseas. Overall, the location of the mission should not be the determining factor for these benefits, but rather the circumstances of the situation. In order to achieve this it is recommended that the Canadian Forces Leave Policy Manual and the CBIs be amended using the following courses of action (COA):

- a. COA 1 – Amend the Canadian Forces Leave Policy Manual. The policy regarding pre and post-deployment leave should be modified to afford members the same amount of leave when deployed away from their home unit regardless of location. This can be accomplished by modifying Table 2 (annex A) in the Canadian Forces Leave Policy Manual. It is recommended that the leave authorized within section 2.1 “Within Canada...” be amended to match the leave authorized in section 2.1 “Overseas from Canada...” for the same period of time for duty away from the member’s home unit.
- b. COA 2 - Amend the CBI. The CBI should be amended using either of the following two options:
  - (1) Amend the CBI Chapter 10 (MFSI) to include Domestic Operations.

Amending the MFSI to include domestic operations would easily extend benefits equitably to all CAF personnel. This could be accomplished by the addition of a comment in the sections of the MFSI that govern the applicable benefit. The comment should identify that certain types of

domestic operations are eligible for the corresponding benefit.

Recommended amendments are outlined in annex B.

- (2) Amend Other CBI Chapters. Modifying and adding to the existing policies within the CBI to mirror benefits provided within the MFSI.

Recommended changes are outlined in annex B.

**Annexes:**

A. Canadian Forces Leave Policy Manual – Table 2.

B. Table of proposed changes to the CBI.

Annex A  
 COMPENSATION AND BENEFIT ENTITLEMENTS FOR DOMESTIC OPERATIONS  
 5 February 2018

CANADIAN FORCES LEAVE POLICY MANUAL – TABLE 2

Relocation Situation	Approving Authority	Maximum number of days (Blank indicates nil)			
		Personal Administration	HG&E	Embarkation	Disembarkation
<b>2.1 – Within Canada, the Continental US or between units overseas</b>					
<ul style="list-style-type: none"> <li>Prior to departure from home unit on duty for a period of <u>14 to 30 days</u></li> </ul>	CO – Home Unit	1			
<ul style="list-style-type: none"> <li>Prior to departure from home unit on duty for a period of <u>31 days or more</u></li> </ul>	CO – Home Unit	2			
<ul style="list-style-type: none"> <li>Immediately upon return to home unit from duty for a period of <u>14 days or more</u></li> </ul>	CO – Home Unit	2			
<b>2.1 – Overseas from Canada or the Continental US, and all deployments to overseas operational theatres or Special Duty Area (SDA)</b>					
<ul style="list-style-type: none"> <li>Prior to departure from home unit on duty for a period of <u>14 to 30 days</u></li> </ul>	CO – Losing Unit			1	
<ul style="list-style-type: none"> <li>Immediately upon return to home unit on termination of a period of duty of <u>14 to 30 days</u></li> </ul>	CO – Losing Unit				3
<ul style="list-style-type: none"> <li>Prior to departure from home unit on duty for a period of <u>31 to 60 days</u></li> </ul>	CO – Losing Unit			3	
<ul style="list-style-type: none"> <li>Immediately upon return to home unit on termination of a period of duty of <u>31 to 60 days</u></li> </ul>	CO – Losing Unit				4
<ul style="list-style-type: none"> <li>Prior to departure from home unit on duty for a period of <u>61 to 89 days</u></li> </ul>	CO – Losing Unit	1		3	
<ul style="list-style-type: none"> <li>Immediately upon return to home unit on termination of a period of duty of <u>61 to 89 days</u></li> </ul>	CO – Losing Unit	1			4
<ul style="list-style-type: none"> <li>Prior to departure from home unit on duty for a period of <u>90 days or more</u></li> </ul>	CO – Losing Unit	2		3	
<ul style="list-style-type: none"> <li>Immediately upon return to home unit on termination of a period of duty of <u>90 days or more</u></li> </ul>	CO – Losing Unit	2			5
<b>Notes:</b> 1. In the exceptional situation where relocation or storage of HG&E is approved, then one additional day personal administration and two days HG&E may be granted.					

Annex B  
 COMPENSATION AND BENEFIT ENTITLEMENTS FOR DOMESTIC OPERATIONS  
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PROPOSED COMPENSATION AND BENEFIT INSTRUCTION AMENDMENTS

COA 2(1) Proposed MFSI Amendments

Reference	Proposed Changes
10.3.04 – Operations Foreign Service Premium	Include personnel attached posted to CAF operations within Canada, including CFS Alert.
10.3.04(4) – Point Accumulation	Allow service at CFS Alert to count towards the accumulation of OFSP points.
10.3.06 – Hardship Allowance Bonus	Extend the benefit to be applied to the Environmental Allowance provided to members serving at CFS Alert.
10.28.01 - Custodial Expense and Private Motor Vehicle Storage	Extend the qualification criteria to any member deployed away from their home unit for a period of 30 days or more, regardless of deployed location. This should also include personnel attending exercises and courses.

COA 2(2) Proposed CBI Amendments

Reference	Proposed Changes
11.3.01 – Special Allowance CFS Alert	1) Amend allowance rate to levels comparable to OFSP. 2) Allow OFSP points to count towards determination of applicable rate level.
11.2.01 - Isolation Allowance	Include a benefit similar in nature to CBI 10.3.06 Hardship Allowance Bonus to compensate members for the cumulative hardship effect of their service on multiple deployments.
208 – Relocation Benefits	Add a benefit similar to CBI 10.28.01 for members deployed away from their home unit for a period of 30 days or more, regardless of deployed location. This should also include personnel attending exercises and courses.

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