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Chair

Mr. Greg Kerr

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• (1530)

[English]

The Chair (Mr. Greg Kerr (West Nova, CPC)): Folks, we're going to get started here today. Thank you for coming.

I would like to start by saying that Mr. Stoffer contacted us and that in deference to him we're putting the business section off to the end, because there's a motion that he wants to deal with. So we'll deal with that at the end of the meeting, particularly as our witnesses have arrived.

As everybody knows, we're continuing with our study on Veterans Affairs' transformation priorities. Today we have with us from the department, Charlotte Stewart. Again, it's nice to see you. We also have Heather Parry and Bernard Butler, who are no strangers to the process. You know the routine. There's 10 minutes for opening statements, however you arrange that. Then we go to questions from the committee, starting with the NDP.

Thank you for coming. If you're ready to go, we'll listen to your presentations.

I should point out that there is no written paper today; this is all verbal today. I suggest to the committee members that you take notes, because there is no reference paper today.

Ms. Heather Parry (Assistant Deputy Minister, Corporate Services, Department of Veterans Affairs): Good afternoon, and thank you.

My name is Heather Parry, and I'm the assistant deputy minister of human resources and corporate services at Veterans Affairs Canada. I'm here with my colleague Charlotte Stewart, the director general of the Service Delivery Branch, and Bernard Butler, a director general in the Policy, Communications and Commemoration Branch. We're pleased to be here today to talk about the department's most recent report on plans and priorities.

Veterans Affairs has a long history and commitment to providing quality care and support to Canada's veterans. As you heard from many other of my colleagues from VAC, in order to fulfill this commitment the department must change as the needs of Canada's veterans and their families change. That's our focus: improving service to Canada's veterans and their families. These are the key themes you'll find in our report on plans and priorities as we prepare for the future.

[Translation]

Ms. Manon Perreault (Montcalm, NDP): Excuse me but you are a bit too fast for the interpreters. Could you slow down a bit, please?

[English]

The Chair: Did you get that? If you wouldn't mind, just slow down a tad.

Ms. Heather Parry: I'm sorry.

The Chair: That's all right. We'll allow you an extra minute or two in your presentation.

Carry on.

Ms. Heather Parry: I would like to walk you through some of the key aspects of our 2012-13 report on plans and priorities and provide context for the report.

[Translation]

Is it all right now?

[English]

The Chair: Yes.

Ms. Heather Parry: The report on plans and priorities is our opportunity to report to you as parliamentarians. This forward-looking document outlines organizational priorities, plans, and expected results for the current fiscal year and the two following years.

This report is a planning document. As you know, for budgeting purposes the main estimates document is the report for appropriation.

[Translation]

The Report on Plans and Priorities provides an account of the department's planned and expected results, and how public resources will be used.

[English]

The resources that figure in this document are those that have been approved by Parliament in the main estimates process, which may be adjusted throughout the fiscal year through the supplementary estimates process.

These results will be monitored and reported on to ensure that veterans have access to the programs that are tailored to their needs, which will be available through multiple channels; and that employees will have the tools they need to better serve veterans.

In addition, the five broad themes of the transformation agenda will be cornerstones of our long-term planning and reporting as they relate specifically to reducing complexity, overhauling service delivery, partnerships, sustaining the new Veterans Charter, and adapting to changing demographics by reorganizing the department.

• (1535)

[*Translation*]

We can already see progress on many of these fronts.

[*English*]

For example, veterans who are case-managed will be receiving services from case managers who have smaller caseloads. There will be fewer than 40 case-managed veterans for each case manager.

Veterans who are applying for a disability benefit will see the application turnaround time reduced by one-third.

Veterans will also see turnaround times for decisions for the rehabilitation program cut in half, from four weeks to two weeks.

Veterans and their family members calling the VAC 1-800 number will have their calls answered in less than two minutes 80% of the time.

Veterans will have the option to receive their reimbursements for the veterans independence program and their treatment benefits via direct deposit.

The progress of all departmental initiatives will be reported on in the departmental performance report. In other words, the report on plans and priorities outlines what we're going to do over the next three years and how we're going to do it. A year later, the departmental performance report will indicate how we've performed against what we said we would do.

In our actual report on plans and priorities, we outline on page 5 our program activity architecture. The program activity architecture is basically an inventory of our key programs and activities. It groups together related programs and activities. It is really the foundation on which we build the report on plans and priorities and the departmental performance report.

As you see from the program activity architecture, we're working to achieve three strategic outcomes. First is the financial, physical, and mental well-being of eligible veterans. Second is that Canadians remember and demonstrate their recognition of all who have served in Canada's efforts during war, military conflict, and peace. Third is that veterans' rights to the services and benefits that address their needs are considered in an independent and impartial way.

Underneath these strategic outcomes you'll see the various program activities that contribute to our pursuit of these outcomes.

Following the program activity architecture, you'll see our various organizational priorities. This is really the heart of our report on plans and priorities. Our main focus over the next few years will be four priorities.

First is modernizing the department. This priority is really about transformation. As our colleague, David Robinson, the director general of transformation, outlined recently for you, the needs of

veterans are changing. This priority is about how we will fundamentally transform to meet these changing needs.

Second is improving service delivery. This is also largely linked to transformation. We are taking advantage of technology and strategic partnerships to provide veterans and their families with faster and easier access to benefits and services.

Third is the transfer of Ste. Anne's Hospital. This priority is another reflection of the changing demographics and needs of Canada's veterans. We are continuing negotiations with the Province of Quebec to ensure a successful transfer for all involved, especially veterans.

Fourth is workplace renewal. Given the preceding priorities, workplace renewal will be critical. We're working to support our employees with the tools, skills, and training required to improve services and meet the changing needs of our veterans. This priority is also about increasing our knowledge of the Canadian Forces and the military experience.

[*Translation*]

Of course, our second mandate, to commemorate the contributions and sacrifices of the men and women in our military, also remains an ongoing priority.

[*English*]

You have heard, as part of your ongoing study on transformation, that as the traditional veteran population decreases, the number of Canadian Forces veterans who receive benefits and services from VAC is increasing. We know, too, that the future veteran population served by Veterans Affairs Canada will be much more diverse and represent several generations.

This year's report on plans and priorities shows fluctuation in planned spending in outer years. I want to emphasize that this is not due to any planned reduction in veterans programs or benefits. Services and benefits to veterans are being maintained. Funding levels are set one year at a time. The outer years are just projections, and will be refined in-year. To give perspective, VAC's planned spending for 2012-13 in this year's report on plans and priorities is actually \$268 million more than was projected in last year's report.

The department is prepared to meet the needs of veterans returning from Afghanistan. In fact, our total authorities over the past five years have been increasing. For example, in our most recent main estimates for 2012-13, our planned spending increased by \$44.8 million, or 1.3%, over the previous year's main estimates in 2011-12.

The key changes driving this net increase included an increase of \$118.5 million related to modern-day veterans accessing new Veterans Charter programs. A decrease of \$73.7 million related, in part, to the decrease in demand for traditional veteran programs.

Veterans benefits are paid in accordance with acts, and payments stem from legislation regulation. These benefits are anticipated and demand-driven; depend on variables, such as the actual number of veterans who need our help; and are non-discretionary, meaning if the veteran is eligible, he or she receives the benefit.

All this being said, I want to assure you that the government's budget process, including in-year opportunities for supplementary estimates, is designed to ensure that any veteran who is entitled to a benefit is paid that benefit. Whether ten veterans come forward or 10,000, the flexibility is there to meet the needs.

I'm sure you'll have questions on the plans and priorities outlined in the report. My colleagues and I would be pleased to field any specific questions you may have.

• (1540)

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

I do want to advise Mr. Andrews—it's nice to have him back—that he'll be the second questioner. So you may want to prepare yourself, Mr. Andrews.

We now turn to Ms. Mathysen for five minutes.

Ms. Irene Mathysen (London—Fanshawe, NDP): Thank you very much, Mr. Chair. Thank you very much for returning to answer our questions.

On Tuesday of this week, we heard from NATO veterans, and their concern relates to the discussion around the transfer of Ste. Anne's Hospital. They were very clear that they felt they were not a priority with the government, that somehow they were second-class in terms of the fact that they weren't veterans of World War II or Korea. They were very concerned that being pushed onto the province, made the responsibility of the province, would neither provide them with the uniform kind of care they expect nor acknowledge the federal government's responsibility for their care.

I'm wondering if, in terms of the report on plans and priorities, at any time you consulted with veterans in regard to these feelings of being disposed of, being discarded.

Ms. Heather Parry: There has been regular consultation with veterans organizations and other stakeholders.

I'd just like to bring a little bit of history to this. In the early 1960s, Veterans Affairs Canada actually had 18 facilities that provided facility-based care and long-term care services to veterans. In the late 1950s and early 1960s, when the delivery of health care became a provincial responsibility and universal hospital insurance was introduced, the Glassco commission was set up. In 1963, as one of its recommendations, it recommended that hospitals be moved to

provinces, so actually Ste. Anne's Hospital is the last of 18 hospitals to be moved to the provinces.

In terms of the ongoing negotiations, the Government of Canada and the Government of Quebec have signed an agreement in principle for the transfer of the hospital to the Government of Quebec. The agreement in principle is the first official commitment between both governments to move forward on the transfer. It identifies the key elements that both parties must agree to before concluding negotiations.

The government has indicated that it will ensure that veterans continue to have priority access to Ste. Anne's Hospital and to care and services in both official languages, and will also ensure that the interests of hospital employees are protected.

Charlotte may want to speak a little bit about the more general issue around the long-term care piece.

Ms. Charlotte Stewart (Director General, Service Delivery and Program Management, Department of Veterans Affairs): Yes, thank you.

I just wanted to add to Heather's comments that the Government of Canada and VAC remain committed to providing long-term care, and with respect to veterans who need long-term care as a result of a service-related disability, the department will continue to provide that care, regardless of when or where the veterans served. So Canadian Forces members who need long-term care as a result of a service-related disability will be provided with care. That is going to be in community facilities, and that is where our knowledge of veterans' preferences shows they would like to be. Those facilities are close to their homes, most often, and the majority of veterans are choosing that option.

• (1545)

Ms. Irene Mathysen: Thank you. The report on plans and priorities 2012-2013 estimates that there will be about 10,000 Veterans Affairs Canada clients with complex needs that require case manager support. You estimate a ratio of about one case manager per forty clients.

Of the 550 position reductions in the transformation plan and the 250 additional position reductions in the 2012-2013 budget, how many of those are case manager positions?

Ms. Charlotte Stewart: I'll answer that. Thank you very much for that question.

Of those reductions, none are case managers. We remain very committed to this core ability of the department. We have a very highly specialized cadre of case managers. We have just under 250 located across the country. In fact, we've added to that complement in recent years to support Canadian Forces members who are returning from Afghanistan, for example. So we've invested in case managers. We've added them to the busiest bases, those being Halifax, Valcartier, Petawawa, Edmonton, as examples.

So we remain highly committed to case managers. We have also taken steps, as you've noted, to reduce their case load, and 40 cases per case manager is very much within industry norms, but I'm pleased to say that currently our ratio is even lower than that. So VAC case managers have just over 30 cases right now. That affords them the time to give due consideration and care to all those in need.

The Chair: Thank you very much. Your five minutes are up.

Ms. Adams, you have five minutes, please.

Ms. Eve Adams (Mississauga—Brampton South, CPC): Thank you very much for coming today and presenting the priorities as we go forward. Could you review for us the difference between VAC's actuals and forecasts when it comes to quasi-statutory spending?

Ms. Heather Parry: Yes. There's a chart that is very key in terms of showing the actual spending. On page 17 you see a chart that actually shows what the budget expenditures have been over the last number of years.

This year, as I said, there is an increase of \$44.8 million. VAC programs are quasi-statutory in nature. This means the benefits are anticipated and demand-driven. They depend on variables such as the actual numbers of veterans who need our help, and they are non-discretionary, meaning that if a veteran is eligible he or she will receive the benefit. Budgets for quasi-statutory programs come to Parliament annually for approval. So the government's budgetary process includes opportunities for us to adjust our budget during the year through the supplementary estimates process.

Ms. Eve Adams: So just to be clear, this is the number of folks you estimate will avail themselves of these programs or services.

Ms. Heather Parry: Yes.

Ms. Eve Adams: However, if your projections are slightly off, these people are still entitled to the programs and services. You will come back and ask for a top-up. At no point in time will anyone be without the benefit or the service.

Ms. Heather Parry: That is absolutely correct. Again, the supplementary estimates allow us to come back during the year. Our forecasts have actually been reviewed by a third party, which has found them and our methodologies to be sound. We were actually within a variance of 1.3% of our budget on average over the last three years, and that's on an average base of \$3.1 billion in terms of benefits paid out. We were also at less than 1% variance on our forecasting for client numbers, a variance of about 1,500 from actuals. Basically, we do the in-year and one year out, which is what we are provided approval for in terms of authorities for the budget—but not out three years, which can sometimes cause some confusion.

Ms. Eve Adams: As a former executive director of an accounting association, I know that a 1% variance on \$3.1 billion is rather remarkable. I can tell you that the private sector would have

difficulty coming up with such numbers, so kudos to you and to your team.

Now when it comes to the increase in this budget over last year, can you tell me what the dollar amount is, what the quantum is?

• (1550)

Ms. Heather Parry: I'm sorry, the increase—

Ms. Eve Adams: The increase in this budget over last year's budget.

Ms. Heather Parry: Yes, it's a \$44.8 million increase over last year's budget and is made up of changes relating, in large part, to the new Veterans Charter program benefits being increased, and some decreases in benefits in our traditional veteran programs.

Bernard, did you want to speak to the increases around the new Veterans Charter?

Mr. Bernard Butler (Director General, Policy and Research Division, Department of Veterans Affairs): I can.

The increases under the new Veterans Charter are a good example of where we are having greater uptake by the younger veterans. As you know, with the passage of the enhanced new Veterans Charter legislation in the fall, \$189 million was committed to enhancements over the next five years. What we are seeing is an uptake of these programs. We're having increased entry into the earnings loss program. We have folks staying in that program somewhat longer than anticipated. We have an increased uptake, obviously, in our rehabilitation program and in allowances such as the permanent impairment allowance.

Those are changes impacting directly on the younger, modern-day veteran, and are seen through the enhancements to the new Veterans Charter.

Ms. Eve Adams: To be very clear, these are new additional dollars being provided to veterans because of the enhancements that were announced by our government.

Mr. Bernard Butler: Some of it would be new dollars provided by the enhancement. Some of it would be simply uptake on existing programming, like the disability award program. We have increased applications from new members for disability awards.

The Chair: You have a bit of time left.

Ms. Eve Adams: Can you tell me about the memorial program and the new money that is in there for that? It's the Canada remembrance program. We had forecast spending of \$44 million for that, which will be up to \$47.4 million in 2012-23. I'm looking at page 13.

Ms. Heather Parry: Yes, I think this was the first year that the community program was included in the main estimates. That is probably where that difference comes in.

Mr. Bernard Butler: I'm trying to find it here.

The Chair: Perhaps I could suggest, since we're out of time, that you find that answer and come back to us.

Ms. Heather Parry: Yes, we'll come back.

Ms. Eve Adams: Thank you very much.

The Chair: Mr. Andrews.

By the way, welcome back to the committee.

Mr. Scott Andrews (Avalon, Lib.): It's a pleasure. I was explaining to Ms. Stewart that this is where I started out in '08. It doesn't seem that long ago, but time has gone fast.

I have a couple of questions. Recently, 200 client service officers received letters advising them that they would be impacted by the transformation deficit reduction plan, and they were also told they could apply for the 74 jobs that would be maintained.

Is that factual? Is that correct? Exactly how are they to re-apply for these jobs? What is the process for this reduction? Is everyone starting from a level playing field again and will they have to re-apply? How will this work itself out?

Ms. Charlotte Stewart: I'll begin, and Heather may want to add something from a human resource perspective.

First of all, you're speaking about a group in the department, the client service agents. There are approximately 250 client service agents. Over the last year and more...and certainly as we look forward into transformation and introduce more technology and streamline our processes, some of the work they are currently doing will be eliminated. They'll no longer be doing certain routine administrative functions, and technology will have an impact on certain of their duties as well. In fairness to this group of individuals, the decision was made that we would carry out a departmental process that would be managed at a national level.

We are managing most of our cuts through attrition, and that will be our main objective. It's good human resource planning and moving people to where the jobs are needed, but at this point in time we decided that in fairness we should embark on a process. With regard to the actual steps involved, Heather can speak to those.

Ms. Heather Parry: There's a process. It's called the selection for employee retention and lay-off. Basically, as you indicated, all of the client service agents received a letter in April advising them that their positions were affected.

We then have a process that all client service agents will go through, all of whom are considered qualified for their job. This will look at which employees will be retained. It's a staffing process that looks at competencies, or in other words is competency-based. We have had a number of staff who have already indicated that they have plans to retire and that they will not be undergoing the process. So at the end of the day, the number of staff who may be declared surplus will be reduced from the original 75 we had thought of.

It's a standard, fair, and transparent process that we're using across the country. Managers are involved in the selection process. Staff

have received information packages to advise them of how the process will unfold. And such communication needs to continue on an ongoing basis, because, as you can imagine, employees have lots of questions and we want to make sure that we can communicate with them.

We're expecting the processes to take place over the next number of months and staff will be advised of the outcome of those as soon as the processes are complete. At that point, the managers will make decisions on how we're going to move forward at that time.

• (1555)

Mr. Scott Andrews: So will these employees have to reapply for their old jobs? Is that how this is working?

Ms. Heather Parry: They're not reapplying for their old jobs. What we're doing is determining which jobs are going to be retained as a result of the reduction of 75 positions.

Mr. Scott Andrews: Okay.

Will Veterans Affairs require greater call centre capacity as a result of the transformation? Will that come from the public sector? Or will that be a combination of the public sector and Veterans Affairs?

Ms. Charlotte Stewart: We have a national call centre network, as you know. We have four centres right now, and we answer between 900,000 and a million calls a year, so the volume is quite high. However, with the transformation, and as we work on reducing the complexity of our programs and services and on increasing our ability to serve some veterans who wish to use Internet-based service delivery and other technologies, we're actually seeing the reduced costs at the call centre at this time. So there's been a slight reduction. We believe that those reductions will continue over time as we move through transformation and see the impact, in particular, of our business process re-engineering.

Many of our calls right now to the call centres are follow-up calls from veterans seeking information on applications they have put in for disability pensions, for instance, or for the veterans independence program. We've reduced the turnaround times, for instance, for disability pensions. We reduced it by over 70%. We've gone from 24 weeks to 16 weeks, which is very significant. The calls are actually declining, so I guess at this point in time I would not say that we will have an increased need for call centres.

Mr. Scott Andrews: You mentioned, Ms. Parry—

The Chair: Sorry, Mr. Andrews, but you're actually past time, but thank you for that.

We now go to Mr. Chisu for five minutes.

Mr. Corneliu Chisu (Pickering—Scarborough East, CPC): Thank you very much, Mr. Chair.

Thank you very much to the witnesses on our panel.

Between 2001 and 2011, the number of Veterans Affairs clients rose by 6.5%, increasing from 205,129 in 2001 to 218,388 in 2011. Of these veterans, how many are from the Second World War and the Korean War, and how many are modern veterans? How many veterans are from the Royal Canadian Mounted Police? Do you have these statistics?

I'm asking because I understand that there will be a spike, probably in the next year, due to the 40,000 people who have served in Afghanistan. I was also serving in Afghanistan, so you can understand that I am expecting there to be some kind of increase for the difficulties that we have had in Afghanistan. So perhaps you have some kinds of statistics related to this.

I am asking because I want to know what you are doing to mitigate the risk related to program service delivery, keeping in mind that a spike will eventually happen.

•(1600)

Ms. Heather Parry: Since there are a couple of things in that question, maybe I could provide a list of the statistics that show all of the numbers of all of the various groups. It might be more helpful than my reading them out.

Then we could talk about your questions about risk and what we're doing to support the veterans coming back from Afghanistan.

Mr. Corneliu Chisu: Absolutely.

Ms. Heather Parry: Charlotte was relating to the risks around program and service delivery with the veterans coming back, so I'll speak about general risk, because we talk about that in the reports on plans and priorities.

Risk is something that we have to manage on ongoing basis. Not talking about it isn't the right thing to do. You need to talk about risk, determine what the issues are, and look to mitigate them.

In fact, my background is in IT, so whenever I'm implementing systems, I'm always making sure and asking, was the testing robust enough? Did we get all the scenarios? Do we have a strong governance in place? Did everybody do the right review and sign-off? Were there other options available that we should have looked at? How do we manage that? As part of our normal process, that's what we're doing.

Certainly when you look at risk you also get an opportunity to see what opportunities might be there. When you look at something, you may think you know the way you're going to go, and then you see other options that open up for you. That's generally in terms of risk; we do that as part of our normal, everyday decision-making, and it's very key to that.

In terms of the service delivery piece, I'll let Charlotte speak about the specifics around how we're managing and how we're preparing for, as you say, the potentially many more veterans coming to us.

Ms. Charlotte Stewart: Thank you very much.

As we look to preparing for the returning veterans from Afghanistan, it's very important that we consider what's going to happen on the ground and our relationship with some of our partners. We want to make sure our case managers are ready.

Let me just move through quickly some of the points around what we're going to do.

First of all, we did set up an Afghan and seriously injured casualty support unit. The purpose of that was to make sure that those who were injured in Afghanistan and had a need for very quick decisions were able to receive that. They were given an accelerated review of their needs and they were given an answer in a very short turnaround time.

In addition to that, we've added case managers, as I mentioned, where we need them the most, and we've reduced the workload of case managers.

For those returning from Afghanistan, while some of them will remain within the Canadian Forces, other will begin the transition to civilian life. In that transition, our partnership with DND is key. We've invested in the integrated personnel support centres, and we've put over 100 VAC personnel into those centres. So they get to meet those returning veterans very early in the transition process.

I noted that in your recent report you mentioned how early intervention is so key to success, and that's why we've taken that step. We have in fact put procedures in place so that we ensure VAC case managers work earlier in the transition process, reducing the wait time for Afghanistan or any other veteran who is transitioning.

The partnership with DND is very important, and operates at many levels in the department, not just at the front line. We've taken some key steps to reduce broader risk by strengthening that partnership.

At a very senior level, we have meetings on a quarterly basis with DND. The intention is to know what they are working on in terms of their programs and services so that we have good communication from our side as well and so that we integrate and plan together. That way, a still-serving member, as they receive services in DND, as they begin to take the steps in civilian life, will be matched and have a harmonized approach within Veterans Affairs Canada so that when they take those steps towards civilian life they'll have the supports they need.

The Chair: Thank you very much.

Now we go to Ms. Perreault for five minutes, please.

[*Translation*]

Ms. Manon Perreault: Good afternoon and thank you for being here today.

At page 22 of your report, you refer to a new Scientific Advisory Committee that will be set up to provide advice on veterans' health issues. Has that committee been set up already?

[*English*]

Mr. Bernard Butler: Thank you for that question.

Yes, the committee has indeed been created. It has been established. It has now met several times. It is now in the process of beginning its literature review, and beginning to direct its mind to the question that has been posed to the committee by the minister as it relates to health effects and the issue of depleted uranium.

So the committee is well under way.

• (1605)

[Translation]

Ms. Manon Perreault: You say that the committee has already had several meetings. Can you tell us how many?

[English]

Mr. Bernard Butler: I believe the committee has had three meetings to this point in time.

[Translation]

Ms. Manon Perreault: There have been three meetings. Very good, that is what I wanted to know.

At page 21 of the report, there is a table entitled Disability and Death Compensation. It mentions that 65% of veterans feel that the disability benefits they have received have been disability-based. This means that 65% of veterans receive the benefits, but what about the other 35%? Are they veterans whose benefit application is under study?

[English]

Mr. Bernard Butler: Thank you for the question.

I believe you're looking at the 65% target for performance indicators as it relates to the results for the disability pension program. Is that correct? The target is designed to try to ensure that this percentage of recipients of Veterans Affairs disability benefits effectively recognize the contribution they have made that has resulted in their service-related disability. So for us the issue becomes one of trying to measure how recipients of these benefits perceive the value of the benefit they're receiving.

The idea is that these are driven by the principles of recognition and compensation for service-related disability. From our perspective, we want to try to measure that in the population of veterans receiving the benefits, and our target is that at least 65% of them will feel that this is recognition for the loss, the disability, they've experienced.

[Translation]

Ms. Manon Perreault: Allow me to rephrase my question. If 35% believe that their disability has not really been recognized, is it because they feel that their benefits should be higher? I would like to know how that works.

[English]

Mr. Bernard Butler: That's a very good question.

I think it's more a question of how satisfied the recipient of the award payment is. It's that issue of recognition and compensation. There are, however, many elements of it. So if any given veteran is not satisfied or does not feel recognized, that could be because they think they should be receiving more or they should be receiving something else. Each veteran who receives the benefits paid through our programming perceives them differently.

You're not wrong to suggest that there may be any number of variables, but it would be very difficult to say that any given one applies in all cases.

[Translation]

Ms. Manon Perreault: I am new on this committee and I am asking many questions because I really want to understand.

Is there a way for those dissatisfied veterans to lay a complaint so that their application be reviewed a second time?

[English]

Mr. Bernard Butler: Yes. That's a very good question, and thank you for that. I am pleased to tell you that Veterans Affairs programming has various levels of appeal and review. There are in fact many opportunities and many ways for a veteran who is unhappy with a decision of the department to appeal it. Those include review levels and appeal levels within the department itself, but it also includes the Veterans Review and Appeal Board, which is a separate agency dealing with those issues.

The answer is yes.

• (1610)

The Chair: Thank you very much.

Mr. Storseth, you have five minutes.

Mr. Brian Storseth (Westlock—St. Paul, CPC): Thank you very much, Mr. Chairman.

Thank you very much to the witnesses for coming again today.

I'd like to follow up where we just left off, Mr. Butler. We talk about streamlining the processes. We talk about more case managers, more front-line staff. You were just talking about how there are several different layers of appeal for a veteran who, say, was just getting something outfitted in his house and only got approval to get a certain amount done. I've heard from a veteran who got the upstairs approved for a wheelchair lift, but not the downstairs. Those who are dissatisfied obviously have another mechanism to go through.

Have we increased the number of managers or streamlined the process on that secondary tier as well?

Mr. Bernard Butler: On the issue of redress, in our programming on the disability benefits side we have a fairly multi-layered structure for reviews and appeals up to and including the Veterans Review and Appeal Board. On the health benefits side, we basically have two levels of redress. So if an individual is not happy with a decision made by a case manager on their application for a benefit, the person can go at this time for a review at a higher level. The issues are looked at and then reconsidered.

There is currently a second level of redress for those issues, and that level that has been considered for streamlining in the future as a function of the transformation and budget process.

Mr. Brian Storseth: At those two levels, what percentage of the previous decisions are overturned or benefits increased on appeal?

Mr. Bernard Butler: I will just check that for you, Mr. Storseth.

Mr. Brian Storseth: You can table that.

Mr. Bernard Butler: Maybe we could table that with you because we do have the performance statistics on all of these elements.

Mr. Brian Storseth: If you could table that, it would be excellent.

Do you have any other comments, Ms. Stewart?

Ms. Charlotte Stewart: I was just going to mention when you asked if we had removed or streamlined the number of management levels that we indeed have streamlined our decision-making in the department. I think this is important. It's a bit of a different angle on your question, but what we've done is we have allowed our front-line case managers, through delegation of authority to them, to make more decisions. So the front line now has the ability to make decisions on those who need case management services, whereas in the past those decisions sometimes had to be referred to a higher level, either within a regional office or even in Charlottetown.

Mr. Brian Storseth: I understand that. To be honest with you, most veterans in my area are satisfied with that process. The frustration comes in the follow-up process, which Mr. Butler and I were talking about. I'd be happy to get those numbers from you.

One of the other aspects we were talking about is accessibility, particularly accessibility for rural communities and service delivery there. I note that you talked about how the department has continued to implement an outreach plan to strengthen relations with veterans, stakeholders, and CF members to basically make sure that we maintain our relationships. How much of the service delivery or more importantly, the advocacy, would we be leaving up to our partners in rural communities, for example, the Legion?

Ms. Charlotte Stewart: Those partners are very important to us and veterans. But on the ground, we work very hard through our district offices and our areas to provide outreach and to make sure that there are stakeholder committees set up outside of major areas as well, and that there's representation so that Veterans Affairs Canada continues to take an active role in that function.

Mr. Brian Storseth: When you have a community where you have a Veterans Affairs office but the vast majority of veterans there still wait for the Legion advocate to come once every two weeks, my concern is with finding a way for Veterans Affairs to become, not necessarily more accessible, but... We were talking about client satisfaction earlier and how perceptions can differ, and so I think we need to find a way in which Veterans Affairs' officials can become the go-to people in these situations.

I understand that advocacy in communities where we don't have a VA office is important for our legions and our partners, but in places where we have the office, one would think that should be the first place of refuge for our veterans.

One last question I'd like to ask you, and I think it's especially important for many of our older veterans, is on simplifying the forms, simplifying the answers, simplifying the responses. Can you talk to us a little bit about how this has come about and if there are any further plans to make it a little bit easier to manoeuvre through the maze of the bureaucracy?

• (1615)

Ms. Charlotte Stewart: Yes, one of the cornerstones of the transformation is reducing complexity, which came about because many of our processes, programs, letters and forms were too complex. We've spoken about this before, that as we expanded or changed our programs over the years we didn't necessarily streamline things at the same time. So for many of our veterans,

not just our war service veterans, things became very cumbersome and difficult and, frankly, added a lot of time to the process.

So we've taken this as a very high priority. We're streamlining all of our major forms and letters. The intention of course is to make sure that at the end of the day we have processes that are much simpler and that they are in layman's terms or plain language, so that clients can understand them easily and at the same time, if there are any questions, that we have an accessible agent within Veterans Affairs Canada who can answer those questions directly.

Mr. Brian Storseth: When can we expect that to be finished?

Ms. Charlotte Stewart: The first letters that impact a number of clients have already been improved, and our minister has spoken about that. The intention is to proceed as rapidly as possible through the coming months to complete this.

The Chair: Thank you very much. We're a bit over time.

We'll go to Mr. Lobb, for five.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you, Mr. Chair.

My first question deals with a point on page 10 about the ratio of case managers to veterans. Let's assume, in theory, that the net increase in veterans who are going to need to be actively managed this year is a thousand. How is that triggered in the department so that new case managers are added? How does that work?

Ms. Charlotte Stewart: First of all, it is a very dynamic process in the sense that our case managers, as we've spoken about, are the front line for the department. They have to make a determination when they have a new client as to whether the person needs case management.

Mr. Ben Lobb: No. I guess my point is that they've already determined that. What I'm saying is that if there's a net increase of a thousand who need to be actively managed, how does the department hire the extra 25 people to keep them at the 40:1 ratio?

Ms. Charlotte Stewart: First of all, we'll make sure that the workload for each of them is managed appropriately so that it stays within 40:1. The department has a commitment to 40:1.

Because there's a natural turnover of case managers, our managers on the ground do anticipatory staffing. They run processes so that there is an availability of case managers who meet the qualifications for the department, which include having a professional degree. Through anticipatory staffing, we would be able to draw on people who are qualified to take the job and could add them to our ranks rather quickly if there were a surge in the workload. We've done that in areas such as Quebec quite recently.

Mr. Ben Lobb: If a case manager is actively managing 40 cases, to use an easy number, and his or her caseload doubles in a year—even if that's not realistic—explain to me how long it would take for a new case manager to be hired so that you would have another case manager who would take up the workload.

Ms. Charlotte Stewart: I can give you a candid response: It depends on the availability of that skill set in the area. In our high-demand areas, we've been running processes to make sure that we can have people ready to come into the department at fairly short notice. In Quebec, for instance, through that staffing process I mentioned, we have a roster of qualified case managers who could be added very quickly.

In other areas, if a case manager leaves, it may take longer because of the availability of the skill set or because of the desire of the individuals who might have that skill set to come into the department.

I can't be more precise than that. But we have been very successful bringing people in quickly in areas of high demand.

• (1620)

Mr. Ben Lobb: By quickly do you mean six months, a year, or two years? What does that timeframe look like?

Ms. Charlotte Stewart: It's been less than six months, for sure.

Mr. Ben Lobb: All right. That's good.

I'll move along to consulting members of the Canadian Forces and their families.

Before we get into it, I would like to recognize all of our distinguished guests here today. It's great to have people such as you in here to support the committee. Thank you for being here today.

On consulting, how does the department consult with members of the Canadian Forces? And how is that information used to actually make a change or make an improvement? Oftentimes, whether it's in business or in government, there are consultations and then a report and then nothing. This process is to actually produce a better outcome for Canadian Forces members. How does that work?

Mr. Bernard Butler: How it works is this way. The department is very sensitive to the needs and the concerns of Canadians, of still-serving members, of veterans. Over time, the department has used a number of methods such as establishing committees like the New Veterans Charter Advisory Group or the Gerontological Advisory Council. All these groups have generated reports over time. All those reports are taken by the department and considered in the light of future policy and strategies.

A good example of that would be the Enhanced New Veterans Charter Act, which was largely drawn from many of the recommendations that had been made to the department regarding perceived gaps in the new Veterans Charter, particularly as it relates to the most seriously disabled veterans. That's a concrete example of how input is taken and then used to try to improve programming by the Government of Canada.

In a more recent example, the department engaged in an extensive consultation across Canada. It appeared on all of the major bases and wings of the Canadian Forces, in concert with our Canadian Forces colleagues. We did presentations on the new Veterans Charter, but we also recorded concerns and questions that were being identified. All of that is brought back to the department to be collated and analyzed, and it all serves as the foundation for future planning. It asks questions we need to consider. Where should we be going?

What are the most pressing needs that are being identified? Where are the issues that we should be pushing to resolve the future?

The Chair: Mr. Stoffer.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Thank you, and my thanks to the witnesses for coming today.

I'm looking at your section on managing change, and I'm wondering if at a future date you can write us an explanation of what you mean by "mitigate the risk". I don't have time to ask all the questions I'd like, so if it's possible to get a response later on, that would be great.

The priority hiring of veterans was a key aspect of the charter. How many veterans has DVA hired as employees since 2006?

Ms. Heather Parry: I don't have that number with me. We have been looking at that for a long time. But we have numbers for medically released veterans hired through the Public Service Commission.

Mr. Peter Stoffer: No, I'm asking about Veterans Affairs. How many employees have you hired?

Ms. Heather Parry: Until recently, we were not aware of whether people were military or not. It was not a requirement when they were being hired to identify whether they were ex-military. We now have gone out with a survey to our staff and asked for them to identify military people. This was prior to our putting in place a process where we ask if they are former military or not.

• (1625)

Mr. Peter Stoffer: The answer is actually 23. Since 2006, that's how many you've hired. Less than a thousand veterans have been hired since the Veterans Charter, most of them through DND. There have been very few from any other public offices.

I say this with great respect. Don't you find it just a little alarming that when someone applies for a job at DVA, the question "Did you ever serve in the military or RCMP?" isn't asked? Is that what you're saying to this committee?

Ms. Heather Parry: That question is now asked. In the past, through the normal staffing process, that question would not have been asked. It would be a personal decision whether or not to identify if you were a former member of the military.

Mr. Peter Stoffer: The Veterans Charter was clear. Priority hiring for veterans was a policy, was a priority, was going to happen. Nevertheless, the department that authorized the charter, which was supported by all of us, did not ask new employees if they'd ever served. I understand what you said. I just find that a little bit challenging.

On page 25, in black letterhead, it says, “The unemployment rate of Canadian Forces Veterans will not exceed that of the Canadian population”. According to Stats Canada, the unemployment rate is around 7.3%. I was wondering if at a later date you could tell us how many veterans there are in the country, how many are working, and how many are not. I know you wouldn't have the resources to answer that right now. But at a later date, if it's possible to get that, it would be greatly appreciated.

I thank you all for coming.

The Chair: Thank you very much.

Now we go to Mr. Harris, for four minutes, please.

Mr. Richard Harris (Cariboo—Prince George, CPC): Thank you very much, and welcome.

I'm new to this committee too, so I'm playing catch-up on a lot of the operations of VAC.

I know clearly what the mandate is. It is to provide service and benefits that respond to the needs of veterans. With that in mind, when any department is in a transformation mode there is always a fear that the services it offers may be cut in some way. Given that you stated earlier that if you found that your budget projections were going to come up short you could apply—and I understand that you have, for many years, applied and never been turned down—for a budget top-up, what are you doing to mitigate that fear or perception? What mitigation plans and measures do you have?

Ms. Charlotte Stewart: Let me begin the answer, and if my colleague would like to add to it, then I'll turn it over to Heather.

During any very significant change, managing risk is key. Right now at Veterans Affairs Canada our transformation agenda is about reducing complexity. But there are many things under way in the department, so we have a very close eye on our procedures.

The intention, of course, is not just to maintain our service. We certainly aren't going to let it decrease, but what we want to do is improve our service, even though we're in a transformation mode.

For our transformation agenda we have a very detailed plan. We have put a full-time team in place to help us manage that plan and do the careful project management that goes into it. Governance structures have been set up in the department at senior levels to allow for very close oversight of the changes, and with those structures senior managers have the ability to make very quick decisions when they see that there is a factor that has changed or that we may need to adapt to a potential issue.

Those are some simple ways. On another front, though, for the staff on the front lines where many of these changes are taking place, we've given case managers, for instance, more authority, as I mentioned. We've also given them more training and support. We've given them better tools to do their job and better access to technology so that they can apply their professional skills full-time to serving veterans rather than, as in the past, doing things that just added steps to the process without adding value to the veteran.

The risk management approach is certainly at a very senior level in the department, as I mentioned, through governance, but it carries through all of the department, down to the front line.

We also monitor things very closely. We know at the front line how many cases are being managed, about how long it is taking case managers and others who support them to work with clients. We are managing our turnaround times very carefully, and in many cases, as we've described at this committee, we've been able to reduce our turnaround times for disability awards—first applications, as an example, and secondly, for our rehab program.

So even though we're in transformation, we have made significant gains because of good oversight and good planning as well.

• (1630)

The Chair: We are over time, Mr. Harris. Time passes.

Mr. Chicoine, please.

[*Translation*]

Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP): Thank you, Mr. Chair.

I want to thank the witnesses for being here today.

I have several questions relating to the unfortunately unavoidable transfer of the Sainte-Anne hospital, which will probably happen soon. You said that you are going to ensure that veterans will still have priority access to the hospital. How many beds will be reserved for them? Will the veterans of tomorrow also have access to the very specialized services that have been provided so far by that hospital, which will unfortunately be transferred to the province?

[*English*]

Ms. Heather Parry: I'm sorry, but I may not have understood the question fully. Are you talking about the clinics?

[*Translation*]

Mr. Sylvain Chicoine: You say that space will be reserved for veterans. How many beds will be reserved to them? Also, will the veterans of tomorrow have access to the same services? That hospital provides very specialized services and I fear that this expertise will be lost. How will you ensure that beds are reserved for those veterans?

[*English*]

Ms. Heather Parry: We're in negotiations right now, so I wouldn't want to speak inappropriately to any of those issues. There is a commitment that there will be priority access for veterans to beds as they need it. The government has committed to that, and as well to having access to the services they have now and to maintaining the quality of service that they have had. That is a cornerstone of the mandate of the chief negotiator: to ensure that priority access is maintained and that the services are there as they are today, for those who need them.

[*Translation*]

Mr. Sylvain Chicoine: Will the expertise existing in that hospital be preserved? It is our only hospital. Very often, veterans need highly specialized services, and that hospital has the knowledge required to provide them. Will that expertise be maintained despite the transfer to the province?

[English]

Ms. Heather Parry: I can't speak to specifics around the negotiations, but the intent is certainly that veterans will have the services that they receive today and are entitled to.

[Translation]

Mr. Sylvain Chicoine: So, beds will be reserved for the veterans of tomorrow. I hear you but it is not any clearer.

[English]

Ms. Heather Parry: This again is part of the negotiations, but it is priority access.

[Translation]

Mr. Sylvain Chicoine: I hope it will be. You say that you will make sure...

[English]

Ms. Heather Parry: Yes.

[Translation]

Mr. Sylvain Chicoine: ... but it would be good if it were a bit more....

[English]

Ms. Heather Parry: That is part of the negotiation, and the cornerstone of it: that we will maintain the services and priority access for veterans.

•(1635)

[Translation]

Mr. Sylvain Chicoine: You also mention in this report that there is a risk that changes be made too quickly, which would reduce the department's capacity to meet the needs of veterans. How will you ensure that those priorities are maintained?

[English]

Ms. Heather Parry: Charlotte has spoken a little bit about that, and I'll talk a little bit about governance.

Is that okay?

[Translation]

Mr. Sylvain Chicoine: All right. I intended to look at "the blues", since I missed the beginning of the meeting. If that matter has been dealt with at the beginning, you do not have to answer me now.

[English]

Ms. Heather Parry: In terms of governance, we're making sure that we have the right governance processes in place. We want to make sure that there is good oversight, that we have the monitoring and ongoing good planning and good project management.

I gave an example earlier. My background is in IT, wherein as part of normal, everyday managing of risk you look to see what issues are there, what your environment looks like. You make sure that you have your plans in place, that you change them and update them as needed, that you have fall-backs and contingencies where needed, and that you look at any issues that arise for opportunities to adjust your plan to ensure that you mitigate any risk that you see.

The goal in risk identification is always to be up front and ahead of the risks that you identify, so that you can plan for them, in case of something not working exactly as you had planned.

The Chair: Thank you very much. We are over time.

I want to welcome Ms. Tilly Gordon to the committee today and give her four minutes.

Mrs. Tilly O'Neill Gordon (Miramichi, CPC): Thank you, Mr. Chair.

I want to thank the witnesses.

I am subbing here today, but I used to be on this committee and always found it very interesting.

Our government certainly values and appreciates the work done by your department. Your presentation was very interesting. I know you have many objectives and priorities set out for the year ahead, but I'm especially happy to hear you say that your department will be streamlining the forms and letters, because this is a very common complaint back in the Miramichi, in the riding I represent. This is one priority that I certainly am happy to hear about.

But I wonder whether you could outline what some of your main priorities are. You have many ahead, but what are the ones you are looking forward to going ahead with?

Ms. Charlotte Stewart: Thank you very much.

As we look to our transformation agenda and the main priorities around it, there are some that really stand out. We've spoken about streamlining and reducing complexity, and I want to speak a little about what that means.

You mentioned the letters. I guess when we took a step back and, as I mentioned, looked at our programs, we decided to redesign all of them, to re-engineer them, to remove steps in the process and make them simpler. That's critical to our department's success. I mention this because it means that, internally, to those who work as program delivery employees within the department, they'll have more time to deliver the programs through working with veterans than time spent now on interpretation or working through complex issues. So that's very important.

I already mentioned that one of the first things we did was to streamline our decision-making and give more authority to the front-line staff. That work has been very successful. It's resulted in better turnaround times, and we'll be continuing that. That will be a key objective as well.

I want to mention technology, because in our department, our modernization encompasses technology to a very high extent. Right now that means we're investing in critical technology that will allow us to scan and digitalize records. Once again, this is in partnership with Library and Archives Canada and Public Works and Government Services Canada. As a result, the medical records of applicants to the department can be scanned quickly. This will reduce the time we now spend and the resources we now expend on moving paper files throughout the department, and it will cut our time required to adjudicate these applications quite significantly.

We're also building partnerships. When we speak about partnerships, our key partner, of course, is DND. We've been very successful with them, in having a strong agreement, a strong accord with them, about how we're going to approach the needs of our veterans. We worked at that at all levels in the department.

I think one of the greatest indications of that and a key priority is our commitment to the integrated personnel support centres. That is where we are co-located with DND, around the Canadian Forces bases and wings across the country. There are now 24 where we are set up together. We're going to continue that commitment. As we see a need, we'll continue to put resources as needed into integrated personnel support centres and make sure that our program arrangements work very well.

We're harmonizing other programs as well. Another key commitment with DND as a partner is to look at all of our programs and services. When I mention "harmonization", I really mean, in

simple terms, that it's a crosswalk between DND's programs and Veterans Affairs Canada's programs so that when you leave one department and enter another, you feel that continuity of service and care.

• (1640)

Mrs. Tilly O'Neill Gordon: I just want to say, Mr. Chair, that this is all very good news for us and for the families and veterans as well. I'm glad to hear it.

The Chair: Thank you.

I want to thank the witnesses very much for coming.

We're going to suspend for several minutes. I hope the committee members will mix with the veterans and say hello to them.

[Proceedings continue in camera]

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