



Veterans Affairs
Canada
Deputy Minister

Anciens Combattants
Canada
Sous-ministre

Minister of Veterans Affairs and Associate Minister of National Defence
House of Commons
Ottawa, Ontario

Dear Minister:

Congratulations on your appointment as Minister of Veterans Affairs and Associate Minister of National Defence. Along with my Associate Deputy Minister, Lisa Campbell, and our whole team, I welcome you to the portfolio.

Let me first express my heartfelt thanks for taking on this portfolio – one so essential to the well-being of our Veterans, their families, their survivors and crucial in honouring and commemorating their accomplishments and sacrifices. As Minister of Veterans Affairs and Associate Minister of National Defence, you have the important responsibility for the “care, treatment or re-establishment in civilian life” of former members of the Canadian Armed Forces and the Royal Canadian Mounted Police, and the care of both their families and survivors. In addition, you will also have the responsibility for all matters relating to the commemoration of the war dead and recognition of the achievements of those who have served Canada in times of war, military conflict and peace.

Your appointment coincides with a heightened period of domestic (Veterans week – November 5 to 11, 2019) and international remembrance. In the near future, there are two 75th anniversaries: the end of the Italian Campaign (World War II) in late November 2019 and Victory in Europe, generally known as VE Day (World War II) in May 2020.

MANDATE

Since 1919, legislation has given the Minister of Veterans Affairs responsibility for the “care, treatment or re-establishment in civil life,” of former members of the Canadian Armed Forces (CAF) and for the care of their families and survivors. At the same time, the Department is responsible for commemorating the achievements and sacrifices of those who served Canada in times of war, military conflict and peace.

In carrying out this mandate over the past 15 years, rapidly changing demographics and expectations of those served by Veterans Affairs Canada has been a key factor in the design of policies and programs. The number of Second World War and Korean War Veterans has been steeply declining, while the number of modern-day Veterans, post-Korean war, is on the rise.

Canada 

To fulfill the dual role of care, treatment or re-establishment in life after service and commemoration, Veterans Affairs Canada provides a suite of benefits, program and supports including: disability pensions and awards; other financial and treatment benefits; physical, psychological and vocational rehabilitation services; case management; career transition services; and support for families. The Department also organizes commemorative events and initiatives across Canada and overseas to recognize the role Veterans have played in shaping our nation.

In addition, Veterans Affairs Canada has several agreements with the Royal Canadian Mounted Police to provide services to its serving and former members and their survivors, including the administration of pensions, health care benefits and case management services as well as access to operational stress injury clinics.

OUR VETERANS

Canada's Veteran population is an estimated 639,900 (1 Canadian out of 59 is a Veteran). With an ageing demographic, the Department has been serving more and more modern-day (Canadian Armed Forces Veterans) each year. As of March 31, 2019, the Department was serving 101,049 Canadian Armed Forces Veterans compared to 15,644 War Service Veterans. When survivors and Royal Canadian Mounted Police (RCMP) Veterans are included, the number of clients served by the Department (as of March 31, 2019) rises to 186,080.

An average of 8,100 individuals leave the CAF Regular and Primary Reserve Forces each year with about 17 percent leaving the military for medical reasons. While the average age of Veterans releasing from the military today is 39, the Department's clients range in age from as young as 19 to over 90.

As of March 31, 2019, a total of 13,061 Veterans are being supported through case management.

THE DEPARTMENT

As your Deputy Minister, I lead a team of over 2,700 dedicated public servants located across the country who demonstrate care, compassion, and respect on a daily basis while serving Veterans and their families, and leading commemorative activities at home and abroad.

The Department's annual budget has grown from \$3.6 billion in 2014-2015 to \$4.3 billion in 2019-2020, with over 90 percent going directly to Veterans and their families or survivors. The budget increase is attributable to both temporary and permanent funding increases associated with initiatives announced in Budgets 2016 to 2019. The scale of investment is unprecedented.

PORTFOLIO

Veterans Affairs Canada is not alone in providing services to Veterans; its portfolio includes the Veterans Review and Appeal Board (VRAB), and the Veterans'

Ombudsman, both of which report directly to you. The *VAC 101 presentation deck* provides a description of the role played by these important entities.

ONGOING VAC PRIORITIES

PENSION FOR LIFE

Pension for Life was launched on April 1, 2019 in order to improve how Veterans receive key financial benefits. It is a combination of benefits that provide recognition, income support, and stability to members and Veterans who experience a service related illness or injury. This suite of benefits allows Veterans and Canadian Armed Forces members living with a service-related injury and/or illness to determine the form of compensation that works best for them and their families as they transition to life after service. From research we know that the most successful transitions occur when a Veteran has a positive state of well-being; a balance of financial, mental, physical and social factors. Financial stability is critical, however, it is just one of seven interdependent domains essential to a Veteran's overall well-being. In fact, our day to day operational framework and initiatives such as Pension for Life center on the seven domains of well-being.

Our Department continuously conducts research to provide informed and evidence-based recommendations on its programs and services to achieve better outcomes for all Veterans. While we continue to make progress, there is criticism among some Veterans and stakeholders. In February 2019, the Office of the Parliamentary Budget Officer published a report projecting that five percent of new entrants to Pension for Life would have received more financial support under the previous suite of benefits (New Veteran Charter), with three percent being "greatly disadvantaged." While the report found that most Veterans will be financially better off under Pension for Life compared to the previous suite of benefits, the report concluded that the discontinuation of the Career Impact Allowance Supplement was the main reason for the five percent group's financial difference. Pension for Life discontinued the Supplement and now compensates for lost career progression through the career progression factor for Veterans who have diminished earning capacity. Younger veterans with shorter military careers will benefit most from the career progression factor. We continue to monitor the Pension for Life to ensure Veterans' needs are met.

MENTAL HEALTH

Mental Health is an area of continued interest and importance as some of our Veterans face mental health issues of greater complexity. In partnership with provincial authorities, Veterans Affairs Canada funds a robust network of mental health clinics and services across the country. This network offers a treatment platform based on best practices and evidence. The Canadian Armed Forces and Veterans Affairs Canada continue to work together to co-create innovative, evidence-based approaches to strengthen treatment for mental health issues among Canadian Armed Forces members and Veterans. Doing everything possible to prevent suicide is a major public health

priority and is also a cornerstone of our commitment to the well-being of military members and Veterans. The joint National Defence and Veterans Affairs Canada Suicide Prevention Strategy begins to define the context for action; the goals upon which actions are focused, and notes the many programs and initiatives that are underway to help reduce risks, build resilience, and prevent suicide among our military members and Veterans.

SERVICE DELIVERY

The changing faces of the Veterans we serve; growing demand for online, self-serve options; and higher expectations have resulted in increased service delivery challenges. These challenges do not preclude continuing or expanding our outreach to Veterans to inform them of the variety of programs and services available. I believe these challenges provide an opportunity for innovation and simplification of our processes.

Since 2015, Veterans Affairs Canada has seen an increase of more than 60 percent in disability applications, including an increase of more than 90 percent in first applications for disability benefits. As a result, as of September 2019, there is a backlog of approximately 21,000 applications outside the 16-week service standard. Accordingly, this year, we have intensified our efforts to fundamentally change the way we do our business. Veterans and their families expect and deserve, that no matter the service channel, services from Veterans Affairs to be of a high quality, easy to access ('tell us once'), timely, accurate, reliable, and secure. We are redoubling our efforts to ensure that we are offering client-centric services and that services are designed and delivered in a cost-effective manner, considering opportunities for standardization, integration and re-engineering. I look forward to working with you to continue to enhance the delivery of services to Veterans and their families.

STAKEHOLDERS

Stakeholders such as Veterans' organizations, other non-profit associations and Parliamentarians, are important advocates of Veterans' issues and remembrance activities. As the needs of the Veteran population changes, so does our approach to maintaining and deepening relations with Veterans and veteran stakeholders. Our Department nurtures strong partnerships and relationships with diverse advocates and strives to respond to their concerns. Increasingly, partnerships across the federal government as well as with provinces, territories, municipalities and community partners will be required if we are to improve outcomes for Veterans. We look forward to working with you to determine the best way forward to ensure that our engagement and outreach strategy supports effective policy and program development and that the diverse needs of Veterans are represented.

COMMEMORATION

Veterans Week 2019 was held from November 5 to Remembrance Day on November 11. This year's activities were well-received across the country. Annually, tens of thousands of people are anticipated to attend the Remembrance Day ceremony in

Ottawa hosted by the Royal Canadian Legion, with attendance by the Prime Minister and the Governor General. Domestically, dozens of events were held across the country to commemorate all veterans during the course of the week. As always, it was a special time to focus on all those who served and pay tribute to their sacrifices and achievements.

You are arriving as we undertake commemoration activities for the 75th anniversary of the Italian Campaign, which was an important military effort for Canada during the Second World War. A total of 93,000 Canadians, along with their allies from Great Britain, France and the United States, played a vital role in the Campaign. Canadian casualties in this Campaign totaled more than 26,000, of which 6,000 were fatal. Early briefings will be set up to discuss your personal role and involvement in commemorating the Italian Campaign.

VETERAN-RELATED PLATFORM AND OTHER COMMITMENTS

As noted earlier, historic investments have been made for Veterans over the past several years. In the last mandate, there were 21 specific commitments made to support Veterans and their families. Most of those specific commitments were achieved with a few being 'ongoing' in nature. The implementation of Pension for Life continues with the department closely monitoring progress and examining areas of potential unmet needs as they arise.

In Budget 2019, the creation of a Veterans Survivors Fund (\$150M over 5 years) was announced to better support surviving spouses of Veterans who married over the age of 60. As the first phase of this commitment requires research, the Department is engaging in two research projects. Statistics Canada will identify the population size and characteristics of survivors who married a Veteran who was 60 years of age and older. Secondly, through the Canadian Institute of Military and Veteran Health Research (CIMVHR), the financial well-being of survivors will be studied to better understand the nature of their financial situation and unmet needs.

In the same Budget, funding was identified to open a Centre of Excellence for Chronic Pain. A three year funding agreement has been signed with the Michael G. Degroote Pain Clinic at McMaster University, and is expected to be operational by March 2020. Finally, in 2019 the National Capital Commission approved a site for the Afghanistan Monument and launched a national design competition with the inauguration planned for 2023.

For this next mandate, it is anticipated that the Government will move forward with initiatives as outlined in their platform document which center on four themes (mental health support; disability benefits; support for families; and, homeless Veterans). Six specific proposals were identified. We look forward to working with you to discuss the specific intent of each commitment along with implementation options for moving forward. Budget 2020 will be our Department's first opportunity to begin to advance on

these initiatives. Early briefings with you will serve to confirm the initiatives that can be implemented in fiscal year 2020-2021 and beyond.

I look forward to working with you and supporting you as we work together to promote and ensure the overall well-being of our Veterans and their families, as well as honouring and commemorating their sacrifices and accomplishments.



W.J. Natynczyk
General (Retired)
Deputy Minister