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Appearance Details

Committee: Standing Committee on Finance (FINA)

Date: Thursday, February 5, 2026 (08:15 – 09:15 ET)

Location: Room 415, Wellington Building, 197 Sparks Street

Topic: Bill C-15, An Act to implement certain provisions of the budget tabled in Parliament on November 4, 2025

Witnesses:

- **Hon. Jill McKnight**, Minister of Veterans Affairs
- **Christine McDowell**, Acting Deputy Minister, Veterans Affairs Canada
- **Steven Harris**, Senior Assistant Deputy Minister, Service Delivery
- **Jonathan Adams**, Director General, Finance
- **Nathan Svenson**, Senior Director, Disability and Health Care Policy

FINA Committee Members

Committee Chair	 <p>Hon. Karina Gould (Burlington, ON - Lib.)</p>	 <p>Eric Lefebvre (Richmond - Arthabaska, QC- CPC)</p>
Committee Vice-Chair	 <p>Jasraj Hallan (Calgary East, AB - CPC)</p>	 <p>Carlos Leitao (Marc-Aurèle-Fortin, QC - Lib.)</p>
Committee Vice-Chair	 <p>Jean-Denis Garon (Mirabel, QC - BQ)</p>	 <p>Kent MacDonald (Cardigan, PEI - Lib.)</p>
	 <p>Sandra Cobena (Newmarket - Aurora, ON - CPC)</p>	 <p>Jake Sawatzky (New Westminster - Burnaby - Maillardville, BC - Lib.)</p>
	 <p>Pat Kelly (Calgary Crowfoot, AB - CPC)</p>	 <p>Ryan Turnbull (Whitby, ON - Lib.)</p>

Department of Veterans Affairs

Organization Summary

	Authorities To Date	These Supplementary Estimates		Proposed Authorities To Date
		Transfers	Adjustments	
		(dollars)		
Budgetary Voted				
1b Operating expenditures	2,001,404,648	(712,490)	12,309,816	2,013,001,974
5b Grants and contributions	5,785,481,791	2,452,014	1	5,787,933,806
Total Voted	7,786,886,439	1,739,524	12,309,817	7,800,935,780
Total Statutory	51,903,228	.....	186,566	52,089,794
Total Budgetary Expenditures	7,838,789,667	1,739,524	12,496,383	7,853,025,574

Explanation of Requirements (dollars)

Budgetary

Voted Appropriations

Funding for the federal health claims processing services contract	Vote 1b	10,530,950
Funding for government advertising programs (PENDING) (horizontal item)	Vote 1b	1,000,000
Funding for the administration of the peer support initiative for Canadian Armed Forces members and Veterans who experienced sexual misconduct during their service (PENDING)	Vote 1b	778,866
Funding to authorize the listing and adjustment of grants	Vote 5b	1

Total Voted Appropriations

12,309,817

Total Statutory Appropriations

186,566

Transfers

Transfers from Other Organizations

From the Department of National Defence to the Department of Veterans Affairs for research projects related to military members, Veterans and their families	Vote 1b	70,211
	Vote 5b	1,652,014
Total		1,722,225
From the Department of Foreign Affairs, Trade and Development to various organizations to adjust funding previously provided for departmental staff located at missions abroad	Vote 1b	17,299

Internal Transfers

Internal reallocation of resources to the grant entitled Veterans Emergency Fund	Vote 1b	(800,000)
	Vote 5b	800,000
Total		.....

Total Transfers

1,739,524

Total Budgetary

14,235,907

Listing of Statutory Authorities

	Authorities To Date	These Supplementary Estimates (dollars)	Proposed Authorities
Budgetary			
Contributions to employee benefit plans	51,603,928	186,566	51,790,494

Department of Veterans Affairs

Raison d'être

Canada's development as an independent country with a unique identity stems partly from its achievements in times of war.

The Department of Veterans Affairs (VAC) exists to assist and help those whose courageous efforts gave us this legacy and contributed to our growth as a nation.

The *Department of Veterans Affairs Act* provides authority to the Minister of Veterans Affairs to administer Acts of Parliament and orders in council as are not by law assigned to any other federal department or any Minister for the care, treatment and re-establishment in civil life of Veterans and the care of their dependents and survivors, and such other matters as the Governor in Council may assign.

The Minister of Veterans Affairs and Associate Minister of National Defence is responsible for this organization.

Additional information can be found in the Departmental Plan.

Organizational Estimates

	2023–24 Expenditures	2024–25		2025–26 Main Estimates
		Main Estimates	Estimates To Date	
		(dollars)		
Budgetary				
Voted				
1 Operating expenditures	1,364,791,202	1,368,262,515	1,937,031,847	1,993,350,382
5 Grants and contributions	4,636,714,330	4,800,622,351	5,713,874,741	5,785,481,791
Total Voted	6,001,505,532	6,168,884,866	7,650,906,588	7,778,832,173
Total Statutory	51,560,670	45,145,912	46,385,639	51,903,228
Total Budgetary	6,053,066,202	6,214,030,778	7,697,292,227	7,830,735,401

2025–26 Main Estimates by Purpose

Budgetary	Operating	Capital	Transfer Payments	Revenues and other reductions	Total
			(dollars)		
Benefits, Services and Support	1,885,758,873	.....	5,760,491,791	.....	7,646,250,664
Commemoration	21,689,121	.....	25,187,000	.....	46,876,121
Veterans Ombudsperson	4,863,548	.....	.....	.....	4,863,548
Internal Services	132,745,068	.....	.....	.....	132,745,068
Total	2,045,056,610	.....	5,785,678,791	.....	7,830,735,401

Listing of the 2025–26 Transfer Payments

	2023–24 Expenditures	2024–25 Main Estimates	2025–26 Main Estimates
		(dollars)	
Grants			
Pain and Suffering Compensation	1,608,757,205	1,585,299,000	2,271,914,000
Income Replacement Benefit	1,260,702,576	1,345,789,000	1,574,683,000
Pensions for disability and death, including pensions granted under the authority of the Civilian Government Employees (War) Compensation Order, P.C. 45/8848 of November 22, 1944, which shall be subject to the <i>Pension Act</i> ; for former prisoners of war under the <i>Pension Act</i> , and Newfoundland special awards	1,012,069,671	990,933,000	975,414,000
Additional Pain and Suffering Compensation	276,261,939	353,850,000	386,920,000
Housekeeping and Grounds Maintenance	291,478,596	302,431,000	348,813,000
Caregiver Recognition Benefit	22,308,657	28,945,000	42,330,000
Education and Training Benefit	28,961,516	35,872,000	34,128,000
Commonwealth War Graves Commission	11,859,340	12,600,000	14,540,000
Earnings Loss and Supplementary Retirement Benefit	7,182,831	20,000,000	9,500,000
Last Post Fund	6,393,536	6,844,000	7,217,000
Grant for Research Funding Program	2,150,000	5,350,000	5,729,612
Canadian Forces Income Support Allowance	2,651,436	3,207,000	4,407,000
Grant for Veterans and Family Well-Being Fund	5,933,062	2,000,000	4,000,000
Critical Injury Benefit	1,098,644	2,160,000	2,210,000
War Veterans Allowances and Civilian War Allowances	2,530,615	2,548,000	1,929,000
Grant for Commemorative Partnerships	525,813	1,450,000	1,700,000
Children of Deceased Veterans Education Assistance	802,222	1,300,000	1,400,000
Veterans Emergency Fund	1,647,146	1,000,000	1,000,000
Payments under the Flying Accidents Compensation Regulations	480,718	975,000	975,000
Disability Awards and Allowances	705,319	958,000	672,000
Treatment Allowances	145,523	300,000	300,000
Assistance in accordance with the provisions of the Assistance Fund Regulations	39,645	100,000	100,000
United Nations Memorial Cemetery in Korea	22,040	70,000	70,000
Retirement Income Security Benefit	.....	50,000	50,000
Assistance to Canadian Veterans – Overseas District	9,315	25,000	25,000
Payments of Gallantry Awards	774	2,500	2,500
Total Statutory	.....	197,000	197,000
Contributions			
Contributions to Veterans, under the Veterans Independence Program, to assist in defraying costs of extended health care not covered by provincial health programs	65,488,938	70,292,000	78,431,000
Centre of Excellence on Post-Traumatic Stress Disorder and other related mental health conditions	9,191,941	9,200,000	9,200,000
Contribution for Research Funding Program	7,141,355	5,161,679	5,161,679
Contributions under the Commemorative Partnerships Program, to organizations, institutions and other levels of government, in support of projects related to the health and well-being of the veteran population, and commemoration activities and events	8,038,034	10,910,172	1,660,000
Contribution for Veterans and Family Well-Being Fund	2,066,937	1,000,000	1,000,000

Listing of Statutory Authorities

	2023–24 Expenditures	2024–25 Estimates To Date (dollars)	2025–26 Main Estimates
Budgetary			
Contributions to employee benefit plans	50,980,262	46,090,039	51,603,928
Veterans Insurance Actuarial Liability Adjustment (<i>Veterans Insurance Act</i>)	.....	175,000	175,000
Minister of Veterans Affairs and Associate Minister of National Defence – Salary and motor car allowance (<i>Salaries Act</i> and <i>Parliament of Canada Act</i>)	94,800	98,600	102,300
Returned Soldiers Insurance Actuarial Liability Adjustment (<i>Returned Soldiers' Insurance Act</i>)	.....	10,000	10,000
Repayments under section 15 of the <i>War Service Grants Act</i> of compensating adjustments made in accordance with the terms of the <i>Veterans' Land Act</i> (R.S.C., 1970, c. V-4)	.....	10,000	10,000
Re-Establishment Credits under section 8 of the <i>War Service Grants Act</i> (R.S.C., 1970, c. W-4)	.....	2,000	2,000

2025–26 Estimates

Annex

Items for inclusion in the Proposed Schedules to the
Appropriation Bill

Items for inclusion in the Proposed Schedule 1 to the Appropriation Bill
 (for the financial year ending March 31, 2026)

Unless specifically identified under the **Changes in 2025–26 Main Estimates** section, all vote wordings have been provided in earlier appropriation acts.

Vote No.	Items	Amount (\$)	Total (\$)
DEPARTMENT OF VETERANS AFFAIRS			
1	– Operating expenditures – Expenditures related to the upkeep of real property or immovable property, including engineering and other investigatory planning expenses that do not add tangible value to the property, payment of taxes, insurance and public utilities – Expenditures related to, subject to the approval of the Governor in Council, (a) necessary remedial work on properties constructed under individual firm price contracts and sold under the <i>Veterans' Land Act</i> (R.S.C. 1970, c. V-4), to correct defects for which neither the veteran nor the contractor may be held financially responsible; and (b) other work on other properties that is required to protect the Director's interest or right in those properties – The payment to each member of the King's Privy Council for Canada who is a minister without portfolio, or a minister of State who does not preside over a ministry of State, of a salary — paid annually or pro rata for any period less than a year — that does not exceed the salary paid under the <i>Salaries Act</i> , rounded down to the nearest hundred dollars under section 67 of the <i>Parliament of Canada Act</i> , to ministers of State who preside over ministries of State	1,993,350,382	
5	– The grants listed in any of the Estimates for the fiscal year; however, the amount listed for any grant may be increased or decreased, subject to the approval of the Treasury Board – Contributions	5,785,481,791	
			7,778,832,173
			7,778,832,173

2025–26 ESTIMATES

Budgetary Expenditures by Standard Object

This table shows the forecast of total expenditures by Standard Object, which includes the types of goods or services to be acquired, or the transfer payments to be made and the revenues to be credited to the vote.

Definitions of standard objects available at: <http://www.tpsgc-pwgsc.gc.ca/recgen/pceaf-gwcoa/2526/7-eng.html>

Interest payments relating to capital leases are included under "Public debt charges". These payments are voted expenditures and are not included under the "Public Debt" heading on the Composition of Estimates and Expenditures table.

Budgetary Expenditures by Standard Object

	Personnel	Transportation and communications	Information	Professional and special services	Rentals	Purchased repair and maintenance	Utilities, materials and supplies	Acquisition of land, buildings and works	Acquisition of machinery and equipment	Transfer payments	Public debt charges	Other subsidies and payments	Less: Revenues and other reductions	Total
	1	2	3	4	5	6	7	8	9	10	11	12		
Department of Veterans Affairs	388,986,804	50,595,646	10,932,174	799,604,308	36,007,045	7,764,082	466,166,631	2,161,636	6,660,943	5,785,678,791	.....	276,177,341	.....	7,830,735,401
Total	388,986,804	50,595,646	10,932,174	799,604,308	36,007,045	7,764,082	466,166,631	2,161,636	6,660,943	5,785,678,791	.....	276,177,341	.....	7,830,735,401

2025–26 ESTIMATES

Statutory Forecasts

	2023–24 Expenditures	2024–25 Estimates To Date (dollars)	2025–26 Main Estimates
Budgetary			
Department of Veterans Affairs			
Contributions to employee benefit plans	50,980,262	46,090,039	51,603,928
Veterans Insurance Actuarial Liability Adjustment (<i>Veterans Insurance Act</i>)	.....	175,000	175,000
Minister of Veterans Affairs and Associate Minister of National Defence – Salary and motor car allowance (<i>Salaries Act</i> and <i>Parliament of Canada Act</i>)	94,800	98,600	102,300
Returned Soldiers Insurance Actuarial Liability Adjustment (<i>Returned Soldiers' Insurance Act</i>)	.....	10,000	10,000
Repayments under section 15 of the <i>War Service Grants Act</i> of compensating adjustments made in accordance with the terms of the <i>Veterans' Land Act</i> (R.S.C., 1970, c. V-4)	.....	10,000	10,000
Re-Establishment Credits under section 8 of the <i>War Service Grants Act</i> (R.S.C., 1970, c. W-4)	.....	2,000	2,000
Other Statutory items listed in the Public Accounts of Canada	485,608	.....	.....
Total budgetary	51,560,670	46,385,639	51,903,228

2025–26 ESTIMATES

Expenditures by Purpose

Budgetary	2023–24 Expenditures	2024–25 Main Estimates	2025–26 Main Estimates				Total
			Operating	Capital	Transfer Payments (dollars)	Revenues and other reductions	
Department of Veterans Affairs							
Benefits, Services and Support	5,838,792,540	6,035,584,079	1,885,758,873	.....	5,760,491,791	.....	7,646,250,664
Commemoration	51,223,309	52,432,284	21,689,121	.....	25,187,000	.....	46,876,121
Veterans Ombudsperson	4,680,678	4,853,337	4,863,548	.....	.....	.....	4,863,548
Internal Services	158,369,675	121,161,078	132,745,068	.....	.....	.....	132,745,068
Total	6,053,066,202	6,214,030,778	2,045,056,610	.....	5,785,678,791	.....	7,830,735,401

Interim Supply Requirements

Department of Veterans Affairs

Approved and Pending Items (dollars) (*triage items included*)

Vote No.	Vote wording and explanation(s) of Additional Twelfths	Total Main Estimates	Amount Granted
1	<p>– Operating expenditures</p> <p>– Expenditures related to the upkeep of real property or immovable property, including engineering and other investigatory planning expenses that do not add tangible value to the property, payment of taxes, insurance and public utilities</p> <p>– Expenditures related to, subject to the approval of the Governor in Council,</p> <p>(a) necessary remedial work on properties constructed under individual firm price contracts and sold under the <i>Veterans' Land Act</i> (R.S.C. 1970, c. V-4), to correct defects for which neither the veteran nor the contractor may be held financially responsible; and</p> <p>(b) other work on other properties that is required to protect the Director's interest or right in those properties</p> <p>– The payment to each member of the King's Privy Council for Canada who is a minister without portfolio, or a minister of State who does not preside over a ministry of State, of a salary — paid annually or pro rata for any period less than a year — that does not exceed the salary paid under the <i>Salaries Act</i>, rounded down to the nearest hundred dollars under section 67 of the <i>Parliament of Canada Act</i>, to ministers of State who preside over ministries of State</p> <p>An additional two twelfths are required beyond the normal three-twelfths</p> <p>Reason: To provide payments to Veterans.</p>	1,993,350,382	830,562,660
5	<p>– The grants listed in any of the Estimates for the fiscal year; however, the amount listed for any grant may be increased or decreased, subject to the approval of the Treasury Board</p> <p>– Contributions</p> <p>An additional two twelfths are required beyond the normal three-twelfths</p> <p>Reason: To provide program payments to Veterans.</p>	5,785,481,791	2,410,617,413

BUDGET 2025

- Budget 2025 will provide \$184.9 million over four years, and \$40.1 million ongoing for Veterans Affairs Canada.
- The proposed investments stabilizes processing capacity for disability benefits applications and enables the department to modernize operational processes and IT infrastructure.
- It delivers faster service for Veterans and demonstrates this government's responsibility to ensure all Veterans and their families receive the support and services they need, when they need it from Veterans Affairs Canada.
- The Budget also includes a change in the reimbursement rate for Cannabis for Medical Purposes and amendments to VAC legislation for clarification purposes.

QUICK FACTS & FIGURES**Item(s)**

- There has been more than \$11 billion invested in Veterans' programs since 2019.
- \$40.1 Million annually is provided on an ongoing basis to stabilize the disability benefits workforce and ensure they can provide timely services to Veterans.
- \$12.2 Million is provided for each of the next two years to modernize operational processes and IT infrastructure.

BACKGROUND

The ongoing funding will support faster decisions for disability benefit applications which have been increasing on average 8% per year.

VAC will also adjust the reimbursement rate for cannabis under the Cannabis for Medical Purposes benefit to bring it more inline with the current market price.

Legislative amendments to the *Department of Veterans Affairs Act* and the Veterans Health Care Regulations will clarify VAC's methodology used to calculate the maximum monthly Accommodation and Meals charge in the long term care program on a retroactive and go-forward basis.

Legislative Amendments to the *Pension Act* and the Pension and Allowances Adjustment Regulations will clarify the methodology used to escalate annual adjustments to the disability pensions and other related amounts.

Legislative amendments to the Veterans Well-being Regulations will clarify how the Earnings Loss Benefit was calculated before April 1, 2019.

BUDGET 2025 CLARIFYING AMENDMENTS TO VAC LEGISLATION

- The Fall 2025 Federal Budget directs amendments to Veterans Affairs Canada legislation to clarify its annual calculations of benefit amounts.
- These amendments will not change the amount of benefits that Canadian Armed Forces Veterans will receive.
- For ongoing legal cases it is up to the court to decide how these legislative changes might affect the litigation. Introducing the legislation does not directly determine the outcome of any ongoing lawsuit.
- The legislative amendments are consistent with VAC's well-established policies and practices and will avoid ambiguity going forward.
- Veterans and their families can be confident that their benefits are being calculated transparently and fairly.

QUICK FACTS & FIGURES

Legislative Amendments to the *Department of Veterans Affairs Act* and *Veterans Health Care Regulations* for Accommodation and Meals

- These amendments will clarify the Department’s long-standing methodology used in the calculation of its maximum monthly Accommodation and Meals charge on a retroactive and go-forward basis.
- When determining the maximum monthly Accommodation and Meals charge, the lowest accommodation and meals charges of the provinces should be considered. The amendments clarify that the term “province” in the *Veterans Health Care Regulations* refers to the ten provinces.

Legislative Amendments to the *Veterans Well-being Regulations*

- Amendments will clarify the pro-ration methodology used for the first annual adjustment of certain amounts used in the calculation of the Earnings Loss Benefits (ELB).

Amendments to the *Pension Act* and the *Pension and Allowance Regulations*

- The amendments will clarify the escalation formula for the Disability Pensions and other related benefits for Canadian Armed Forces (CAF) members, Veterans and their survivors and other eligible individuals (including on a retroactive basis).

BACKGROUND

The following Veterans Affairs Canada (VAC) related legislative measures were announced in Annex 5 to Budget 2025:

“In Budget 2025, the government proposes legislative amendments and/or regulations to modify the escalation formula of the Disability Pension, so that the benefit is indexed based on the Consumer Price Index alone, for serving and retired RCMP members and for related benefits, effective January 2027. These proposed legislative amendments and/or regulations would also clarify the escalation formula for the Disability Pension Benefit and related benefits for CAF members, veterans and serving and retired RCMP members (including on a retroactive basis). The government also proposes legislative changes to the *Department of Veterans Affairs Act* and its regulations to clarify the methodology used to calculate the Accommodation and Meals charge in the Long-Term Care Program on both a retroactive and go-forward basis. Legislative measures are also proposed to clarify and make explicit that VAC had the authority to prorate certain indexation adjustments in the calculation of the now repealed Earnings Loss Benefit under the *Canadian Forces Members and Veterans Re-establishment and Compensation Act* and its regulations.”

Amendments to the *Pension Act* and the *Pension and Allowance Regulations* – Annual Adjustment of benefits

VAC administers a mandatory annual adjustment process as outlined in *Pension Act*.

VAC intends to amend the *Pension Act* and relevant regulations to clarify the basic pension amounts from 1985 to 2025, which used the current method of annual adjustment, and to include go forward clarifications of the calculation.

These clarifications will resolve differences in how the calculations are interpreted and avoid ambiguity going forward. There will be no changes to the amount of benefits under the *Pension Act* for CAF Members, Veterans, their survivors and dependent as a result of these changes.

Awards and compensation payable to current and former RCMP members will continue to be based on the rates under the *Pension Act* until 31 December 2026. These benefits will be adjusted using only the change to the consumer price index beginning on January 1, 2027.

Amendments to the *Department of Veterans Affairs Act* and *Veterans Health Care Regulations* to the Accommodation and Meals Charge

Most Veterans and clients in Intermediate Care and Long Term Care and pay a contribution for board and lodging costs, known as an Accommodation and Meals charge. VAC's regulations set the maximum Accommodation and Meals charge determined annually.

VAC has used only the provincial rates in establishing its maximum Accommodation and Meals rate. The *Interpretation Act* defines “province” to be the ten provinces and the three territories in every enactment unless otherwise stated. VAC intends to clarify its use of the term “province” by defining it in the *Veterans Health Care Regulations*.

Amendments to the *Veterans Well-being Regulations* – Earnings Loss Benefit

Retroactive amendments are being made to the *Veterans Well-being Regulations* (previously titled *the Canadian Forces Members and Veterans Re-establishment and Compensation Regulations*) through the *Budget Implementation Act* to clarify and make explicit VAC's authorities for the proration of adjustments for amounts used in the calculation of the Earnings Loss Benefit.

Impact of amendments on litigation

Litigants who have obtained a favorable court judgment under the old law or who have entered into a settlement agreement with the Crown will remain unaffected by the retroactive amendments despite the change in the law. This is the case for class members of the Manuge Settlement.

For ongoing cases such as *White et al.*, it is up to the court to decide how these legislative changes might affect the litigation. Introducing the legislation does not directly determine the outcome of any ongoing lawsuit.

DISABILITY BENEFITS PROCESSING TIMES

- Veterans Affairs Canada disability benefits program recognizes Veterans who have a service-related injury or illness. Each year, nearly \$4 billion is paid to Veterans in disability benefits.
- Over the last nine years, the disability benefits program has experienced a 92% increase in applications and last year alone, applications rose by 7% with more than 86,000 new applications.
- Over the last three and a half years we have improved processing times by 40%.
- If approved, Budget 2025 will provide \$184.9 million over four years, and \$40.1 million ongoing to stabilize the processing capacity for disability benefits applications and allow the department to modernize operational processes and IT infrastructure.
- This investment will provide faster service for Veterans and demonstrates this government's responsibility to ensure all Veterans and their families receive the support and services they need, when they need it from Veterans Affairs Canada.

QUICK FACTS & FIGURES

Processing Times

- Reduced by 40% since 2021/22.
- 39.7 weeks down to 23.9 weeks for the first two quarters of 2025/26
- Reduced gap for Female and Francophone applications. For the first two quarters of 2025-26:
 - 23.8 weeks for female and 23.9 weeks for male
 - 23.1 weeks for Francophone and 24 weeks for Anglophone

Applications

- Application Intake: 92% increase from 2015/16 to 2024/25
 - 86,000 (2024/25) from 63,000 applications (2019/20)
 - 7,200/month (2024/25) from 6,700 (2023/24). Increase of 7%
- Pending Applications (as of September 30, 2025)
 - 44,170 total pending
 - 12,761 over the service standard (backlog)
 - 80% of first applications are from returning applicants.
- Completed Applications:
 - 58,900 completed in 2024/25. Up 6% from 2023/24 (55,700)
 - 5,300 / month completed in 2025/26 YTD (as of September 2025). Up 8% from 2024/25 (4,900 / month).

Modernization

- Budget 2025 announced investments will enable the Department to implement its long-term resourcing plan, ensuring sustained improvements in service delivery and operational efficiency.
- Additionally, if the proposed budget is approved, the Department will modernize and streamline program delivery by improving processes and integrating automation to reduce manual effort, as well as leveraging AI to support decision-makers and improve service consistency. These upgrades, along with IT infrastructure improvements that support disability benefits processing, will enhance efficiency, consistency, and client experience, while reducing processing times and enabling more timely decisions for Veterans.
- 22 Entitlement Eligibility Guidelines (EEGs) have been updated and 11 new ones developed for high volume and complex conditions.

BACKGROUND

Historically, Veterans Affairs Canada's (VAC) capacity to address the processing time issue has been a challenge due to a continuous rise in the number of applications received since 2015-2016 and a lack of stable resource funding.

To keep pace with the rise in demand, the Government committed to a series of temporary funding measures for resourcing and automation.

In November 2023, the Government announced additional funding of \$164.4 million. Part of this investment allowed VAC to retain trained temporary employees dedicated to processing disability benefit applications until March 2026.

The Department has also implemented technological improvements to speed up processing, including faster access to health provider information, streamlined document review, and prepopulated decision letters. Work continues to expand automation of routine tasks and integrate AI tools to assist decision-makers in reviewing large volumes of materials.

The service standard for disability benefits is 16 weeks for first applications and reassessments, and 12 weeks for departmental reviews, met 80% of the time. Complex cases may exceed these timelines, particularly when medical expertise is required.

Applications are fast-tracked for Veterans who are medically at risk, such as those who are palliative, of advanced age, or facing urgent unmet health needs related to their claimed condition.

CANNABIS FOR MEDICAL PURPOSES

- Since 2016, Veterans Affairs Canada has reimbursed cannabis for medical purposes based on the medical authorization provided by the Veteran's healthcare professional.
- Budget 2025 announced a change to the maximum reimbursement rate for cannabis for medical purposes.
- There is no change to Veterans access to cannabis for medical purposes.
- If approved, the reimbursement rate will be lowered from \$8.50 per gram to \$6.00 per gram to better reflect fair market prices, ensuring that the government pays a fair price.
- VAC will continue our approach of evolving as new scientific research and medical guidelines emerge and working with Health Canada as it reviews the *Cannabis Act*.

QUICK FACTS & FIGURES

Cannabis for Medical Purposes Policy

- Established in 2016, the maximum reimbursement rate is currently up to \$8.50 per gram, up to 3 grams/day.
- Reimbursement of amounts over 3 grams per day will only be considered with documentation from a medical specialist.

Program Demographics

- 27,643 Veterans reimbursed in 2024/25
- As of September 30, 2025, there were 28,592 Veterans authorized for VAC reimbursement:
 - 8.02% (2,293) authorized for less than 3 grams per day
 - 66.20% (18,927) authorized for 3 grams per day
 - 25.78% (7,372) authorized for over 3 grams per day
- Top 5 authorized conditions
 - Chronic Pain (48.14%)
 - PTSD (47.76%)
 - Tinnitus (15.06%)
 - Depressive Disorder (13.10%)
 - Anxiety Disorder (10.36%)

Program Expenditures and Potential Savings

Expenditures (millions)	Actual			Forecast			
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
CMP Status Quo	\$168	\$192	\$245	\$312	\$353	\$408	\$464
Budget Adjustment					\$88	\$101	\$110
Adjusted Forecast				\$312	\$265	\$307	\$354

BACKGROUND

VAC implemented the Cannabis for Medical Purposes Reimbursement Policy in November 2016. The reimbursement policy established a limit of three grams per day for dried cannabis or its equivalent in other forms up to a maximum reimbursement rate which is currently set at \$8.50 per gram.

An exceptional approval process was developed as part of the reimbursement policy to assist Veterans who may require more than three grams per day. To add more rigour to this approach, these reimbursement requests may only be approved when supporting documentation is provided from a medical specialist with expertise in the Veteran's diagnosed condition(s).

The policy further explains the information to be included in the supporting documentation from the medical specialist. The following are the four requirements:

- a) the medical rationale for the use of cannabis for medical purposes for the Veteran's condition(s);
- b) the specific quantity over three grams per day being recommended;
- c) a list of contraindications that were considered and confirmed absent; and
- d) a list of alternative treatments that were tried and why they were ineffective or contraindicated.

Health Canada's Cannabis Act and Cannabis Regulations (2018): legalized recreational cannabis. VAC does not reimburse recreational purchases, all cannabis products used for medical purposes must be purchased from federal licensed sellers authorized by Health Canada.

Amendments to Schedule 4 of the Cannabis Act (2019): Updated to include edibles, extracts, and topicals, in addition to dried and fresh cannabis.

VAC has continued to respond to changes and have expanded coverage to include edibles, extracts, and topicals to align with change to the *Cannabis Act*.

Internal Audit (2022): Found rapid program growth, high-dose authorizations, and a small number of authorizers. The audit called for stronger oversight and monitoring.

Cannabis Act and Regulations Review (2025): VAC is collaborating with Health Canada during the review of the *Cannabis Act and Regulations*. Any modifications will be reflected in the Reimbursement Policy for Cannabis for Medical Purposes as appropriate.

NATO SPENDING (2025-26)

- Veteran benefits represent a direct and significant contribution to achieving Canada's NATO target.
- For 2025-26, \$7.3B in benefits and services for Veterans will be included as part of Canada's contribution to NATO spending target.
- The total 2025-26 budget for Veterans Affairs Canada is \$7.9 billion.
- 94% of Veterans Affairs Canada's budget represents benefits or services provided to Veterans, their families and other program recipients.

QUICK FACTS & FIGURES

VAC's Contribution to NATO

- VAC's contribution to NATO spending has increased rapidly due to the growing volume of benefits and services provided to Veterans.
- NATO countries recently agreed to a new NATO defence spending target of 5% (previously 2%). Below is a summary of VAC's contributions to NATO targets by year:
 - 2020-21 - \$3.3B
 - 2021-22 - \$3.8B
 - 2022-23 - \$3.8B
 - 2023-24 - \$4.2B
 - 2024-25 - \$5.5B
 - 2025-26 - \$7.3B
- Trend: Contributions will continue to rise as more Veterans access benefits and services.

Included Programs

- Most of Veterans Affairs Canada's benefits and services are included, such as:
 - Pain and Suffering Compensation
 - Income Replacement Benefit
 - Veterans Independence Program
- Planned spending for 2025–26: \$7.3B

Excluded Programs

- Only a small number of VAC programs are excluded from NATO reporting. Examples include:
 - Research programs
 - Cemetery/Grave maintenance
 - Departmental operations
- Exclusions are limited to items that do not represent direct benefits to Veterans.

Eligible Programs

- NATO and the Department of National Defence (DND) decide which programs and services qualify as NATO spending.
- Ensures consistency across countries in reporting contributions.

BACKGROUND

NATO countries had previously committed to spending 2% of GDP on defence.

Recently, Canada has agreed to a new NATO defence investment pledge to spend 5% of its GDP on defence by 2035. This commitment was made at the 2025 NATO Summit.

Per NATO accounting methodology, program payments to Veterans—particularly Disability benefits—are counted as part of eligible defence spending.

VAC's contribution is based on the number of clients receiving VAC benefits and VAC production levels. As these fluctuate, so too will VAC's contribution to the NATO commitment.

Below is a summary of VAC's contributions by year:

- 2020-21 - \$3.3B
- 2021-22 - \$3.8B
- 2022-23 - \$3.8B
- 2023-24 - \$4.2B
- 2024-25 - \$5.5B
- 2025-26 - \$7.3B

COMPREHENSIVE EXPENDITURE REVIEW 2025

- The Government of Canada launched a Comprehensive Expenditure Review to meet its commitment to responsible, cost-effective spending that delivers results for Canadians.
- Veterans Affairs Canada conducted a review and submitted proposals as part of this process.
- Results of the exercise will be made available in due time as the process continues.

MENTAL HEALTH SUPPORT FOR FAMILIES AND CAREGIVERS

- Veterans Affairs Canada provides support for mental health and improves the quality of life for Veterans, their families, and caregivers.
- Eligible family members and survivors can access mental health treatments, health care benefits, vocational assistance, and financial support, including the Caregiver Recognition Benefit.
- Whether in their communities, through the Veteran Family Program, through Operational Stress Injury clinics, or through the 24/7 toll free Veterans Affairs Canada Assistance Service help line, Veterans and their families can access mental health supports when they need them.
- These supports provide access to counselling and peer support networks to help Veterans and their families through recovery and rehabilitation.

QUICK FACTS & FIGURES

Caregiver Recognition Benefit (CRB)

- \$27.8M was distributed to CRB caregivers in 2024-25.
- 1,953 caregivers are currently receiving CRB.

Operational Stress Injury Social Support (OSISS)

- 2,066 receiving services, which included 1,043 peers participating in group meetings.
- From 2001-2025 more than 20,000 received services.
- Veterans and family members represent 76% of Peers served by OSISS.

Veteran Family Program (VFP)

- 2,635 clients were serviced in 2024-2025.
- 14,000 clients have been serviced by VFP since 2019.

Mental Health Support for Family Involvement (VAC Guidelines)

- Under updated guidelines issued on May 6, 2020, family members may take part in mental health treatment when the Veteran's mental health professional confirms it is required for the Veteran's recovery.
- Family members may participate in Rehabilitation Program mental health services when the assessing or treating professional determines it will help the Veteran meet their rehabilitation goals.

Veterans Independence Program (VIP)

- In 2024–2025, the Veterans Independence Program supported 19,462 Primary Caregivers and 593 Survivors with funding for housekeeping and/or grounds maintenance services.

BACKGROUND

Veterans Affairs Canada (VAC) recognizes the essential role that families and caregivers play in supporting the well-being of Veterans. To reduce strain and ensure families receive the support they need, VAC provides a wide range of mental health, social, practical, and financial supports.

Policy and Program Guidance:

The 2022 Guideline for Funding Mental Health Services Involving Family Members provides clarity on when mental health services for families are covered under Treatment Benefits and Rehabilitation Programs.

The Mental Health Program of Choice (POC) 12 enables funding of mental health services for family members—either in support of a Veteran’s treatment plan or rehabilitation goals. This can include family, group, or couples counselling (with or without the Veteran present), delivered by licensed mental health professionals such as psychologists and social workers.

Mental Health Supports for Families:

Families may participate in counselling and therapy when a treating mental health professional or rehabilitation assessor confirms the involvement is required for the Veteran’s recovery or rehabilitation.

Services may include family, couple, and group therapy, based on clinical need.

The Veterans Affairs Canada Assistance Service (1-800-268-7708; TDD 1-800-567-5803) offers 24/7 confidential psychological support, face-to-face and virtual counselling, bereavement support, referral services, and Pastoral Outreach for spiritual counselling for CAF Veterans and their families.

Clinical and Peer Support Services:

VAC operates a network of 10 Operational Stress Injury (OSI) Clinics and 11 OSI Satellite Service Sites, which deliver mental health assessments and treatment for Veterans and eligible clients.

- Family members may attend educational sessions and counselling when it is clinically required for the Veteran’s treatment.

The Operational Stress Injury Social Support (OSISS) Program provides confidential peer support to CAF members, Veterans, and their families impacted by operational stress injuries.

- Support is delivered by trained peer coordinators and volunteers who are knowledgeable about VAC services and community resources.
- OSISS can be reached toll-free at 1-800-883-6094 or via osiss.ca.

Family and Caregiver Support Programs:

Caregiver Recognition Benefit: a monthly tax-free payment of \$1,239.46 paid directly to Veterans' informal caregivers.

Veteran Family Program (VFP): provides access to all 32 Military Family Resource Centres across Canada, including the Family Information Line and CAFconnection.ca.

Veteran Family Telemedicine Service: provides one year of virtual health care access post-release, including prescriptions and renewals, lab requisitions, doctor's notes, and referrals.

Mental Health First Aid for the Veteran Community: available virtually and in person to family members and caregivers.

Digital and mobile tools: families can access online supports such as PTSD Coach Canada, OSI Connect, LifeSpeak, and the Operational Stress Injury Resource for Caregivers.

Employment, Education, and Independence Supports:

Career Transition Services (CTS): offers career counselling and coaching.

Vocational Assistance: available to spouses when the Veteran cannot participate in vocational rehabilitation.

Veterans Independence Program (VIP): provides housekeeping and grounds maintenance services to support the independence of survivors and dependents.

Ombud Recommendations and Parliamentary Action:

In 2021, the Office of the Veterans Ombud recommended government-funded mental health treatment for family members in their own right when their mental health condition is related to military service, regardless of the Veteran's treatment needs.

The Minister of Veterans Affairs responded that the Veterans Health Care Regulations do not currently authorize direct treatment benefits for family members alone but committed to providing alternative resources wherever possible and being as flexible as the legislation allows.

On October 29, 2025, MP Blake Richards presented e-petition P-451-00214 in the House of Commons, urging the Government to act on the Ombud's 2021 recommendation to provide government-funded mental health treatment to Veterans' family members independently of the Veteran's treatment plan. The Government's response is expected to table early December 2025.

- Q-401 by MP Cathay Wagantall (expected to be tabled November 19, 2025) asks about the Government's current position and progress on implementing this recommendation, including communications, actions, and steps taken.
- Both items are closely related: Q-401 aligns with Richards' petition P-451-00214.

EMPLOYMENT FOR VETERANS

- When Veterans leave the military, they can bring their valuable skills and expertise developed through service to a second career.
- Employment after service plays a key role in the well-being of Veterans, supporting financial stability, restoring purpose, and fostering social connection.
- The National Veterans Employment Strategy is designed to promote Veteran employment, support employers and make it easier for Veterans to translate their skills to build a post military career.
- We are working with certifying bodies to improve recognition of military training and skills, helping Veterans transition into civilian professions. This will allow Veterans to use their skills and their leadership across job sectors to help build Canada strong.
- VAC is currently reviewing the deliverables of the National Veterans Employment Strategy to identify the elements that can be effectively measured. This includes assessing indicators such as Veteran participation in services, programs, and engagement forums.

QUICK FACTS & FIGURES

Employment Landscape

- On average 7,800 CAF members release each year, with about 2/3 seeking civilian employment after service.
- 65% of Regular Force Veterans are employed within their first 3 years post-release (2019 LASS)
- 28% of Veterans report experiencing difficulties finding civilian work, citing challenges such as credential recognition, health barriers, and lack of networks.
- Veterans had a slightly lower unemployment rate (8.6%) compared to the general population (10%) (2021 Census)
- In 2023-24, 193 Veterans self-identified as new hires into the Federal Public Service under one of the provisions available (mobility, preference, priority).

The National Veterans Employment Strategy

- 1,200 consultations: Veterans, employers, and stakeholders engaged in shaping the National Veterans Employment Strategy.
- 4 strategic priorities: Improve services, create Veteran Ready employers, position the public service as leader, and build partnerships.
- 90% of Strategy roadmap items are underway and 50% of actions have been implemented. This work will be continuous, the department is always striving for continuous improvements and partnerships with new initiatives to expand and nurture the robust employment ecosystem.

Engagement and Partnerships

- 7,100+ registrations with over 400 employer presentations delivered through Career Webinars and Digital Career Fairs over the last three years.
- Over 6,600 members in the *Hire a Veteran* LinkedIn Group with over 600 employer representatives actively engaged posting dozens of new job postings each week.
- Key partnerships built with stakeholders including Helmets to Hardhats, True Patriot Love, Treble Victor Group, Coding for Veterans and Soldiers in Tech.

Employment Programs and Services

- Career Transition Services: available to Veterans, survivors, and families – providing job coaching, resume and interview prep, and direct job placement. Approximately 90-100 new candidates each month seek support from CTS averaging a steady-state of 1,000 active candidates.
- Veterans Job Bank: centralized hub for job postings, developed with Employment and Social Development Canada (ESDC) in 2020.

- *Veterans Hiring Act* amendment and the *Public Service Employment Act (2015)*: amended to grant priority hiring status for medically released Veterans.

BACKGROUND

Veterans Affairs Canada (VAC) is committed to ensuring that Canadian Armed Forces (CAF) members and Veterans are supported in their transition to life after service. Employment is a critical component to overall well-being, providing stability, a renewed sense of purpose, and social connection.

The 2021 Census showed Veterans had a slightly lower unemployment rate (8.6%) compared to the general population (10%). Data from Census 2026 will serve as a benchmark for us to know what is working and what is not working under the Strategy. VAC is now reviewing all NVES deliverables to identify what can be measured, including the Employer Recognition program and Veteran's participation in various services, offerings and forums.

On June 28, 2024, VAC launched the National Veterans Employment Strategy (NVES). This strategy represents a major milestone in advancing Veteran employment outcomes, shaped by more than two years of research and consultation with over 1,200 Veterans, employers, and stakeholders across Canada.

The NVES is built around four foundational objectives:

1. **Improved Services and expand programs** for Veterans.
2. Create and recognize **“Veteran Ready” employers** committed to hiring, training, and retaining Veterans.
3. Position the **Federal Public Service as a leader** in Veteran employment.
4. Build **trusted partnerships** across public, private, and not-for-profit sectors.

Key Initiatives

Career Transition Services (CTS): Offers coaching, resume and interview preparation, job placement, and entrepreneurship support for Veterans, survivors, and families.

Career Webinars: Over 7,100 Veteran registrations and 400 employer presentations, with hundreds of direct employer connections facilitated.

Hire a Veteran LinkedIn Group: More than 6,600 members, including 600 employer representatives, with dozens of new opportunities posted weekly.

Veteran Job Bank: A on-stop online hub for employers to post jobs directly for Veterans, developed with Employment and Social Development Canada (ESDC) in 2020.

Skills Translation and Accreditation: Collaboration with certifying bodies and regulators to recognize military training and translate experience into the civilian workforce.

Partnerships: Ongoing collaboration with organizations such as Helmets to Hardhats, True Patriot Love Foundation, Treble Victor Group, Coding for Veterans, and Soldiers in Tech.

RIGHT OF FIRST REFUSAL (RFR) POLICY

- The Government of Canada is committed to the successful transition of Veterans from military to civilian life. This includes Veteran employment, a key factor in the overall well-being of Veterans and their families.
- The Right of First Refusal Policy has been providing employment opportunities for Veterans for over 75 years.
- It is a procurement preference that requires federal government departments to request guard services from the Corps of Commissionaires (the Corps) before seeking services from other security guard suppliers.
- On April 1, 2023, VAC implemented the *Policy on Procurement of Guard Services* to continue the RFR until March 31, 2026.
- During this three-year period, VAC has been re-assessing the policy and its requirements, engaging with stakeholders, and evaluating the RFR's continued relevance in supporting Veteran employment.

QUICK FACTS & FIGURES

Cost

- The Government of Canada spends approximately \$350M annually through RFR contracts with the Corps.

Policy Requirement for Veteran-worked hours

- The RFR Policy requires that:
 - a minimum of 60% of all hours worked under RFR contracts in each fiscal year are to be worked by Veterans;
 - the Corps provide Public Services and Procurement Canada (PSPC) with reports on its performance as it relates to Government contracts; and
 - VAC request a corrective action plan from the Corps if in non-compliance with the 60% requirement for Veteran-worked hours.

Challenges meeting the 60%

- Since 2013/14, the Corps has not been meeting the 60% Veteran-worked hours requirement.
- Despite attempts to improve performance in this regard, the percentage of Veteran-worked hours continues to decline and is currently at 27% nationally.
- Approximately 4,200 Veterans are currently working in various positions within the organization (according to the latest report provided by the Corps, 3,181 are working as guards under RFR contracts).

BACKGROUND

Original Policy

The Right of First Refusal (RFR) Policy was established in 1945 to provide employment opportunities for Veterans while also meeting the security needs of Government.

Initially, the RFR was the responsibility of the Treasury Board Secretariat (TBS) under the Common Services Policy with administrative responsibilities under *the Financial Administration Act*.

This policy was rescinded and archived on March 31, 2023.

Current Policy

In February 2023, Treasury Board delegated to the Deputy Minister of Veterans Affairs Canada, the authority under the *Financial Administration Act* to issue, administer, amend, or rescind an administrative policy to implement the RFR from April 1, 2023 to March 31, 2026.

The current RFR Policy is being implemented in the same manner it has been implemented historically with VAC now responsible for its administration. There is a requirement that VAC request a corrective action plan from the Corps to explain how progress will be made towards improving performance as it relates to Veteran hours worked. This has resulted in the Corps submitting a “Sustainable Employment for Veterans” report in October 2024 to outline the role the Corps plays in supporting Veterans as well as the challenges and issues being faced in the current employment landscape. Although the report outlines various steps the Corps is taking to overcome these challenges, it confirms that the number of Veterans working under the RFR is well below the 60% Veteran-worked hours requirement.

As the Government of Canada’s central purchaser, Public Services and Procurement Canada (PSPC) continues to be responsible for contracting guard services on behalf of federal organizations in accordance with the requirements of the RFR.

In 2024, VAC launched the National Veteran Employment Strategy (NVES) which is designed to address existing gaps and leverage opportunities that may exist for new and improved supports for Veterans.

EDUCATION AND TRAINING BENEFIT POLICY

- The Education and Training Benefit was implemented in 2018 and provides full support for the costs of up to four years of college, university, or technical education for Veterans after completion of their service.
- This benefit includes up to \$99,156.80 (annually indexed to Consumer Price Index) of formal funding for post-secondary programs.
- To be eligible for formal funding, a program must lead to the completion of a degree, diploma, certification or designation from an educational institution on Employment and Social Development Canada's Master List of Designated Institutions, and run at least twelve weeks within a fifteen-week period or full-time equivalent.
- A short course funding stream up to \$6,197.29 is also available for those who are interested in completing courses or programs of personal interest that do not meet the criteria noted above.
- The Department is currently reviewing program eligibility criteria and stakeholder recommendations to determine any potential program improvements.

QUICK FACTS & FIGURES

Uptake and Expenditures .

- VAC completed 2,455 eligibility applications in 2024-25. 96% of the applications were completed within the 4-week service standard.
- 1,726 Veterans received ETB payments in 2024-25.
- The forecasted ETB expenditures for 2024-25 were \$32.9M.

Eligibility

- ETB funding may be provided to a Veteran who has:
 - (a) served for a total of at least six years in the regular force, in the reserve force or in both; and
 - (b) was honourably released from the Canadian Forces on or after April 1, 2006 or was transferred from the regular force or another subcomponent of the reserve force to the Supplementary Reserve on or after that date.

Formal Programs

- Formal program funding of up to \$99,156.80 (annually indexed to CPI) may be provided for post-secondary program training that would lead to a degree, diploma, certificate or certification.
- The funds are intended to cover education costs such as tuition, required course materials as well as materials or fees that are part of the program.

Short Courses

- A short course funding stream of up to \$6,197.29 is also available to enable Veterans to complete courses that relate to personal interest and career development.

Evaluation and Reviews

- In 2022, VAC's Audit and Evaluation completed an evaluation which found that the ETB is working well.
- Eligibility was determined to be appropriate, and based on Veteran feedback, it was determined to be meeting expectations.

BACKGROUND

VAC created the Education and Training Benefit (ETB) in 2018 to help Veterans successfully transition to post-military life, achieve their education and future employment goals, and better position them to be more competitive in the civilian workforce.

The ETB was implemented in 2018 and includes up to \$99,156.80 (annually indexed to CPI) in formal program funding for post-secondary program training that would lead to a degree, diploma, certificate or certification. The funds are intended to cover costs such as tuition, required course materials and materials or fees that are part of the program.

A short course funding stream is also available to Veterans who are interested in completing courses of personal interest. This stream of funding includes up to \$6,197.29 (annually indexed to CPI) which may be used for short courses designed for self-fulfillment and career or personal development.

The ETB has evolved consistently since 2018, VAC has been positively reactive in accommodating reasonable requests from stakeholders.

- 2019: legislation was updated to make Supplementary Reservists eligible for the benefit.
- 2021: policy revised to include technical education programs of shorter duration under formal program funding. Programs falling into this category are career-focused, intensive, and many involve a combination of classroom and hands-on learning.

Audit & Review

An evaluation of the ETB and the Career Transition Services (CTS) program which was published in October 2022.

- It found that the ETB was meeting Veterans' expectations, eligibility requirements were appropriate, and the program did not seem to be incentivizing CAF members to release.
- The evaluation recommended that VAC undertake efforts to review the regulated maximum amount available for ETB short courses and consider whether costs of licensing exams and fees should be included.
- VAC conducted internal policy analysis on the matter and is considering options in the context of various recommendations made by stakeholders, including the VAC Ministerial Policy Advisory Group.

The ETB regulations were reviewed in 2024 as part of VAC's Regulatory Stock Review Plan 2024-2026. No amendments were recommended.

CAF SALARY INCREASE

- The Government of Canada is committed to ensuring that members of the Canadian Armed Forces are properly compensated for their service.
- On August 8, 2025, the Prime Minister announced pay increases retroactive to April 2025 - as well as new benefit and compensation initiatives which will be rolled out over the next twelve months.
- These increases will contribute to Canada's commitment to meet NATO's military spending target and better enable CAF meet recruitment targets in the coming years.
- The calculation of the Income Replacement Benefit (IRB) delivered by Veterans Affairs Canada is based upon monthly military salary – accordingly, the recently announced increases in monthly military salary will be reflected in IRB calculations for eligible Veterans who release on or after April 1, 2025.

QUICK FACTS & FIGURES

VAC Contributions to Canada's NATO Commitments

- VAC is the second largest contributor (after DND) to Canada's NATO spending.
- Over the past 10 years VAC's contribution has increased from \$2.1B to \$7.3B.

Releasing CAF Members – Statistics

- An average of 6,800 Veterans released from CAF each year over the past 5 years; of these, approximately 1,860 (27%) released medically each year.
- Regular Force members are more likely to release medically and access the Income Replacement Benefit (IRB).
 - Of the 21,200 CAF members who released from the Regular Force over the past 5 years – of these, approximately 8,400 (40%) released medically.

Income Replacement Benefit - Statistics

- In 2023/24:
 - 31,477 IRB clients;
 - \$1.26B in program expenditures.

BACKGROUND

In keeping with its commitment during the 2025 Federal Election, on August 8, 2025, the Government formally announced its intention to increase CAF salaries, as well as introduce new pay benefits and compensation initiatives.

The Department of National Defence (DND) is implementing increases on top of base pay retroactive to April 1, 2025. Additionally, DND will introduce additional allowances and benefits including a new Military Service Pay benefit, calculated based on years of service, over the next 12 months (details forthcoming).

These changes to CAF pay will contribute to Canada's commitment to meet our current NATO defence spending target of 2%, and to increase this spending to 5% of annual GDP in defence by 2035 (of which 3.5% will be focussed on direct defence spending).

These increases are also expected to assist in DND's recruitment efforts.

Income Replacement Benefit

VAC's Income Replacement Benefit (IRB) recognizes and compensates eligible Veterans for the economic impacts that health problems, resulting primarily from service, have on their ability to earn income and save for retirement.

The calculation of the IRB ensures that eligible Veterans under the age of 65 receive benefits equivalent to 90% of their "imputed income" while they are participating in VAC's Rehabilitation Program. For most Veterans, this "imputed income" is equivalent to 90% of their monthly military salary at release adjusted forward until IRB is payable.

Accordingly, the increases to CAF salary (excluding bonuses and allowances, which are not included in the calculation of IRB) will result in commensurate increases to IRB.

VETERAN HOMELESSNESS

- Veteran homelessness in Canada is unacceptable; Veterans deserve a safe and affordable place to live.
- Veteran homelessness is a complex issue that requires a coordinated, sustained approach. The Government is actively working with communities and partners to reduce its occurrence and to prevent it whenever possible.
- The Government welcomes the opportunity to improve Veteran well-being through the programs that will be administered by Build Canada Homes.
- Veterans Affairs is working closely with Housing, Infrastructure and Communities Canada and other stakeholders on initiatives to support Veterans experiencing, or at risk of homelessness.
- Veterans Affairs is working at the local level to connect Veterans with community organizations and property developers/managers who build/administer affordable housing in their area.

QUICK FACTS & FIGURES

There are an estimated 461,240 Canadian Veterans (Census 2021).

As of October 2025, there are an estimated 1,800 Veterans who experience homelessness across Canada over the course of a year (based on 2024 shelter information and Point-in-Time counts). This number is down from about 2,000 based on the previous data from 2023.

Overall numbers show a steady downward trend over several years (except during COVID).

Veteran Homelessness Program - Administered by Housing, Infrastructure and Communities Canada (HICC):

- \$106.8M over 5 years
- Launched in 2023, began serving Veterans in 2024
- 1,460 Veterans have been served under the VHP (Year 1 results based on 93.5% of results reported, reflect Veterans served up until March 31, 2025)
- Funding is being delivered under two streams:
 - 28 organizations have received funding under the Services and Supports Stream which focuses on the delivery of rent supplements and wrap-around services
 - 6 organizations have received funding under Capacity Building Stream which focuses on research and improved data collection on Veteran homelessness, as well as increasing capacity of organizations
- Rent supplements + wraparound supports being provided to help Veterans stabilize and maintain housing once secured.
- Partnering with community organizations Canada-wide.
Part of Reaching Home: Canada’s Homelessness Strategy.

Year 1 Results (2024-25): Based on 29 of 31 (93.5%) of projects

• Total Veterans Served	• 1,460
• Total served includes:	
• Rent supplements Provided	• 200+
• Veterans experiencing homelessness who obtained stable housing	• 233
• Veterans at imminent risk of homelessness who received a prevention or shelter diversion intervention	• 1,053
All 1,460 Veterans served received wrap around supports through the program	

Funding:

• \$106.8m	• Total funding for program
• \$72.9m	• Program Funding for Services and Supports Stream
• \$6.2m	• Program Funding for Capacity Building Stream
• \$27.7m	• Administrative Costs for HICC (no admin funding for VAC)

BACKGROUND

Veterans Affairs Canada Supports

VAC provides case management to Veterans who have complex needs.

Case managers work with local partners, including the organizations receiving Veteran Homelessness Program (VHP) funding, to connect Veterans to housing and wrap around supports. Additionally, front-line staff members conduct **regular outreach** with local organizations.

- **Veterans Emergency Fund (VEF)** provides emergency financial support to Veterans, their families and survivors at risk due to an urgent and unexpected situation.
- **Veterans and Family Well-Being Fund** provides funding to organizations for research and initiatives that support Veteran well-being, including those helping Veterans experiencing homelessness.

VAC shares information about available supports through our **publications and social**

media platforms.

VAC also engages community partners through initiatives such as the Military Veteran Wellness Program, which helps frontline professionals (e.g., police and first responders) identify and refer Veterans they encounter in their work.

First Report of the Standing Committee on Veterans Affairs, *Moving Towards Ending Homelessness Among Veterans (2022)*

The Government agrees with the Committee that homelessness is a complex issue for which the solution requires numerous, coordinated interventions. The Government is taking action through initiatives like the VHP, which provides rent supplements and wraparound services to Veterans experiencing or at risk of homelessness.

VAC continues to work with Housing, Infrastructure and Communities Canada to deliver this program and collect data to better understand the issue. The Government also continues to collaborate with federal, provincial, territorial, and community partners to improve supports and services for Veterans.

The most recent data sources indicate that the number of Veterans experiencing homelessness, including those experiencing hidden homelessness, has decreased to approximately 1,800 from 2,600 in 2019.

The government is taking a "whole-of-government, evidence-based, and collaborative approach" to end Veteran homelessness by:

- Investing in housing and supports
- Funding innovative community projects
- Improving coordination and service delivery
- Focusing on data and research
- Engaging stakeholders across Canada

NATIONAL MONUMENT TO CANADA'S MISSION IN AFGHANISTAN

- The National Monument to Canada's Mission in Afghanistan will recognize the commitment and sacrifice of the Canadian Armed Forces members and civilians who served in Afghanistan, and the support provided to them by Canadians at home.
- On June 19, 2023, the Government of Canada announced that it had selected a design and conceptual approach for the Monument submitted by a design team lead by Adrian Stimson, and member of the Siksika Nation who spent time as an artist with Canadian Armed Forces in Afghanistan.
- The decision to select the Team Stimson design reflected the feedback of Veterans, their families, and others who served on the mission.
- On June 19, 2025 the National Capital Commission (NCC) Board of Directors granted the final federal design approval for the Monument, based on Team Stimson's design.
- On September 23, 2025, project authority to proceed with tendering for the construction phase of the project was granted during the NCC Board of Directors meeting.
- Construction of the Monument is estimated to begin in Spring 2026 and completed in 2028, with a dedication and unveiling ceremony following the end of construction.

QUICK FACTS & FIGURES

- The National Capital Commission (NCC) granted final approval for the Team Stimson Monument design on June 19, 2025, clearing the way for the final construction and unveiling steps in the project. The concept for the NMCMA is complex with significant details in terms of symbolism, text and design. Tariffs, material availability and specialized skill set for the construction will impact timelines.
- On September 23, 2025, project authority to proceed with tendering for the construction phase of the project was granted during the NCC Board of Directors meeting.
- Tendering is expected to take place in late 2025 to award a contract in 2026.
- A Sod Turning event is expected to take place in 2026 marking the official start of the construction phase of this initiative.
- The unveiling of the NMCMA is expected in 2028.
- Over 40,000 Canadian Armed Forces (CAF) deployed to Afghanistan between 2001 and 2014. Many Canadians died as a result of their service in Afghanistan, including 158 CAF members and 7 civilians - a diplomat, foreign aid workers, a government contractor and a journalist. The mission in Afghanistan is Canada's fifth most costly military engagement in terms of lives lost, with thousands of additional physical and psychological casualties.

BACKGROUND

On May 8, 2014, the Government of Canada announced that a monument would be built to commemorate the Afghanistan mission. Veterans Affairs Canada is responsible for funding the Monument, Canadian Heritage is the project manager and the National Capital Commission is responsible for project implementation and assumes ownership of the monument when completed.

In June 2019, the National Capital Commission Board of Directors approved the Monument site located across from the Canadian War Museum on LeBreton Flats.

In August 2019, Canadian Heritage launched Phase one of the design competition, inviting teams of professional artists, architects, landscape architects, and other urban design professionals to submit their qualifications.

In May 2020, five finalist design teams were selected by a seven-member independent jury established for the design competition process.

From May 20 to June 9, 2021, Canadian Heritage coordinated an online viewing and an online survey on the finalist design concepts, with more than 12,000 responses received.

In November 2021, the seven-member jury selected the design by Team Daoust as the finalist in the design competition process.

After consideration, the Minister of Veterans Affairs decided to select the Team Stimson design concept for the Monument as the design best reflected the comments made by Veterans, their families and other mission participants in the online survey.

On October 31, 2023, the Standing Committee on Veterans Affairs (ACVA) commenced a study of the National Monument to Canada's Mission in Afghanistan, following the decision to select Team Stimson's design.

In February 2025, Veterans Affairs Canada reached a settlement with Team Daoust, the design team selected by the Jury. The terms of the settlement are subject to a confidentiality clause and are therefore not public.

On September 26, 2024, Veterans Affairs Canada participated in a site blessing at the future location of the National Monument to Canada's Mission in Afghanistan where the Pikwàkanagàn and Kitigan Zibi Anishinabeg First Nations blessed the lands of the site. Site blessings are deeply rooted in many Indigenous cultures and are performed to honour the spirits of the land, protect the site and ensure harmony and balance during the construction process. The blessing is a meaningful first step to prepare the site for sod-turning and eventual construction of the Monument to Canada's Mission in Afghanistan.

LAST POST FUND'S NATIONAL FIELD OF HONOUR

- We are working with the Last Post Fund to ensure that the National Field of Honour remains a solemn place of commemoration.
- The Last Post Fund is an important stakeholder, as the organization delivers the Department's Funeral and Burial Program and supports Canada's Veterans and their families.
- The Last Post Fund has asked the Government of Canada to take over the cemetery.
- The Department is in the final stages of required due diligence on this request and will continue working closely with the Last Post Fund.
- The due diligence work is expected to be completed in December 2025.

QUICK FACTS & FIGURES

- There are hundreds of Fields of Honour across Canada (Fields of honour represent a group of Veteran graves).
- NFOH is the largest private military cemetery in Canada.
- Veterans Affairs Canada maintains approximately 250,000 eligible Veteran grave markers in over 7,800 cemeteries across the country.
- In Budget 2018, the Government of Canada announced an investment of \$24.4M over five years for Veteran grave marker maintenance. Over 110,000 repairs were made to Veteran graves in cemeteries across the country.
- A portion of the project funding was also used to repair infrastructure at cemeteries with large numbers of Veteran graves, including the Last Post Fund National Field of Honour where VAC invested approximately \$1.57M from 2018-19 to 2022-23.
- The additional funding and work completed since 2018 have positioned us well to continue the important task of honouring Canada's Veterans and preserving their legacy. We will carry on visiting the gravesites of Canadian Veterans, inspecting their grave markers, and ensuring they receive the care they deserve.
- VAC owns and operates two small legacy cemeteries — Veterans Cemetery (God's Acre) in BC and Fort Massey Cemetery in NS — both acquired in the 1940s. The cemeteries and the Grave Marker Maintenance Program are supported by an annual maintenance budget of \$1.25 million. No new cemeteries have been acquired by VAC since the 1940s; the NFOH is significantly larger and more complex to operate than existing departmental cemeteries.
- The National Military Cemetery at Beechwood is maintained in partnership with other federal entities; VAC funds only horticultural services through its existing mandate.

BACKGROUND

The Last Post Fund (LPF) was established in 1909 to ensure all military Veterans receive a dignified funeral and burial. The non-profit organization delivers VAC's Funeral and Burial Program. In 1930, the organization created its own cemetery dedicated to Veteran burials, called the LPF National Field of Honour, in Pointe Claire, Quebec.

VAC is not presently involved in operating or funding the LPF National Field of Honour; however, the Department invested approximately \$1.57M in grave marker maintenance at the cemetery from 2018-19 to 2022-23. This was part of the five-year, \$24.4M commitment announced in Budget 2018 for Veteran grave marker maintenance. Additionally, VAC has provided funding through the Commemorative Partnership Program to support ceremonies at the cemetery and repairs to the Gate of Remembrance. The Department also supports community war memorial projects for LPF branches across the country.

In March 2020, the LPF wrote to the Minister of Veterans Affairs requesting that VAC "take steps to add the National Field of Honour to the other military cemeteries in Canada which it already owns and operates." The LPF proposes a gratuitous transfer of ownership of the cemetery and a transfer of any remaining funds in their Perpetual Care Fund (estimated at \$900K in January 2025).

As part of its due diligence on this request, VAC sought assistance from Public Services and Procurement Canada (PSPC) to conduct a review of the site to determine the investment required to bring it into compliance with regulations for Crown properties. The site assessment took place from 2021 to 2023 and included site operations and management, health and safety, accessibility, heritage and the environment. The final report for this phase was received by VAC in January 2024.

In May 2024, a member of parliament, opened a petition for signature to call upon the Government of Canada to consider making "a full public commitment in 2024 to assume oversight, management and funding of the Last Post Fund National Field of Honour." The response tabled on 18 November 2024 indicated that VAC will continue working with the LPF to ensure the National Field of Honour remains an appropriate and respectful final resting place for Veterans for many years to come.

VAC continues to conduct due diligence. In 2025-26, PSPC is undertaking the following work: phase three of the environmental assessment, geomatics (survey plan), archaeological opinion, market value appraisal, title search (conducted by Justice Canada), hazardous materials evaluation and water analysis and well inspections. The work is expected to be completed by December 2025

LPF has assured the Department that they would provide their support as needed to facilitate the process. Likewise, VAC reiterated the commitment to keep LPF apprised of any new developments and we work towards ensuring the NFOH remains a respectful final resting place for Veterans.

SITUATION IN UKRAINE

- Canada and the Ukraine have deep and long-standing bilateral ties. Canada has provided strong support for Ukraine's sovereignty, territorial integrity, independence, and reform efforts.
- The Government of Canada signed the Agreement on Security Cooperation between Canada and Ukraine with the Government of Ukraine in February 2024.
- Veterans Affairs Canada is responsible for two objectives in this agreement:
 - sharing strategies, standards, frameworks, and best practices for supporting Veterans; and
 - sharing expertise, evidence, and guidance in the implementation of programs and services for Veterans of war and family members.
- A subsequent Memorandum of Understanding (MoU) was signed on February 11, 2025, at the 2025 Invictus Games in Vancouver, BC to support these objectives.
- Work is underway to share strategies, frameworks, and best practices for Veterans of war and family members to the Ministry of Veterans Affairs of Ukraine.
- Veterans Affairs Canada provides services and benefits to Veterans who are injured or become ill while serving with the Canadian Armed Forces.
- Anyone who is injured or becomes ill as a result of circumstances unrelated to Canadian military service is not eligible for benefits.

QUICK FACTS & FIGURES

Key Objectives Identified in the MoU

- VAC met with officials from the Ministry of Veterans Affairs of Ukraine in late October, during which the Ukrainian delegation shared information about their department, outlined their priorities, and identified areas where VAC could support them.
- A follow-up meeting is scheduled for December, during which VAC will determine the best approach to begin sharing best practices related to support for Veterans and their families with the Ukrainian Ministry.

Humanitarian and Casualty Overview

- Civilian casualties: As of June 2025, the UN reports at least 13,580 civilians killed and 34,115 wounded in Ukraine.
- Military losses: The UA Losses project (Ukraine) records 70,935 Ukrainian soldiers killed, with 64,995 missing and 6,087 captured. For Russian forces (excluding DPR/LPR), BBC and Mediazona document 124,832 confirmed killed up to August 2025.

Displacement & Population

- Pre-war population: Ukraine's population has declined significantly, from around 44 million (2021) to an estimated 33 million in 2025.
- Refugees abroad: As of mid-2025, over 6.9 million Ukrainians are registered refugees globally, with large numbers in Germany (~1.2 million), Poland (~1 million), and the Czech Republic (~400,000).
- Internal displacement: Approximately 4 million people remain displaced within Ukraine.

Economic & Infrastructure Impact

- GDP contraction & recovery: Ukraine's GDP shrank by ~28.8% in 2022, then rebounded with a 5.3% growth in 2023, and a ~13% increase in GDP per capita.
- Economic damage: Estimates suggest total damage to Ukraine's infrastructure and economy exceeds \$700 billion (per Ukrainian PM) or \$138 billion (KSE).
- Sector performance: In 2025, Ukraine's economy is projected to grow around 2.5%, signaling gradual recovery.

BACKGROUND

In February 2022, Ukraine invited foreign nationals to join its military in response to the Russian invasion. Since this time, citizens of a number of countries, including Canada, have reportedly travelled to Ukraine to be part of the International Legion of Territorial Defence of Ukraine.

Canada's Foreign Enlistment Act prohibits Canadians from enlisting in the military or navy of a foreign state at war with a friendly state. This means that in a conflict where Canada is neutral, Canadians cannot join the armed forces of a hostile party.

Global Affairs Canada continues to advise all Canadians against travel to Ukraine and Russia. As Global Affairs Canada's ability to provide consular services in Ukraine is severely limited, Canadians cannot depend on the Government of Canada to assist Canadians in leaving Ukraine.

Anyone who is injured or becomes ill as a result of circumstances unrelated to service with the Canadian Armed Forces is not eligible for Veterans Affairs Canada benefits. This includes the current situation in Ukraine.

The Government of Canada has not provided services and benefits to Canadians who served in past conflicts where Canada was not a participant (i.e. Vietnam War, Spanish Civil War and American Civil War). Five Eyes Veterans Affairs' partners have confirmed they are not providing benefits to citizens, including Veterans, who join the International Legion of Territorial Defence of Ukraine.

Any impacts on Veteran benefits and services will be assessed on a case by case basis as Veterans who travel to Ukraine come forward.

MEDICAL ASSISTANCE IN DYING (MAiD)

- Medical Assistance in Dying (MAiD) is not a service offered by Veterans Affairs Canada (VAC). It is a deeply personal medical decision between a patient and their health care provider. VAC employees have no role or mandate to raise or recommend it.
- Our focus remains on supporting Veterans and their families with dignity and respect.
- Our employees are trained to refer Veterans who inquire about MAiD to their primary health care provider, and to focus solely on ensuring Veterans and their families are aware of the full range of benefits and supports available to them.
- Veterans Affairs Canada is aware of court action filed related to Medical Assistance in Dying. It would be inappropriate for the Department to comment further on any details.

QUICK FACTS & FIGURES

Remedial actions

- Comprehensive investigation launched in August 2022.
- Review of 402,000 client files across three systems dating back to 2016.
- Confirmed four inappropriate cases, all involving a single employee. Employee is no longer with the Department.
- Mandatory training on MAiD implemented for all staff.
- Ongoing reminders and directives issued to front line staff.

Litigation involving MAiD

- Two lawsuits filed against VAC since January 2018 related to MAiD.
- One lawsuit has been settled; terms are confidential.
- One lawsuit is ongoing.

Scope of MAiD

- Responsibility lies with provincial/territorial health systems.
- Administered by physicians or nurse practitioners, in accordance with federal safeguards.
- Not a VAC program or service.

BACKGROUND

Concerns about Medical Assistance in Dying (MAiD) and Veterans Affairs Canada (VAC) first came to light in August 2022, when the Department learned of an incident in which an employee inappropriately raised the topic of MAiD with a Veteran. VAC immediately took action by apologizing to the Veteran, launching a comprehensive investigation, and putting safeguards in place to prevent this from happening again.

VAC reviewed over 402,000 unique client files across three systems, dating back to 2016. This review confirmed four cases of inappropriate MAiD discussions, all involving the same employee. This evidence showed this was not a systemic issue, but an isolated case. The employee is no longer with the Department.

Following the investigation, VAC strengthened its guidance and oversight. Mandatory training on MAiD was introduced for all staff, along with clear directives that employees must not raise or recommend MAiD under any circumstances. Regular reminders are also issued to front-line staff to reinforce these expectations.

MAiD is not a VAC program or service. Decisions about MAiD fall within provincial and territorial health care systems and are administered by physicians or nurse practitioners under federal safeguards. VAC employees have no mandate to recommend or discuss MAiD. Their role is to support Veterans by ensuring they are aware of the full range of benefits, programs and community resources available, and to refer any inquiries about the Veteran's primary care provider.

VETERANS REVIEW AND APPEAL BOARD DECISIONS

- The Veterans Review and Appeal Board is an independent, quasi-judicial tribunal that operates at arm's length from Veterans Affairs Canada and from me as Minister. The Minister does not—and cannot—interfere in its decisions.
- The Board's high rate of favourable decisions reflects its mandate to give Veterans every benefit of the doubt, as required by law. This includes considering new medical evidence, changes in policy, and personal testimony from Veterans themselves.
- Many favourable decisions are not reversals of VAC decisions, but increases in benefits for conditions that were already recognized. This shows the system is working to ensure Veterans receive the full support they are entitled to.
- The Board's decisions are guided by legislation, legal precedent, and a robust quality assurance framework. Veterans also have access to free legal representation to help them navigate the appeal process.
- Ultimately, the Board exists to ensure fairness and justice for Veterans. Its independence is a cornerstone of that mission, and I fully support its role in delivering that accountability

QUICK FACTS & FIGURES

Veterans Review and Appeal Board

- The Board provides Veterans, Canadian Armed Forces, RCMP members and their families with an independent appeal process for disability benefits decisions made by Veterans Affairs Canada.
- The Board operates at arm's length from the Department to ensure a fair and independent appeal process for applicants.
- Veterans who are not satisfied with a VAC decision have the right to two levels of redress at the Board: A Review Hearing and an Appeal Hearing.
- In 2024-25, the Board received 9,412 applications and held a total of 6,123 hearings. This past year, 89% of Veterans who had cases heard received additional benefits for their service-related disabilities.

Benefit of the Doubt

- The "benefit of the doubt" section of the legislation has been interpreted by the Federal Court of Canada in multiple decisions that inform the Board's application of this principle.

Open Court Principle

- The Veterans Review and Appeal Board is bound by the open court principle, which ensures transparency and accountability.
- Hearings are open to the public, and decisions are published on the Canadian Legal Information Institute website. Applicants involved in a Board decision have the right to seek further redress, including judicial review by the Federal Court of Canada.

BACKGROUND

All Board Members are appointed through a competitive process administered by the Privy Council Office. They are mandated to provide fair, impartial, quasi-judicial hearings and decisions on disability benefit matters.

With regards to partial entitlement, Veterans Affairs Canada adopted a consistent approach in 2018 to ensure fairness and equity for Veterans in similar circumstances. The Board has the authority to reconsider decisions in cases involving an error of fact or law, or when new evidence is presented. Significant changes in VAC policy that benefit Veterans are addressed under this provision, and the resulting decision speak for themselves.

The "benefit of the doubt" section of the legislation has been interpreted by the Federal Court of Canada in multiple decisions that inform the Board's application of this principle.

The Board's program is governed by the [Veterans Review and Appeal Board Act](#). It is an independent administrative tribunal that operates at arm's length from Veterans Affairs Canada. The Chairperson of the Board is accountable for delivering the Appeal program and reports directly to Parliament through the Minister of Veterans Affairs.

Board Members preside over all levels of redress. A robust quality assurance program supports them in ensuring decisions are consistent with the Board's legislated mandate, prior Board decisions, and Federal Court jurisprudence.

Favourability:

- With respect to favourability rates, as outlined in the Board's mandate, the Board has full and exclusive jurisdiction to hear, determine, and deal with all applications for review and appeal that may be made to the Board under the [Pension Act](#), the [Veterans Well-being Act - Part 3](#), the [War Veterans Allowance Act](#) and other Acts of Parliament.
- The Board may overturn decisions made by VAC for several reasons, including the presentation of new or updated medical evidence or changes in VAC policy. A key feature of the Board's appeal program is that Veterans may appear before Board Members to explain how their illness or injury is related to their service and how it affects their daily life. This personal testimony allows Board Members to ask clarifying questions and gain a deeper understanding of each case. Additionally, when appealing to the Board, Veterans have the advantage of accessing free legal representation through the Bureau of Pensions Advocates to support them through the appeal process.

It is important to note that the Board's favourability rates do not only reflect cases where VAC decisions were overturned. About one third of favourable decisions result from increases in the assessment of an already-entitled condition. For example, if a Veteran received a favourable decision from VAC but appealed for a higher assessment, a resulting increase would be considered a favourable Board decision. These decisions are based on medical evidence presented to the Board.

SERVICE DOGS

- The Government recognizes that there is great interest in using service dogs to assist Veterans with physical and mental health conditions.
- In June 2022, the Standing Committee on Veterans Affairs released their report “*Incorporating Service Dogs into the Rehabilitation Program of Veterans Affairs Canada*”. Among the Committee’s recommendations, Veterans Affairs Canada was asked to take into consideration the work currently underway in a five-year service dog training pilot program by the United States Veterans Administration, once a national standard is in place in Canada.
- The Department continues to review and monitor emerging research and evidence with respect to the use of psychiatric service dogs including any future change in policy direction by the United States Department of Veterans Affairs.
- Efforts to develop a nationally recognized Canadian standard for service dogs were not successful as a national consensus could not be reached.
- The Government expanded the Medical Expense Tax Credit in 2018 through which expenses for specially trained service animals may be claimed.
- This tax credit is available for eligible Canadians, including Veterans.

QUICK FACTS & FIGURES

- Veterans Affairs Canada provides support for a variety of mental health treatments for a range of mental health conditions. Our treatment benefits do not consider psychiatric service dogs to be a recognized mental health treatment.
- While emotional support animals, including emotional support dogs, may provide beneficial companionship to owners, VAC does not fund expenses for these animals.

BACKGROUND

The Department's goal is to provide Veterans access to evidence-based, safe and effective health benefits. Currently, there is insufficient evidence to support the efficacy of these psychiatric service dogs as a mental health treatment.

VAC continues to review and monitor its approach regarding psychiatric service dogs. The Department is always looking at ways to improve its support for Veterans based on available evidence.

Veterans Affairs Canada:

In 2015 the Department funded a pilot study to evaluate the effectiveness of psychiatric service dogs for Veterans with PTSD. While 31 Veterans were recruited, only 18 Veteran participants completed the pilot study over the course of an 18-month period. The findings of this study were limited.

In 2019, the Department provided funding through the Veteran Family and Well-being Fund to Wounded Warriors Canada to support their development of a PTSD service dog certification program.

United States Veterans Affairs:

VAC is interested in the United States PAWS pilot (Puppies Assisting Wounded Service members) announced in August 2021 which was approved and funded by Congress. The pilot program began in late Summer 2022 and is being conducted over a 5-year period administered through five US Veterans Affairs (USVA) medical centre sites. USVA has put together a service dog training model, which will have Veterans engage in both basic obedience and other training of a dog, so the dog may become a service dog for another individual.

VAC has consulted with the USVA about their research and policy direction to inform what may be done in Canada. VAC continues to review emerging research to determine its approach in regard to psychiatric service dogs, including any change in policy direction by the USVA. VAC will review findings and best practices from the study and will determine if there is applicability for VAC in the Canadian context.

Australia's Rehabilitation Appliances Program:

While Australia's Department of Veterans Affairs began a 4-year study of service dogs and Veterans with PTSD in 2019, it decided not to wait for the results. In 2022, DVA Australia began providing psychiatric service dogs to carefully screened Veterans with PTSD under its Psychiatric Assistance Dog Program to help meet their clinical recovery goals. VAC will monitor with interest the outcomes of Australia's adopted practice to provide psychiatric service dogs to eligible Veterans with PTSD.

Standing Committee on Veterans Affairs:

In June 2022, the Standing Committee on Veterans Affairs (ACVA) tabled its report “[Incorporating Service Dogs Into the Rehabilitation Program of Veterans Affairs Canada \(publications.gc.ca\)](#)”. Six recommendations request the involvement of VAC or the Government of Canada. VAC provided the [Government Response](#) which was tabled in October 2022.

Other activity involving the Department:

In late 2024, a petition related to service dogs was introduced in the House of Commons. Petition e-4950, presented by Elizabeth May on October 28, 2024, relates to OSI/PTSD service dogs and called on the Department to provide critical funding in a timely manner to those vulnerable Veterans with service dogs. VAC tabled a Government Response on December 11, 2024.

A second petition, e-5277, presented by then Member of Parliament, Rachel Blaney, supported the adoption of Private Members Bill C-417 which sought to have the Minister develop and implement a framework for assistance animals for Veterans with disabilities. The Bill had received first reading on November 5, 2024, prior to Parliament being prorogued on January 6, 2025.

TRANSITION SERVICES

- Veterans Affairs Canada is proud to work hand-in-hand with the Canadian Armed Forces and the RCMP to make the journey to life after service as smooth and supported as possible.
- Each year, 7800 military members release from the Canadian Armed Forces. Our goal is simple: deliver a transition experience that's standardized, personalized, and professional—empowering CAF and RCMP members, Veterans, and their families at each step of their journey.
- We have improved how we connect with Veterans including enhancing digital tools, promoting early registration on My VAC Account, and raising awareness of the supports available.
- These initiatives and more are making it easier throughout the process to focus on what matters most—supporting the well-being of those who've served and their families.

QUICK FACTS & FIGURES

Life After Service Survey 2019

- 39% of Regular Force Veterans reported difficulties adjusting to post-service life
- 33% of Veterans reported that their families experienced difficulty adjusting to post-service life

CAF Release Statistics

- On average, 7,800 military members release from the CAF each year (10-year average)
 - 2,000 are medical releases
 - 5,800 are non-medical releases
- In FY 24/25, 8,918 military members released from the CAF.
 - 2,486 were medical releases
 - 6,432 were non-medical releases
- In FY 23/24, 6,132 military members released from the CAF.
 - 1,700 were medical releases
 - 4,432 were non-medical releases

Transition Interviews

- Transition Interviews Finalized in FY 24/25: 5,569
- Transition Interviews Finalized – YTD (as of Aug 31): 2379

Transition Centres

- VAC staff has a full or part time presence in all 28 CAF Transition Centres and 4 satellite locations, located on Bases/Wings across the country.
- Provision of transition support through transition interviews for more than 20 years.
- Integrated presence since 2009
- Enhanced Transition Services for medically releasing implemented in 2015
- Military to Civilian Transition process for non-medically releasing implemented nationally in 2024.

BACKGROUND

Veterans Affairs Canada began providing a form of transition assistance on Canadian Forces Bases and Wings in 2003. Since that time, we have continued to develop and improve our service delivery model in response to the needs of transitioning Canadian Armed Forces Members and their families.

A Transition Interview with wellness screening is available to all releasing Regular and Reserve Force CAF members, RCMP and families of both groups. A transition interview is administered to members up to six months prior to release. The Transition Interview provides an opportunity to:

- Screen for potential risks and/or barriers which may impact a member's successful transition to life after service;
- Determine the level of support/intervention required from VAC and other community support systems to address identified unmet need(s);
- Provide members and their families with information about or access to the full range of VAC, programs, services and benefits

During the interview, a screening tool is used and can be administered again at various points in time to identify potential risk level, unmet needs and concerns. This tool was developed using the domains of well-being and is evidence based. Low risk clients typically are able to self-manage and do not require ongoing support. Many clients identified as moderate risk may benefit from guided support and ongoing monitoring for a brief period of time. High risk clients may benefit from some type of further assessment (ie. case management or health professional) and more intensive and ongoing monitoring and follow up.

Enhanced Transition Services is a joint CAF-VAC process to support medically releasing CAF members and their families. It provides joint case consultation and coordinated case planning to support a successful and seamless transition to civilian life. This was implemented in 2015.

The new Military to Civilian Transition process addresses the gap within the CAF between medically and non-medically releasing members, and provides a standardized, personalized and professional transition process for non-medically releasing members and their families. VAC staff, CAF transition advisors and Military Family Services staff support the transitioning members by jointly offering assistance and transition planning. National implementation is complete as of March 2024.

SUPPORT FOR MILITARY SEXUAL MISCONDUCT SURVIVORS

- Veterans Affairs Canada offers a full range of programs and supports for those injured or ill in the line of service – including those impacted by military sexual trauma.
- VAC is working closely with the Department of National Defence’s Sexual Misconduct Support and Resource Centre (SMSRC) to enhance supports for those affected.
- Working with people with lived experience, the MST Peer Support Program was developed and launched in June 2023, offering formal and informal groups, as well as peer support activities. Eligible participants include CAF members and Veterans, DND public service employees (current or former), and Cadets or Junior Canadian Rangers aged 18 and older.
- These peer support program services continue today with over 230 sessions completed since the launch.
- These efforts reflect commitments from Budget 2021 and align with the National Action Plan to End Gender-Based Violence and support culture change in the Canadian Armed Forces.

QUICK FACTS & FIGURES

Heyder-Beattie Class Action

- 23,969 claims approved for payment (per Court-appointed Claims Administrator).
- VAC created a Dedicated Unit (May 25, 2020) to process related applications on a priority basis.
- Unit continues to adjudicate sexual trauma claims.
- Between June 1, 2020 – October 14, 2025: 5,516 applications adjudicated, 94% favourability rate.

Peer Support Program – Consultations

- Co-developed with Persons With Lived and Living Experience (PWLLE) using a human-centred design.
- Fall 2021: consultations helped shape program; [report](#) published March 29, 2022.
- Ongoing feedback: post-session surveys + exit interviews guide updates.
- May 2024: SMSRC Partnerships Team conducted six community consultations; summary report shared with project team in November 2024.
- June–July 2024: four virtual information sessions were conducted open to the public and community members (English & French, with live Q&A).

Current Peer Support Services

- **Formal Peer Support Group:** Up to ten 90-minute virtual sessions, co-facilitated by a trained peer supporter with lived experience and a mental health professional. Structured educational materials guide discussion on trauma, moral injury, coping, and self-care.
- **Informal Peer Support Group:** Up to eight 75–90-minute virtual drop-in sessions led by trained peer supporters with lived experience. Topics are flexible and driven by participant needs. Focusing on peer connection and mutual support.
- **Peer Support Activities:** A variety of casual peer support activities help participants connect (e.g., art therapy, virtual coffee chats, seasonal events).

Peer Support Impact

- **86%** of participants in FY2023/24 **would recommend** the peer support sessions.

Training & Support

- All peer supporters and mental health professionals' complete orientation training on peer support, trauma-informed care, crisis management, and self-care, led by VAC staff.

BACKGROUND

Under a clear mandate from Budget 2021, VAC is working with the Department of National Defence (DND) to ensure Veterans affected by Military Sexual Trauma (MST) have timely access to support. This includes peer support programs and services offered through DND's Sexual Misconduct Support and Resource Centre (SMSRC).

Core Supports for Veterans

VAC prioritizes the well-being of Veterans and their families. Current supports include:

- **Access to SMSRC services** – confidential 24-7 phone line and ongoing assistance.
- **VAC Assistance Service** – one to one mental health support, free of charge, available 24/7, 365 days a year.
- **Operational Stress Injury (OSI) Clinics** – 10 outpatient Operational Stress Injury (OSI) and 11 OSI satellite service sites with multi-disciplinary teams specializing in military-related trauma.
- **National Provider network** – access to VAC registered mental health professionals across Canada.

Veterans or CAF members with MST-related health conditions, such as PTSD or depression, are encouraged to apply for VAC disability benefits. A dedicated unit processes these claims. Veterans in Canada applying for certain mental health conditions automatically qualify for up to two years of mental health coverage while their application is processed.

Targeted Initiatives

VAC and DND are collaborating to expand MST-specific supports, including:

- **Office of Women and 2SLGBTQI+** (established March 2020) – advancing gender equality, diversity, and inclusion.
- **Access to SMSRC supports** (since December 2021) – complementing VAC benefits and compensation for service-related MST.
- **Peer Support Program** – co-developed in response to the CAF-DND Sexual Misconduct *Heyder-Beattie* Class Action settlement:
 - **14 Formal Groups**
 - **6 Informal Groups** – 5 completed, 1 in progress
 - **Peer Support Activities** – 79 sessions completed, 9 upcoming (activities include: [Zentangle](#) art therapy, Virtual Coffee Chats, Trauma-Informed Yoga, and events for Remembrance Day and the holiday season)

BURN PIT EXPOSURE

- Over 4,000 Canadian Armed Forces members served in the Persian Gulf Region between 1990-1991, and over 40,000 served in the Afghanistan theatre of operations between 2001-2014.
- Burn pits were commonly used on allied bases during these deployments to eliminate various types of waste, due to lack of proper waste disposal facilities and security concerns associated with their establishment.
- Canadian Armed Forces members and Veterans have raised concerns about burn pit exposure during service in the Persian Gulf and Afghanistan, and are advocating for research into how the health effects of burn pits are impacting Canadian soldiers and Veterans years later.
- Veterans Affairs Canada considers each case individually, based on the specific circumstances and available evidence, and encourages any Veteran or still-serving member with a disability they feel is related to their service, to apply for VAC's suite of programs, including rehabilitation, health benefits, financial support, and disability benefits.
- Veterans Affairs Canada and the Department of National Defence continue to monitor international research on the issue.

QUICK FACTS & FIGURES

The United States

- In August 2022, the United States introduced the PACT Act, a law expanding Veterans Affairs health care and benefits for Veterans exposed to burn pits, and other toxic substances.
- Veterans Affairs Canada's existing legislation entitles for disability, healthcare and rehabilitation benefits individuals with disabilities related to their service.

Long-term Health Impacts of Burn Pit Exposures on Veterans

- VAC has previously examined mortality rates of Veterans deployed to the Persian Gulf, some of whom were also exposed to burn pits. No difference was observed between Veterans who were deployed versus those not deployed.
- VAC closely follows ongoing international initiatives to understand and characterize relationships between burn pits and Veteran health. VAC also leads a Five Eyes Veteran Research Committee Working Group on Military Occupational Exposures and is well connected to member countries' Defence and Veteran administrations on this topic.

Present Day Usage of Burn Pits

- Every effort is made to avoid the use of burn pits as a means of waste disposal. The use of open-air burn pits may continue as a short-term solution during contingency operations where no alternative is feasible. For the longer term, incinerators, engineered landfills, or other accepted solid waste management practices are required to be used whenever feasible.

Collection of Military Exposure Data

- VAC recognizes that objective, individual-level information on military exposures, preferably collected over the course of an individual's career, is ideal to inform strong population health research regarding questions of causality for Veterans, as well as CAF health protection measures to minimize exposures and health impacts moving forward.
- The Department of National Defence is currently working to develop an electronic repository of exposure data, called the Force Health Protection Information Management System (FHPIMS). The intent of this electronic system is to track exposure data for CAF personnel at the individual level over time.

BACKGROUND

Current and Planned Research Initiatives:

Information on burn pit exposures during deployment is not consistently tracked or reported in individual CAF service records, nor is it stored in a searchable format. Consequently, neither VAC nor DND are able to use this information for research purposes.

VAC leads and monitors various research initiatives to understand the health impacts of burn pits and other military exposures:

- VAC and DND are collaborating on the Canadian Forces Cancer and Mortality Study (CF-CAMS), a unique 40-year longitudinal cohort of CAF active-duty members and Veterans. The research team is exploring associations between occupational history and cancer incidence in CAF personnel and Veterans, which may provide insights into the effects of deployment and related exposures, such as burn pits.
- VAC leads a Five Eyes Veteran Research Committee Working Group on Military Exposures and is well connected to member countries' Defence and Veteran administrations on this topic.
- VAC closely follows ongoing international initiatives to understand and characterize relationships between burn pits and Veteran health. This includes regular attendance at meetings of the US Research Advisory Committee on Gulf War Veterans' Illnesses (scope includes burn pit exposures and impacts on Veteran health), and monitoring of the Australian Repatriation Medical Authority's Statements of Principles, which set out factors that link military service to certain medical conditions, including exposures related to burn pits.

VAC Exposure Disability Benefit Adjudication:

VAC's determination of disability benefit eligibility related to burn pit exposure is done on a case-by-case basis, with the determination being made on the individual merits of each case, and based on the evidence available.

There is a VAC policy framework to provide guidance for assessing disability compensation requests pertaining to specific medical conditions and/or hazardous material exposure. The framework consists of two policies:

1. [Assessing and Categorizing Health-Related Expert Opinion\(s\) and Scientific Evidence](#), providing guidance on assessing and categorizing scientific evidence, and a clear evidence threshold standard; and
2. [Hazardous Material and Radiation Exposure](#), providing guidance to Disability Adjudicators on how to interpret evidence, including expert opinion, in the case of hazardous material exposure.

Together, these policies provide for a consistent and transparent approach to these claim types.

MEFLOQUINE

- Veterans Affairs Canada is committed to the health and well-being of Veterans, the Royal Canadian Mounted Police and their families.
- Veterans may claim any condition related to taking mefloquine with supporting medical information from their treating physician.
- Veterans who believe they have a disability related to their military service are encouraged to contact Veterans Affairs Canada for assistance.
- Every situation is unique, and we work with Veterans on a case-by-case basis.

QUICK FACTS & FIGURES

- Mefloquine use by CAF: Began in the early 1990s for overseas deployments.
- Veterans' claims: Starting in 2000, Veterans claimed permanent adverse neuropsychiatric effects from mefloquine, leading to a class action.

Committee Review

- In 2017 and 2019, the Standing Committee on Veterans Affairs (ACVA) studied the past use of mefloquine by Veterans.
- Following ACVA's studies, Health Canada and CAF Surgeon General conducted reviews and found no consistent association between mefloquine and excess overall risk of adverse effects.

BACKGROUND

Mefloquine is an oral antimalarial medication which has been used by the Canadian Armed Forces (CAF) since the early 1990s for overseas deployments. It is a Health Canada-approved drug, and continues to be an option for malaria prophylaxis as recommended by the Public Health Agency of Canada, and by most public health and travel medicine authorities around the world. Its use by the CAF is in decline due to the availability of newer drugs.

Starting in 2000, Veterans claimed they had suffered permanent adverse neuropsychiatric effects due to their ingestion of mefloquine. Subsequent to these claims, a class action against the Government of Canada was undertaken.

The Standing Committee on Veterans Affairs (ACVA) conducted two reviews into the past use of mefloquine by Veterans, the findings of which can be found in the following documents:

- Report 6, entitled [Mental Health of Canadian Veterans: A Family Purpose](#), dated June 2017; and
- Report 14, entitled [Effects of Mefloquine Use Among Canadian Veterans](#), dated June 2019.

Following the 2017 ACVA session and report, Health Canada conducted a Safety Review of mefloquine, as did the CAF Surgeon General. Health Canada and the CAF Surgeon General's reports did not find mefloquine was consistently associated with an excess overall risk of adverse effects.

ACVA's Report 14 of June 2019 recommended the findings of the review by the National Academies of Science, Engineering and Medicine (NASEM) into the long-term effects of anti-malarials be recognized, "*...whether they strengthen or weaken the hypothesis that there is a causal link between mefloquine and certain long term neuropsychiatric effects.*"

National Academies of Science, Engineering and Medicine published their findings in February 2020, and concluded there was inadequate or insufficient evidence of an association between mefloquine and persistent neuropsychiatric events.

VETERAN AND FAMILY WELL-BEING FUND

- Veterans Affairs Canada fosters strong collaboration and supports innovation through the Veteran and Family Well-being Fund.
- The Fund provides \$3 million annually in grants and contributions to organizations striving to improve the well-being of Veterans and their families through innovative projects, initiatives and research. Since 2018, the Fund has awarded \$57M to 150 initiatives.
- Eligible organizations include private, public, academic and Indigenous organizations.
- The 2024-2025 Call for Applications for the Veteran and Family Well-being Fund resulted in twenty seven organizations being selected for funding for a total of \$14.4 million over four years.
- These organizations strive to improve the lives of Veterans and their families in areas such as homelessness, retraining, employment, mental health, and research. They also place emphasis on supporting women, Indigenous and 2SLGBTQI+ Veterans, as well as their families.
- All available funding for the Veteran and Family Well-being Fund has been fully committed for 2025-2026. As a result, a new Call for Applications is not anticipated at this time.

QUICK FACTS & FIGURES

Overall Impact

- Since 2018, the Fund has awarded \$57M to 150 initiatives.
- Demand remains high: 839 applications received, requesting \$615M in total.
- All funding is committed until 2028–29.

Historical Calls for Applications

- 2018–19: 155 applications → 21 projects, \$7.6M (5 years).
- 2019–20: 114 applications → 22 projects, \$7.2M (5 years).
- 2020–21: 142 applications → 23 projects, \$10.4M (5 years).
- 2021–22: 98 applications → 36 projects, \$11.3M (3 years).
- 2022–23: 120 applications → 21 projects, \$6M (3 years).
- 2024–25: 210 applications → 27 projects, \$14.4M (4 years).

Funding by Theme (2018-2025)*

- Mental Health: 20%
- Retraining/Employment: 17.9%
- Research: 15.2%
- Homelessness: 14.9%
- Women and 2SLGBTQI+ Veterans: 13.1% (Women: 7.8%; 2SLGBTQI+: 5.3%)
- Families: 12.7%
- Indigenous Veterans: 6.2%

** Projects funded through the Veteran and Family Well-being Fund often address multiple areas of need. This breakdown reflects the primary theme identified for each project.*

BACKGROUND

Each year Veterans Affairs Canada receives numerous requests and proposals for funding from outside organizations in support of initiatives and projects that are aimed at improving the health and well-being of Veterans and their families. Many times, these proposals seek funding to conduct research or to develop, test, and implement new and innovative programs and services that focus on various sub-groups of Veterans Affairs Canada's target populations.

The Veteran and Family Well-being Fund provides a strategic approach to ensure that Veterans Affairs Canada has the capacity to support innovation in Veteran health and well-being, to prevent duplication of service and program delivery, as well as to fill gaps.

The Fund has been in place since 2018. It provides grants and contributions for organizations to conduct research and implement initiatives and projects that support the well-being of Veterans and their families.

All applications to the Veteran and Family Well-being Fund are evaluated against criteria such as project impact, innovation, addressing unmet needs, support for equity-deserving groups, and cost-effectiveness. Applications are first assessed by subject matter experts with specialized knowledge across eight key themes: homelessness, mental health, employment/transition, research, families, Indigenous Veterans, women Veterans and 2SLGBTQI+ Veterans. This thematic approach ensures that funding is directed toward a broad range of issues affecting Canadian Veterans.

In addition, by aligning funding with emerging priorities, the Fund remains responsive to the evolving needs of the Veteran community. For example, Budget 2021 allocated an additional \$15 million in grants over three years to fund projects that supported Veterans during the post COVID-19 recovery, with added emphasis on homelessness, employment and retraining, and women and 2SLGBTQI+ Veterans. Budget 2024 provided an additional \$6 million over three years where thirty percent of the funding focused on projects for Indigenous, women and 2SLGBTQI+ Veterans.

An example of success is Team Rubicon's *The Veteran Pandemic Recovery Project*, a three year project funded by VFWF in 2020-2021. Designed to engage Veterans and their families in serving communities affected by COVID-19 and natural disasters, the project aimed to reduce the emergency management skills gap by building a sustainable Veteran-led humanitarian force. By its conclusion, the initiative had enrolled 503 Veterans as new volunteers and delivered operations and service projects in 79 communities across Canada, showcasing both the resilience of Veterans and the lasting impact of their service.

VETERANS SURVIVORS FUND

- Veterans’ spouses and common-law partners play a crucial role in caring for Veterans. The Government of Canada is committed to ensuring that those who served, and their survivors, have the support they need.
- In 2022, the Standing Committee on Veterans Affairs undertook a study to review restrictions in survivor pension benefits, commonly referred to as “Marriage after 60” provisions.
- Veterans Affairs Canada has worked with Statistics Canada and the Canadian Institute for Military and Veteran Health Research to learn about these survivors. The Department used the findings of this research to better understand how to support these survivors.

QUICK FACTS & FIGURES

Veterans Survivors Fund

- \$150 million committed over five years in Budget 2019 to establish a Fund to “better support Veterans who married over the age of 60 and their spouses.”

Research into Size/Characteristics of Survivor Population

- Research by Statistics Canada received by VAC in 2021 showed:
 - As of 2018, there were an estimated 4,490 persons who:
 - had married or entered into a common-law relationship with a Veteran
 - and where the relationship began on or after the Veteran’s 60th birthday
 - and where the Veteran was in receipt of a CFSA pension
 - and where the Veteran had since passed away.
 - Of the 4,490 living survivors:
 - Virtually all were female,
 - Most (90%) were aged 70 or older,
 - Overall, their incomes were higher than other similarly aged Canadian females (i.e., median income of \$34,900 -vs- \$25,600).

BACKGROUND

It has been a long standing concern that spouses who marry Veterans after the Veteran turns 60 are not entitled to automatic survivor pensions under the *Canadian Forces Superannuation Act (CFSA)*.

- Budget 2019 committed to help survivors who entered into relationships with Veterans on or after the Veteran's 60th birthday with the financial support they need.
- If the *CFSA* recognized these surviving spouses, then survivors would not only receive pension benefits, but would also be entitled to coverage under the Public Service Health Care Plan and Pensioners Dental Care Plan.
- The responsibility for the *CFSA* lies with the Minister of National Defence.
- After age 60, Veterans can apply for the Optional Survivor Benefit to obtain coverage for a new spouse who is otherwise ineligible. Under this arrangement, the Veteran opts to reduce their CAF superannuation pension payments (by 30% to 50%) in exchange for providing a future survivor pension to the new spouse, payable only if the Veteran passes away before their spouse.

In 2022, the Standing Committee on Veterans Affairs (ACVA) undertook a study to review restrictions in survivor pension benefits, including those in the *CFSA* and other related pension schemes. The study focused on the financial concerns of these survivors as well as possible impacts that the Veterans Survivors Fund may have. This report was presented to the House on December 14, 2022.

- This report included two recommendations on the Veterans Survivors Fund:
Recommendation #6: That Veterans Affairs Canada use the research and data provided by Statistics Canada and the Canadian Institute for Military and Veteran Health Research to identify survivors and immediately distribute the \$150 million Veterans Survivors Fund, focusing on those most in financial need, and publicly provide the formula and calculations for the funding allotment.
Recommendation #8: That the Minister of Veteran Affairs work with the RCMP and the RCMP Veterans Association to ensure survivors of RCMP Veterans will receive an equitable portion of the Veterans Survivors Fund.
- A Government Response was tabled on March 30, 2023, for recommendations #6 and #8:
Recommendation #6: VAC is currently using the research and data provided by Statistics Canada and the Canadian Institute for Military and Veteran Health Research to determine how best to support these survivors, including those who are most in financial need. Once this direction is confirmed, VAC will provide an update on the Veterans Survivors Fund.
Recommendation #8: VAC will work closely with the RCMP to explore options to

possibly include the survivors of former RCMP members as eligible recipients under the Veterans Survivors Fund.

In November 2025, Bill C-256, a Private Member's Bill was introduced to amend the *Canadian Forces Superannuation Act*, *Judges Act*, *Members of Parliament Retiring Allowances Act*, *Public Service Superannuation Act*, *Royal Canadian Mounted Police Superannuation Act*, *Pension Benefits Standards Act, 1985*, and *Pooled Registered Pension Plans Act* to allow survivors to receive pension benefits even if the relationship began after the contributor turned 60 or retired. This bill will not be eligible for debate in the House until mid-2026, if selected.

CRITICAL INJURY BENEFIT

- The Government is fully committed to the health and well-being of Canadian Armed Forces members, Veterans and their families; this includes mental health.
- The Government places the highest priority on ensuring members, Veterans and their families have the support and services they need, when and where they need it.
- The Critical Injury Benefit provides a tax-free lump-sum of \$90,368.09 (2025 rate) to members and Veterans to recognize the immediate impact of the most severe and traumatic physical and mental health service-related injuries or diseases, regardless of whether they resulted in a permanent disability.
- The Critical Injury Benefit policy was updated as of December 21, 2023, to clarify the language that describes benefit eligibility, paying particular attention to descriptions of psychological injuries.
- The Critical Injury Benefit is designed to address a very specific need and is one of a range of benefits and services provided by VAC to support ill and injured Veterans. It is not intended to duplicate the Pain and Suffering Compensation which compensates for permanent disabilities.

QUICK FACTS & FIGURES

Critical Injury Benefit

- From July 1, 2015, to March 31, 2024, the Critical Injury Benefit has been granted to 243 individuals.
- Between fiscal year 2021-22 and 2023-24, expenditures for the Critical Injury Benefit were approximately \$1.1 million per year.

Military Sexual Trauma

- When the Critical Injury Benefit policy was updated, it was clarified that a “sudden and single incident” may include an incident of sexual assault.
- The Critical Injury Benefit is not awarded for the incident alone but rather for the immediate and severe impacts the incident has on an individual. It is possible that two people could experience a similar incident but have different impacts so that one individual might receive the Critical Injury Benefit whereas the other may not.

BACKGROUND

The Critical Injury Benefit (CIB) came into force on July 1, 2015. It is a tax-free lump sum amount of \$90,368.09 (2025 rate) payable to members or Veterans that have sustained a severe and traumatic injury or developed an acute disease that is:

- Service-related,
- The result of a sudden single incident (after March 31, 2006), and
- Immediately caused a severe impairment and severe interference in their quality of life.

The program was designed to compensate only the most seriously injured members and Veterans for the immediate consequences of their severe and traumatic injuries – both physical and mental. It is very restrictive and designed to not duplicate the purpose of the Pain and Suffering Compensation which is to compensate for permanent disabilities (chronic conditions, e.g. hearing loss and PTSD).

There has been stakeholder criticism against the CIB as some believe that it is not available to members and Veterans with mental health injuries as the Regulatory criteria for a traumatic injury or an acute disease includes specific physical injuries such as amputations but no specific mental health injuries.

On October 27, 2022, the Entitlement Review Panel of the Veterans Review and Appeal Board reversed a Departmental decision and granted CIB entitlement to an applicant for their psychological injury. This decision highlighted the need for additional clarity with respect to how Parliament intended the CIB provisions to be applied (when the benefit was approved and funded) in situations where a mental health injury or illness is the primary cause of a severe impairment (chronic illness vs acute illness).

Veterans Affairs Canada published updates to the Critical Injury Benefit policy, effective December 21, 2023. These updates include:

- Clarifying that a member or Veteran suffering from a severe impairment and severe interference in quality of life would not be able to attend work;
- Updating the definition of “traumatic injury” to include a mental or psychological injury that occurs in response to a psychologically traumatic event;
- Expanding upon the definition of “sudden and single incident” to ensure traumatic events, such as: experiencing actual or threatened death, serious injury, or an incident of sexual assault; and witnessing incidents of a horrific nature are being considered;
- Clarifying how the term “immediately” should be applied in cases of psychological injuries – meaning that the severe impairment and severe interference in quality of life is evident in the acute or early stage of the traumatic injury which spans from the initial point of injury up to 7 days following the sudden and single incident; and
- Providing guidance based on what constitutes “complex treatment” in instances of mental health or psychological injury.

FINANCIAL BENEFITS BEYOND AGE 65

- The Income Replacement Benefit (IRB) is a monthly, taxable benefit payable up to age 65.
- The IRB provides a source of monthly income to support a Veteran's successful completion of rehabilitation and return to work.
- The IRB may be "continued" past the completion of rehabilitation and age 65 if the Veteran is determined to have a Diminished Earnings Capacity (DEC) as a result of the health problem for which they are eligible for the IRB.
- VAC also offers financial supports for Veterans of any age who are facing financial emergencies hardship (e.g. Veterans Emergency Fund). VAC regularly reviews its programs to ensure that they continue to meet the needs of Veterans and their families.

QUICK FACTS & FIGURES

Item(s)

- IRB may be payable to a Veteran who has applied for the IRB, also made an application for VAC Rehabilitation Services and Vocational Assistance , and who has a physical or mental health problem resulting primarily from service that is creating a barrier to re-establishment in civilian life.
- Based on 2025 rates, IRB ensures a Veteran's total income (before offsets such as employment income, Old Age Security, disability insurance payments, and retirement pensions) is at least:
 - \$58,826.09 for eligible Veterans under age 65; and
 - \$41,178.26 for eligible Veterans over age 65.
- As of October 31, 2025,
 - There were approximately 33,000 Veterans entitled to IRB, of these:
 - Approximately 3,000 were over age 65; and
 - Approximately 30,000 were under age 65.
 - Of the approximately 33,000 Veterans entitled to IRB, the majority (68%) were entitled to continuation of IRB (past completion of rehabilitation and age 65) based on their being determined to have a Diminished Earnings Capacity prior to age 65.

Income of Canadian Forces Veterans

- CAF Veterans are less likely to have low income than other Canadians; based on 2021 Census Data:
 - There were a total of approximately 460,000 Veterans residing in Canada;
 - The median income of every age cohort of Veterans was higher than that of non-Veterans.

BACKGROUND

Over the years, concerns regarding VAC's Financial Benefits post age-65 have been raised by a number of stakeholders including Veterans and their families, the House of Commons Standing Committee on Veterans Affairs (ACVA), Royal Canadian Legion, and the Veterans Ombud.

In 2006, VAC introduced the New Veterans Charter, offering programs such as Rehabilitation Services, the Earnings Loss Benefit, and the Supplementary Retirement Benefit to support Canadian Armed Forces (CAF) Veterans transitioning to life after service.

Consistent with federally sponsored long term disability insurance programs, when introduced, the Earnings Loss Benefit was payable until age 65 in recognition of its intent of replacing income from the workforce.

After the implementation of the New Veterans Charter in 2006, various new supports were introduced to support the financial well-being of Veterans, including the introduction of the Retirement Income Security Benefit in 2015.

The Earnings Loss Benefit, Supplementary Retirement Benefit and Retirement Income Security Benefit were repealed in 2019 with the coming into force of the Income Replacement Benefit (IRB), a benefit which addresses the financial security of Veterans both before, and after, age 65.

Veterans must apply for IRB before turning 65.

VAC's Rehabilitation Services remain accessible at any age and include physical, psycho-social, and vocational support.

RECOGNITION

- As Canadians, we take immense pride in the service and sacrifice of the Canadian Armed Forces. Their unwavering commitment to our country and to global peace and security is a powerful reflection of our national values — courage, integrity, and honour.
- Whether through commemorative events, learning materials in our schools, public acknowledgements, or personal stories, recognition strengthens the bond between Canadians and those who defend our freedoms.
- At Veterans Affairs Canada, we have a unique responsibility and privilege to lead this recognition. By honouring service, we help foster national unity and pride, and we ensure that future generations understand the sacrifice behind the peace we enjoy today.

QUICK FACTS & FIGURES

- To date, VAC has hosted 87 Commemorative Events in FY 2025-26, both in Canada (75) and Overseas (12)
 - 2025 saw another successful Veterans week with more than 220 events (11 of which were VAC led) tracked across the Canada (of which a VAC and/or GOC representatives attended 133), including 117 events on 11 November specifically and 15 Indigenous events.
 - The team supported events from coast to coast to coast.
 - There was VAC support and attendance at 62 No Stone Left Alone ceremonies across the country during Veterans' Week including the active participation of hundreds of students.
 - We also hosted 3 events in France during Veterans week
- To date this fiscal year, 3.3M commemorative learning products have been distributed this fiscal year.
- To date this fiscal year, 2025-26, the Commemorative Partnership Program has approved 192 projects, totalling \$3.3M in funding.
- Veterans Affairs Canada maintains the grave markers of more than 250,000 Veterans in approximately 8,000 cemeteries across Canada—each marker a tribute to service and sacrifice.
- We oversee the day-to-day operations and interpretation of 15 Canadian First World War memorials in Europe, including the Canadian National Vimy and Beaumont-Hamel Newfoundland Memorials. The two sites welcome over 700,000 visitors annually.
- Commemorative recognition programming being developed will allow VAC to:
 - Continue to honour Veterans at home and abroad, while expanding scope and reach to include a greater focus on modern-day and underrepresented Veterans.
 - Provide the opportunity to drive commemorative programming within Canada, helping to foster national pride and unity.
- Actions to deliver on these commitments align with Canadians views, as per the “Attitudes Towards Remembrance and Veterans’ Week 2024: Survey of Canadians,” where:
 - 94% agreed that Canada’s Veterans and those who died in service should be recognized for their services to Canada.
 - 62% attributed importance to marking anniversaries related to military efforts in Canada.

- 86% attributed importance to honouring and recognizing the contributions of Veterans and military personnel who served Canada in more recent operations.

Women Veterans

- Although women have served with distinction across all branches of the CAF, their unique experiences and sacrifices have yet to be formally recognized through a dedicated national observance.
- In 2024, the Standing Committee on Veterans Affairs published the report “*Invisible No More. The Experiences of Canadian Women Veterans*,” which included a series of recommendations to improve on the recognition of Canadian women Veterans.
- The department is exploring approaches to better commemorate women Veterans and to provide a meaningful platform to honour their contributions, highlight their distinct perspectives, and educate Canadians about the evolving role of women in uniform.

National War Memorial

The National War Memorial is a tribute to all who have worn or wear the uniform. To reinforce the message, the “In Service to Canada” inscription was added in 2014. While the “In Service to Canada” inscription was added to remind Canadians that the memorial is dedicated to all those who served and continue to serve, the message is not understood clearly.

- The Persian Gulf Veterans of Canada (stakeholder group) has requested that the Gulf War dates be inscribed on the National War Memorial. There are differing opinions among Veterans on recognizing conflicts on the monument in addition to the five already inscribed. Further consultation with stakeholders is planned.

BACKGROUND

VAC's mandate is to support the well-being of Veterans and their families and to promote recognition and remembrance of the achievements and sacrifices of those who served Canada in uniform. Feedback has shown that Veterans' well-being improves when they feel recognized and that VAC plays an important role in fostering this recognition.

In the past, commemorative programming was developed to focus primarily on the World Wars and the Korean War and, as a result, modern-day and under-represented Veterans have not felt recognized. This was identified during public consultations in 2021 to support creation of VAC's 10-year Strategic Plan for Commemoration, which revealed that Veterans, stakeholders and Canadians at large supported:

- recognizing efforts of the World Wars and Korean War, but noted the scope of commemoration should place greater emphasis on post-war conflicts, operations and service;
- recognizing and commemorating domestic operations such as the defence of North America, sovereignty protection, search and rescue, and emergency disaster relief; and
- encouraging more interaction between Veterans and youth with a focus on active youth participation in commemorative events and activities.

Many younger individuals who served in the CAF often do not see themselves as Veterans. This may be due to a social perception of what a Veteran is (i.e., a 'traditional' Veteran of the World Wars or the Korean War).

Although women have served with distinction across all branches of the CAF, their unique experiences and sacrifices have yet to be formally recognized through a dedicated national observance. In 2024, the Standing Committee on Veterans Affairs published the report *"Invisible No More. The Experiences of Canadian Women Veterans,"* which included a series of recommendations to improve on the recognition of Canadian women Veterans. The department is exploring approaches to better commemorate women Veterans and to provide a meaningful platform to honour their contributions, highlight their distinct perspectives, and educate Canadians about the evolving role of women in uniform.

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INDIGENOUS VETERANS

- Veterans Affairs Canada (VAC) is committed to supporting and recognizing First Nation, Métis and Inuit Veterans, and advancing reconciliation by ensuring awareness and access to VAC programs and services.
- In 2023, VAC created the Indigenous Veterans Engagement Team, staffed by Indigenous Veterans and allies, which has conducted 150+ engagements with Veterans, families, and communities.
- Since 2017, VAC has carried out 12 annual outreach visits to northern and remote Indigenous communities, alongside ongoing partnerships with First Nations, Métis, and Inuit organizations.
- In February 2025, VAC signed a Letter of Understanding with the Assembly of First Nations to advance joint priorities in engagement, outreach, and commemoration.
- The 2019 Métis Veterans Recognition Payment Contribution Agreement with the Métis National Council provides eligible Second World War Métis Veterans and survivors with a \$20,000 recognition payment, and funds for commemorating Métis Veterans' contributions.

QUICK FACTS & FIGURES

- The **2021 Census** was the first since 1971 to ask about military service. It counted **23,075 Indigenous Veterans**:
 - 10,950 First Nations
 - 10,440 Métis
 - 755 Inuk (Inuit)
 - 930 with other/multiple affiliations
- Indigenous Veterans made up **5.2% of all Veterans** in private households.

Funding

- **Commemorative Partnership Program** supports projects in Indigenous communities or commemorating Indigenous Veterans:
 - 2024-25: 41 projects – \$874,386
 - 2023-24: 31 projects – \$213,000
 - 2022-23: 27 projects – \$346,000
- **Budget 2024** added **\$6M over 3 years** to the Veteran and Family Well-being Fund, including support for Indigenous, women, and 2SLGBTQI+ Veterans.
 - In 2024–25, **\$2.4M** was awarded to 4 Indigenous-focused projects:
 - Southern Chiefs’ Organization Inc. – \$1,000,000
 - Manitoba Métis Federation – \$400,000
 - Métis National Council – \$400,000
 - Assembly of First Nations – \$600,000

Engagement

- **Indigenous Veterans Team** created in spring 2023; conducting outreach with communities nationwide.
- Working with the **Assembly of First Nations Veterans Council** under Letters of Understanding (April 2023 and February 2025).
- Building stronger relationships with **Métis and Inuit Veterans**.

BACKGROUND

Canada's Indigenous Peoples—First Nations, Métis, and Inuit—have a long and proud military tradition. An estimated **12,000 Indigenous people** served voluntarily in the two World Wars, with at least **500 losing their lives**. Recognizing this service is central to VAC's commemorative efforts, including learning materials for schools, exhibits at Vimy and Beaumont-Hamel, and Indigenous inclusion in national and international ceremonies. Monuments such as the **National Aboriginal Veterans Monument** (Ottawa) and the **Francis Pegahmagabow Monument** (Parry Sound) honour these contributions.

In **March 2021**, the **Commemorative Partnership Program (CPP)** was updated to allow Indigenous communities to receive up to **100% reimbursement (max \$50,000)** for war memorial projects.

VAC also supports Indigenous Veterans' health through the **Indigenous Veterans Health Project** with Indigenous Services Canada, offering culturally safe mental wellness services. These include:

- **Cultural and Emotional Supports** (Traditional Healers, Elders, land-based healing, peer support)
- **Mental Health Counselling** for Survivors of Residential/Day Schools, families, and those affected by Missing and Murdered Indigenous Women, Girls, and 2SLGBTQI+ people
- **Transportation assistance** when services are not locally available

For Métis Veterans specifically, the **2019 Métis Veterans Recognition Payment Contribution Agreement (\$30M)**, administered by the **Métis National Council**, recognizes Second World War Métis Veterans with payments and commemorative initiatives. As of June 2021, **75 payments** had been issued. The MNC also launched a **Commemorative Program** in 2021.

The Métis National Council, once comprising five governing members (Ontario, Manitoba, Saskatchewan, Alberta, BC), has undergone shifts:

- 2021 – Manitoba Métis Federation withdrew
- 2022 – Métis National Council leadership pursued legal action over fiduciary breaches (VAC not a party)
- 2024 – BC and Saskatchewan withdrew

Today, the Métis National Council consists of the Métis Nation of Ontario and Otipemisiwak Métis Government (Alberta).

Meanwhile, the **National Métis Veterans Council**—supported by the Métis National Council but non-political— continues to represent Veterans from Ontario, Saskatchewan, Alberta, BC, and the Northwest Territories. VAC remains committed to working with the Métis National Council and other Métis Veterans to ensure **Métis Veterans receive the recognition they deserve.**

WOMEN VETERANS

- Veterans Affairs Canada is committed to ensuring the vital role of women in the RCMP, Canadian Armed Forces and the Veteran community is recognized; that women are well supported throughout their careers including their transition to post-service life; and that they have equitable access to VAC's benefits, programs and services.
- October 10, 2025 marks one year since the Government's response to the Standing Committee on Veterans Affairs report, Invisible No More. The Experiences of Canadian Women Veterans, released June 12, 2024
- The report includes 42 recommendations to address the needs of Canadian military women and women Veterans regarding their physical and mental health, transition to post-service life, and financial security.
- VAC takes these findings seriously and we have been taking action. To date we have published new and revised Disability Benefit Entitlement Eligibility Guidelines, consulted with women Veterans to develop a Women Veterans Research Plan and launched the Women Veterans Council.
- A CAF-VAC joint working group – Women Wellbeing was formed to provide oversight for recommendations from the ACVA report and aims to meet three times annually.
- VAC is proud to be an implementation partner of Canada's third National Action Plan on Women, Peace and Security.
- Being an implementation partner strengthens VAC's relationship with like-minded departments and agencies like the Department of National Defence (DND)/Canadian

Armed Forces (CAF), and the Royal Canadian Mounted Police (RCMP), and it also provides VAC with the opportunity to influence the strategic direction of the third National Action Plan.

QUICK FACTS & FIGURES

Women Veterans in Canada

- Nearly 1 in 6 Veterans are women (2021 Census) — the fastest-growing Veteran population.
- Women are under-represented in leadership/combat roles and typically earn less due to shorter service.
- More likely to be medically released, face chronic/training-related injuries, and experience mental health issues, including suicidal ideation.
- Post-service, they report lower social support and are ~2% more likely than men to experience episodic homelessness.
- Income decline is common, especially among single parents, caregivers, or those medically released.
- Many hesitate to self-identify as Veterans.
- Most programs were designed for men; inclusive, tailored supports are needed.

Engagement

- VAC engages women Veterans through national forums, roundtables, and consultations to better understand their experiences and inform service delivery.
- These efforts led to the creation of the **Women Veterans Council**, established in December 2024.
- The Council is composed of 12 diverse members and provides direct advice to the Minister on issues impacting women Veterans.

National Action Plans on Women, Peace and Security (WPS)

- The UN Security Council adopted Resolution 1325 on WPS in 2000, followed by additional resolutions expanding the agenda.
- Canada has launched three National Action Plans on WPS:
 - 2010 (first plan)
 - 2017 (second plan)
 - 2023–2029 (third plan, with one bridging year).

Current Commitments

- CAF: Target of 25% women in the CAF by FY 2026 (1% annual increase).
- RCMP: Ensure 20% of International Police Peacekeeping and Peace Operations (IPP) deployments are women, including in leadership roles.
- Growing deployments of women abroad make it critical VAC services meet their post-service needs.

BACKGROUND

Women Veterans represent the fastest growing segment of Canada's Veteran population, accounting for nearly 1 in 6 Veterans (2021 Census). They face unique challenges across all 7 domains of well-being, including reproductive and sexual health, barriers accessing services, and reluctance to identify as Veterans.

On June 12, 2024, ACVA released its report *Invisible No More. The Experiences of Canadian Women Veterans*. The report contains 42 recommendations to address the needs of Canadian military women and women Veterans, particularly in relation to physical and mental health, transition to post-service life and financial security. Women have distinct bodies, experiences and needs, yet military systems were historically designed for men. As a result, many women have experienced harm, injury and illness within a system not built for them and continue to feel invisible and unacknowledged.

The Government tabled its response on October 10, 2024. It agreed with 29 of the recommendations; agreed in principle with 9; took note of 3, and disagreed with 1 (on the advice of DND).

VAC has taken steps to address gaps in data and research. It has formally adopted the Sex and Gender Equity in Research (SAGER) guidelines and collaborated with McMaster University and It's Not Just 20,000 (INJ20K) to better understand the impact of military sexual trauma. VAC also works with Statistics Canada to strengthen demographic data on women and other equity-deserving groups.

VAC engages women Veterans through national forums, roundtables, and consultations to improve its programs and services. Forums provide space to share lived experience directly with senior leadership. Roundtables, such as those on homelessness and women's health have helped identify systemic barriers and inform policy, program, benefits and services development. Consultations with women Veterans led to the creation of the Women Veterans council.

VAC is also implementing the Government of Canada's National Action Plan on Women, Peace and Security (2023–2029), focusing on crisis response, sex and gender-based violence, leadership and capacity, and inclusion. It is developing progress indicators and working with the Women Peace and Security Network Canada (WPSN-C) to understand the grassroots efforts led by women Veterans. As more women are deployed abroad, inclusive, equitable policies and services will be critical to support their post-service needs.

2SLGBTQI+ VETERANS

- The Government of Canada and Veterans Affairs Canada recognize the sacrifices and achievements of all 2SLGBTQI+ Veterans, including those affected by the LGBT Purge and systemic discrimination. Guided by Canada’s first Federal 2SLGBTQI+ Action Plan, VAC collaborates with Women and Gender Equality Canada, academics, Veteran organizations, and community partners to better support their unique needs.
- 2SLGBTQI+ Veterans face significant challenges – including negative mental health impacts, underemployment, homelessness, harassment, bullying and violence. These challenges are further amplified for people with intersecting lived experiences, including Indigenous 2SLGBTQI+ communities, Black and racialized 2SLGBTQI+ communities, and 2SLGBTQI+ Veterans with disabilities.
- Veterans Affairs Canada promotes equity for 2SLGBTQI+ Veterans, identifying systemic barriers and unique service-related needs by working collaboratively across the Department to shape solutions.
- In 2024-2025, the Veteran and Family Well-Being Fund sponsored Egale Canada and Helmets to Hardhats directly supporting the 2SLGBTQI+ community.
- In 2024, the Department hosted the 2024 2SLGBTQI+ Veterans Forum in Fredericton, NB. The 2025 2SLGBTQI+ Veterans Forum will be held in Ottawa on November 26-27.

QUICK FACTS & FIGURES

Findings from the 2023 Veterans' Well-Being Community Health Needs Assessment

- The number of Veterans who are non-binary is similar to that of the general population (0.1% each).
- The number of Veterans who are transgender men and women is the same as that of the Canadian general population (0.1% respectively).
- Only 39.8% of 2SLGBTQI+ Veterans feel a strong sense of community belonging, compared to 59.9% of heterosexual Veterans.

VAC Actions to Support 2SLGBTQI+ Veterans

- **Engagement & Partnerships:**
 - Ongoing engagement with the Rainbow Veterans of Canada and the LGBT Purge Fund Board of Directors.
 - Engagement with the larger community via the 2SLGBTQI+ Veterans Forum and other venues to identify systemic barriers and gaps.
 - Inclusion of 2SLGBTQI+ perspectives in Ministerial Advisory Groups.
 - Represented in commemorative events and pilgrimages.
- **Targeted Funding**
 - Veteran and Family Well-Being Fund (VFWF) supports projects addressing 2SLGBTQI+ Veterans' needs.
 - Allocated funding to support the 2025 2SLGBTQI+ Veterans Forum
- **Inclusive Policies & Training:**
 - Modernizing Sex and Gender Information Practices.
 - Trauma-informed, bias awareness, and 2SLGBTQI+ history training for VAC staff. In the 2025 [Public Service Pride Week](#), VAC hosted screening of *The Fruit Machine* documentary, and hosted a virtual event highlighting the Canadian Museum for Human Rights exhibit, *Love in a Dangerous Time: Canada's LGBT Purge*.
 - Integration of Gender-Based Analysis Plus (GBA Plus), Sex- and Gender-Based Analysis Plus (SGBA Plus) across programs, benefits, and services policy development/update, as well as decision-making processes.

Improvements to Disability Benefits

- Multi-year modernization of Table of Disabilities (TOD) and Entitlement Eligibility Guidelines (EEGs) (completion 2025–26).

Updates include:

- Expanded guidance on gender-affirming care.
- New EEG for Sexual Dysfunction (2022) with gender-inclusive criteria.
- Enhancements in TOD Chapter 16 - Urinary, Sexual, Reproductive and Breast Impairment (2024)

Commemoration & Recognition

- Expansion of commemorative materials to honour 2SLGBTQI+ military history.
- Public education on the LGBT Purge and past discrimination.

BACKGROUND

Veterans Affairs Canada supports 2SLGBTQI+ Veterans and their families; a broad community that includes diverse sexual orientations and gender identities. The 2SLGBTQI+ community includes those who identify as Two-Spirit, lesbian, gay, bisexual, transgender, queer, and intersex, as well as Veterans who identify as part of sexual and gender-diverse communities and use additional terminology.

Between the 1950s and mid-1990s, 2SLGBTQI+ members of the Canadian Armed Forces, the RCMP and the federal public service were systematically discriminated against, harassed and often fired as a matter of policy and sanctioned practice, in what came to be known as the “LGBT Purge”. In June 2018, a historic settlement was reached, including a global settlement of \$145 million, including \$110 million for LGBT Purge victims. The LGBT Purge Fund administers a settlement of \$23 million to support reconciliation and memorialization of the LGBT Purge.

Veterans Affairs Canada works collaboratively with the Rainbow Veterans of Canada and the LGBT Purge Fund to identify and address systemic challenges facing 2SLGBTQI+ Veterans.

Veterans Affairs Canada has committed to making space to build community with 2SLGBTQI+ Veterans, hosting the landmark 2020 virtual roundtable on 2SLGBTQI+ Veterans and guiding the implementation of Gender Inclusive Services to ensure the representation of transgender and gender-diverse Veterans and their families.

In 2023, Veterans Affairs Canada hosted the Women and 2SLGBTQI+ Veterans Forum, on February 9th and February 16th. The intent of the Forum was to continue to provide an opportunity for Veterans Affairs to elevate the experiences of underrepresented Veterans and encourage conversations and linkages with stakeholder that respond to the needs of women and 2SLGBTQI+ Veterans. This Women and 2SLGBTQI+ Veterans Forum built on the 2020 Women Veterans Forum, 2020 LGBTQ2 Veterans Roundtable, and 2019 Women Veterans Forum.

In April 2024, Veterans Affairs sent the first ever 2SLGBTQI+ Veterans delegation to France and Belgium to visit historical sites and participate in commemorative events. The delegation was made up of members from Rainbow Veterans of Canada and The LGBT Purge Fund. The delegation also took part in a Battle of Vimy Ridge ceremony on April 9th to honour all First World War 2SLGBTQI+ Veterans, particularly Frederick Hardy, whose name is listed on the monument.

In August 2024, VAC partnered with Rainbow Veterans of Canada and the LGBT Purge Fund to host the first annual 2SLGBTQI+ Veterans Forum. The event was held in Fredericton, New Brunswick on August 28-29. The 2SLGBTQI+ Veterans Forum Summary Report was published in January 2025.

WARTIME SERVICE

- The Government is grateful for the dedicated service of all Canadian Armed Forces members and Veterans.
- There are no provisions within current legislation that provide authority to designate a period of service as Wartime Service.
- Service in high risk conflicts, operations, and deployments since Korea to present day are designated by the Minister of National Defence as Special Duty Service.
- This classification does not signal lesser respect for the service of modern-era members and Veterans, nor is it indicative of a lesser degree of risk on the part of those deployed.
- Military service across all eras and conflicts holds profound significance for Canadians.
- By engaging in ongoing consultations, the Department will gather perspectives from Veterans organizations and individual Veterans to ensure their voices are heard in shaping the most effective and meaningful ways to recognize the service and sacrifice of Canada's Veterans.

QUICK FACTS & FIGURES

Service Type – Wartime service and special duty service

- Service during World War I, World War II, and the Korean War are included in the *Pension Act* as service during war.
- Service in other conflicts, operations, and deployments where Canadian Armed Forces members and Veterans have been exposed to higher than normal levels of risk are designated by Order of the Minister of National Defence, in consultation with the Minister of Veterans Affairs, as either a “Special Duty Area” or “Special Duty Operation” (commonly called “Special Duty Service”) under the *Veterans Well-being Act*.
- In addition to the Persian Gulf, service in the Balkans and Afghanistan have been classified by Order of the Minister of National Defence as “Special Duty Service”.
- Changing the categorization of those who served in the Persian Gulf from “Special Duty Service” to “Wartime Service” would not result in any change to offered benefits.

Persian Gulf Veterans eligible for Veterans Affairs Canada benefits

- Depending on when they applied for benefits, members and Veterans with service in the Persian Gulf could be eligible under both the *Pension Act* and the *Veterans Well-being Act*.
- Those who applied for benefits on or after April 1, 2006, are eligible under the *Veterans Well-being Act*. Those who applied prior to April 1, 2006, and received a decision, continue to hold some rights under the *Pension Act* related to the condition for which they received that decision.

Government of Canada and Persian Gulf Veterans

- On June 20, 2025, House of Commons Standing Committee on Veterans Affairs (ACVA) released a report entitled, *The Persian Gulf War Was a War*. The report made five recommendations to address the requests from Persian Gulf Veterans for greater recognition of their roles during this conflict, both in terms of commemorating their efforts and of receiving financial compensation.
- The official Government Response was presented to the House on Friday, October 10, 2025.

BACKGROUND

A petition on this issue was introduced in the House of Commons in June 2023.

- The Minister of National Defence tabled the response in August 2023 ([Petition e-4399 - Petitions \(ourcommons.ca\)](#)).

A report on this issue was tabled by the Standing Committee on Veterans Affairs in June 2025, entitled “*The Persian Gulf War Was a War*”. This followed a study by the committee in 2024 during the previous parliament. The official Government Response was tabled in the House on October 10, 2025.

Recommendation 1- that Veterans Affairs Canada (VAC) abolish the category of “wartime service veteran” in its *Policy on Disability Benefits in Respect of Wartime and Special Duty Service – The Insurance Principle* and list only those areas of conflict or military operations that qualify for disability compensation under the Insurance Principle.

The Government agrees with this recommendation. VAC will update the policy to remove all references to “Wartime Service” and list only those areas of conflict or military operations that qualify for disability compensation under the Insurance Principle.

Recommendation 2 - That the Minister of Veterans Affairs introduce a bill amending sections 69 and 70 of the *Veterans Well-being Act* to add to the powers of the Minister of National Defence the power to assign to past, present or future military operations the following designations:

- “war emergency operation” when a military operation takes place further to a proclamation of a “war emergency” under the Emergencies Act (such a designation would be applicable to both the First and Second World Wars); and
- “war zone operation” when a military operation is carried out in defence of a state other than Canada and the situation would likely have justified the proclamation of a “war emergency” by that state if the criteria of the Emergencies Act were in force there, without a “war emergency” having been proclaimed in Canada (such a designation would be applicable to, among others, the Korean War, the Gulf War, the war in the former Yugoslavia and the war in Afghanistan).

The Government takes note of the recommendation. Prior to making any changes to the designation of military or other operations, additional work is required. This includes broader understanding of the point of view of additional stakeholder groups, including those who participated in peacekeeping missions, as well as consideration and understanding of the potential impacts to the authorities of the Minister of Public Safety to make service designations.

Even if the Government made the recommended changes to the categorization of those who served in the Persian Gulf from “Special Duty Service” to “Wartime Service” it would not result in any change to offered benefits.

On November 7, 2025, the Minister of Veterans Affairs and the Minister of National Defence received a letter from Members of Parliament James Bezan and Blake Richards calling on

the government to take action for Persian Gulf Veterans.

On November 10, 2025 the Minister of Veterans Affairs and the Minister of National Defence received a letter from the members of Parliament Gord Johns and Lori Idlout calling on the government to take action for Persian Gulf and Afghanistan Veterans.

2025-26 DEPARTMENTAL PLAN

- The 2025–26 Departmental Plan (published on June 17, 2025) lays out the Department’s priorities for the year and provides an outline of the important work that we will undertake.
- More than 90% of the \$7.8B in planned spending for 2025–26 will be for payments to Veterans, their families, and other program recipients.

QUICK FACTS & FIGURES

Disability Benefits and Processing Times

- 72% backlog reduction since 2020. Thousands of Veterans now receive decisions faster
- \$164.4M in funding (Nov 2023) allows VAC to retain trained staff until March 2026, sustaining progress
- Streamlined medical consultations and improved decision-maker training to speed up decisions. Expanded use of automation and modernized tools so staff can focus on complex cases

Benefits, Services and Support

- Key priority continues to be reducing processing times with various initiatives such as using digital solutions and streamlining processes to expedite decision-making. While there has been significant progress, more work is underway
- Introducing innovative approaches like social prescribing, which connects clients to a variety of non-clinical community services aimed at improving their health and overall well-being.

Workforce (FTEs)

- Planned FTE reduction in 2026-27 reflects the end of temporary funding, not service cuts
- Temporary funding for Disability Benefits continues until March 2026, Case Management until March 2027, ensuring continued support during transition

Forecasted Spending

- While planned spending appears to decline in 2026-27, updated forecasts show demand continuing to grow
- Future plans will be adjusted to reflect higher need, keeping spending in line with 2025–26 levels. Veterans' benefits remain fully protected and will not be reduced

Canadian Veteran Health Survey (CVHS)

- CVHS launched in 2022 to replace LASS. It now includes all Veterans, not just those released after 1998
- Aligns with Canadian Community Health Survey for better comparisons with the general population. Will be conducted every two years (next cycle in late 2024) giving VAC more timely, representative data to guide policy and services

Commemoration

- The construction of the National Monument to Canada's Mission in Afghanistan is a priority, with plans to begin building in late spring or early summer 2025

BACKGROUND

The **2025–26 Departmental Plan (DP)** provides parliamentarians and Canadians with a clear view of the results Veterans Affairs Canada (VAC) aims to achieve and how resources will be used to deliver for Veterans and their families. It is tabled in Parliament annually and published online to ensure transparency and accountability.

Highlights from the 2025–26 Plan include:

Benefits, Services, and Support

- Cutting disability benefit processing times through staffing, automation, and My VAC Account enhancements.
- Expanding mental health services, including e-therapy and PTSD support, and improving access for women, Indigenous, and underserved Veterans.
- Enhancing financial supports through updates to the Income Replacement Benefit, Veterans Emergency Fund, and VAC systems.
- Supporting rehabilitation, vocational services, and employment through the National Veterans Employment Strategy and enhanced transition services.
- Strengthening community engagement via peer support networks and the Veteran and Family Well-being Fund.
- Expanding efforts to combat Veteran homelessness and improve home accessibility.

Commemoration

- Marking key anniversaries: 80th of the end of WWII, Liberation of the Netherlands, and V-J Day; 25th of the Unknown Soldier's repatriation; 100th of Beaumont-Hamel Memorial.
- Beginning construction of the National Monument to Canada's Mission in Afghanistan in 2025.

Veterans Ombudsperson

- Streamlining decision-making and complaint resolution for faster, fairer outcomes.
- Expanding outreach through town halls, events, and social media to raise awareness and support.
- Collaborating with VAC to address complaints and promote fairness in service delivery.

Internal Services

- Modernizing technology and tools, including AI testing to improve service and Access to Information processes.
- Advancing sustainability through green procurement and emission-reduction initiatives.
- Supporting a healthy, inclusive workplace and strengthening recruitment with a Veteran-focused strategy.
- Improving communications, stakeholder engagement, and recognition of diverse Veterans.

2024-25 DEPARTMENTAL RESULTS REPORT

- Veterans and their families are at the core of everything we do - over 90% of our budget goes directly to them.
- We are improving service delivery by reducing administrative burden, modernizing tools, and making benefits easier to access.
- We are strengthening mental health care, expanding access to providers, and investing in research to better support the unique needs of all Veterans, including women and Indigenous Veterans.
- We are helping Veterans build financial security, find meaningful employment, and stay safe and independent through targeted programs and strong partnerships.

QUICK FACTS & FIGURES

VAC Budget

- Total actual spending: \$7.63B.
- Over 90% went directly to Veterans, their families, and other program recipients.

Disability Benefits

- Average wait for first applications cut nearly in half since 2021–22.
- 47% of applications met 16-week service standard (down from 69% in 2023–24 due to rising demand and a loss of trained decision-makers). However, we completed 6% more applications than the previous year.

Mental Health

- 54% of OSI Clinic clients reported improved mental health.
- Over 8,300 Veterans accessed virtual mental health care (\$24M in claims).

Income and Emergency Support

- \$1.43B paid in Income Replacement Benefits to 34,285 Veterans/families.
- 1,069 Veterans Emergency Fund applications approved.

Employment & Transition

- 2,100+ Veterans supported through Career Transition Services (88% achieved positive outcome).
- 5,569 transition interviews completed for releasing CAF/RCMP members; 107 job placements through job development services.

Housing & Independence

- \$391M through Veterans Independence Program for 78,309 recipients.
- 253 Veterans experiencing or at risk of homelessness actively supported.

Community Support

- 81 community-based projects funded.
- \$14.4M in new funding provided for these initiatives to improve housing, jobs, and mental health services.

BACKGROUND

The 2024–25 Departmental Results Report (DRR) provides parliamentarians and Canadians with a clear account of what Veterans Affairs Canada (VAC) accomplished and how we achieved results against the priorities outlined in the 2024–25 Departmental Plan. It is tabled in Parliament and published online to ensure transparency and accountability.

Highlights from the 2024–25 Report include:

- **Improving Disability Benefit Decisions:** Despite a 7% increase in applications and the loss of trained decision-makers, VAC processed 6% more disability benefit applications than in 2023–24. VAC is taking action through a long-term staffing plan, development of automation tools, and the continued modernization of services to further improve the timeliness of disability benefit decisions.
- **Strengthening Health and Mental Health Supports:** Over \$2.1M was invested through the Veteran and Family Well-being Fund to support research on women Veterans and brain injuries. Access to care was expanded by adding more than 26,000 providers to the Medavie Blue Cross registry, after adding more than 52,000 the year before.
- **Supporting Financial Security:** A clearer policy for the Canadian Forces Income Support (CFIS) program was introduced to help low-income Veterans return to work. VAC also provided urgent financial aid through the Veterans Emergency Fund.
- **Helping Veterans Transition and Find Purpose:** The first National Veterans Employment Strategy was launched in June 2024, and 90% of its action items are already underway. VAC hosted webinars, presentations, and one-on-one employer interviews, resulting in strong employment outcomes for Veterans.
- **Housing and Long-Term Care Support:** VAC provided support through the Veterans Independence Program to help Veterans, caregivers, and survivors stay in their homes. Through the new Veteran Homelessness Program, Veterans experiencing or at risk of homelessness were actively case-managed and connected with housing and wraparound supports.
- **Indigenous and Northern Outreach:** VAC completed outreach visits to northern and remote communities, exceeding its annual target. Culturally safe mental wellness supports were strengthened to better meet Indigenous Veterans' needs.
- **Modernizing Services:** VAC continued to improve digital tools, including My VAC Account (75% user satisfaction), and introduced automation to reduce paperwork and speed up benefit decisions. Work also continued to update the Entitlement Eligibility Guidelines (EEGs) and the Table of Disabilities (TOD) to improve fairness and consistency.

2023-24 SERVICE STANDARD RESULTS

- Service standards are part of our commitment to providing quality services to Veterans, former RCMP members, CAF members, and their families.
- Service standards tell Veterans how long they can expect for a service to be provided or for a decision to be made under normal operating circumstances.
- In fiscal year 2023-24, VAC met or exceeded 18 (72%) of its 25 published service standards.
- VAC is aware that current processing times for disability benefits are still unacceptable and reducing them remains a top priority. The Department has made a lot of progress, but there is more work to do.
- VAC is transparent on the progress of reducing processing times for disability benefits applications by publishing these results.
- 2023-24 Service Standards Results were externally published on January 30, 2025.

QUICK FACTS & FIGURES

- Year-end results for 2023-2024 show that, of the 25 service standards measured, VAC met or exceeded 18 targets, an increase from the 17 targets met during the previous fiscal year.

Disability Benefits:

- Our ability to meet our 16 week service standard is impacted by a number of factors, including an increasing number of applications for disability benefits.
- Between 2015-2016 and 2023-2024, VAC saw a 78% increase in the number of disability benefits applications, which impacted our ability to meet our service standard.
- Since 2019-2020, we've more than doubled our performance for first applications (from 23% to 69% in 2023-2024).

Disability Benefits Processing Times:

- In the 2023-2024 fiscal year, the Department made significant strides in reducing processing times. Since the spring of 2020 to the end of 2023-2024 fiscal year, we reduced the backlog by 75%.
- For 2023-2024 the average turnaround time for first applications was 20.2 weeks, down from an average turnaround time of 28.1 weeks in 2022-2023 and 39.7 weeks in 2021-2022.
- Between 2015-2016 and 2023-2024, Veterans Affairs Canada saw a 78% increase in the number of disability benefit applications. Despite this increase, we made significant progress in meeting the disability benefits service standard in 2023-2024, with 69% of first applications processed within the standard timeframe (16 weeks).

Additionally:

- VAC hired more employees to process disability benefits applications, who were extended to March 2026 with an [investment of \\$139.6 million](#) announced in February 2022.
- To further improve processing times, the Government announced [additional funding of \\$164.4 million](#) on 3 November 2023. A portion of this funding will help VAC retain temporary trained staff dedicated to processing disability benefits applications for an additional two years, until March 2026. We will continue to strive to achieve our disability benefits service standards.

BACKGROUND

Veterans Affairs Canada has a set of service standards to measure and communicate the level of service we provide to our clients and the expected timelines relating to our programs and benefits. The results are published both on GC InfoBase - [VAC Service Standards](#) and on VAC's external website [Service standards - Veterans Affairs Canada](#).

A reminder that Service Standards are the external facing commitments that VAC makes to Veterans and the Canadian Public. They are different than the internal facing performance metrics that we use to monitor the performance of our programs.

Part of our ongoing commitment to Veterans and others we serve is to develop and maintain accurate service standards that are based on client feedback, representative of our actual performance, and comply with Treasury Board's Policy on Service and Digital. One of the requirements of this new policy, which took effect on April 1, 2020, is for departments to ensure that services have comprehensive and transparent client-centric standards, related targets, and performance information for all service delivery channels in use. Work is underway in the Department to implement this and other requirements.

The Department routinely reviews its service standards to ensure they are useful to Veterans and other clients. With this, Veteran feedback, and the evolution of Veterans Affairs Canada programs and benefits in mind, we expect a number of service standards will be revised and new ones will be added over time.

Processing Times:

- For 2023-2024, the average turnaround time for first applications was 20.2 weeks, down from an average turnaround time of 28.1 weeks in 2022-2023 and 39.7 weeks in 2021-2022.
- Between 2015–2016 and 2023-2024, VAC experienced a 78% increase in disability benefits applications, which impacted our ability to meet our service standard. However, with the help of additional temporary resources extended until March 2026, we made significant progress: since 2019-2020, we've more than doubled our performance for first-time applications (from 23% to 69% in 2023-2024).
- Applications are fast-tracked for those who are medically at risk (e.g., palliative, advanced age, etc.) or who have an immediate, unmet health need related to their claimed condition.

**OFFICE OF THE VETERANS OMBUD REPORTS
(2024-2025 ANNUAL REPORT and the 2025 SPOTLIGHT)**

- Veterans Affairs Canada appreciates the work and dedication of the Veterans Ombud and her staff.
- We welcome the Ombud's report and recommendations and will work collaboratively with the OVO to continue to improve the support we provide to Veterans and their families.
- We remain committed to reducing processing times for disability benefits and removing inequities faced by Veterans and their families.
- Veterans Affairs Canada is working to ensure Veterans receive the high-quality care they expect and deserve.

QUICK FACTS & FIGURES

2024-2025 Annual Report

- Released on June 17, 2025.
- Summarizes actions the OVO has taken to help individual Veterans and their families with specific issues.
- Presents some of the most common issues concerning the Veteran community and recommends ways VAC can help or address these issues.

In 2024-2025, the OVO received a total of 1848 requests:

- 1569 complaints:
 - 496 OVO cases referred to VAC;
 - 500 cases reviewed;
 - 177 cases outside their jurisdiction; and
 - 396 assessments not initiated.
- 279 requests for information.

The OVO was able to investigate 93% of complaints within 60 days.

2025 Spotlight

- Released on September 4, 2025.
- Outlines the implementation status of recommendations made by the OVO throughout the course of their systemic investigations.

Status of 107 recommendations in the Spotlight as of March 31, 2025:

- 46 recommendations were implemented
- 8 recommendations are partially implemented
- 2 recommendations are in progress
- 2 new recommendations not tracked yet
- 17 recommendations have not been implemented
- 32 recommendations are no longer being tracked (i.e., no longer relevant)

As of March 31, 2025, 75% of the recommendations currently being tracked have been actioned (i.e., fully/partially implemented or in progress).

BACKGROUND

2024-2025 Annual Report

The Office of the Veterans Ombud 2024-2025 Annual Report was released on June 17, 2025. The annual report summarizes the actions OVO has taken to help individual Veterans and their families with specific needs. It also highlights the OVO's efforts to influence change for the larger Veteran community.

Areas of concern include:

- Veterans' lack of access to doctors and the impact this has on claims;
- family doctors and specialists refusing to fill out complex VAC paperwork;
- mental health supports for families;
- survivors receiving incorrect information from VAC, impacting eligible benefits

It also highlights reports and recommendations from the previous year, including the 2024 Spotlight and two new recommendations regarding fairness issues with Additional Dependant Care reimbursement under the Rehabilitation program.

2025 Spotlight

The Spotlight tracks VAC's progress in implementing OVO recommendations dating back to 2007. Each recommendation reflects a concern by the OVO that a piece of legislation, process, or procedure contains a systemic inequity or unfairness.

The 2024-25 Spotlight:

- Acknowledged VAC's progress in addressing gender inequalities related to sexual dysfunction claims as a result of psychiatric conditions.
- Raised concerns that mental health support access for Veterans' families depends on the Veteran engaging in treatment, which is not always feasible.
- Raised concern that the "Relatives" section of the VIP Benefits at Home Policy may unfairly assume a Veteran's live-in relatives will perform household and/or grounds maintenance tasks.
- Related to Pain and Suffering Compensation (PSC), the Spotlight called on VAC to:
 - Resolve a perceived unfairness for single Veterans without dependent children who would have received more money from a one-time Pain and Suffering Compensation payment than from monthly payments, if they had chosen the lump sum option before they passed away. and
 - Until this is resolved, ensure Veterans receive clear information about what happens should they die without having chosen the lump sum payment.

CENSUS DATA ON VETERANS

- The 2021 Census represents the first time since 1971 that a question on military service was included in the Census.
- A Veteran identifier will be included on the long form of Census 2026.
- Census data helps to fill key gaps in our understanding of the Veteran population, such as the number of aging Veterans, the number of Indigenous Veterans, and information on Veteran family composition.
- Veterans Affairs Canada worked with Statistics Canada to develop a Contemporary Portrait of Canadian Veterans to enhance the impact of programs and services, particularly for Veterans who have previously been under-represented.

QUICK FACTS & FIGURES

What we know so far about Veterans from the Census 2021 data:

- 461,240 Canadian Veterans as of May 11, 2021
- 16.2% of Veterans were women; 83.8% were men.
- Average age of women Veterans was 59.1 vs 61.7 for men.
- 33,420 were age 85 or older.
- 67.0% were married or common-law.
- 22.1% had a university degree or higher.
- Unemployment rate of 8.9%.
- 28.1% reported “always having difficulties” with their activities of daily living.
- 5.4% were in core housing need.
- 23,075 Veterans were Indigenous, including 10,950 First Nations, 10,440 Métis, and 755 Inuk (Inuit), as well as 930 with other/multiple affiliations.
- Indigenous Veterans accounted for 5.2% of Veterans in private households.
- The majority of Indigenous Veterans live off reserve (93.3%) with 6.7% living on reserve.
- The majority of Veterans were cisgender (99.7%) while 0.2% were transgender and 0.1% were non-binary.
- Higher concentrations of Veterans are found in the following cities:
 - Belleville (4.5%), Halifax (4.4%), Kingston (4.0%), Fredericton (3.8%), Saint John (3.5%).

BACKGROUND

The 2021 Census represents the first time since 1971 that a question on military service was included.

Census 2021 Question: Has this person ever served in the Canadian military?

- *Yes, currently serving in the Regular Force or the Primary Reserve Force*
- *Yes, but no longer serving in the Regular Force or the Primary Reserve Force*
- *No*

Compared to the Veteran identifier in Census 2021, the 2026 version provides more detailed information on Canadian Armed Forces (CAF) service type by allowing respondents to specify whether they served – or are currently serving – in the Regular Force, Reserve Force, or “Other” (write-in response). In conjunction with other questions on Census 2026 (e.g., Indigenous status, visible minority status, sex at birth, gender, languages, and more), this differentiation will support comprehensive analyses of the sampled Canadian Veteran population, stratified by all Veteran sub-populations of interest and disaggregated by CAF service type.

The Veteran identifier question in Census 2026 is phrased as follows:

31. Has this person ever served in the Canadian military? Do not include service as a Cadet (youth program).

- *Yes, currently serving in the Canadian military. What type of service is this? Mark all that apply.*
 - *Regular Force*
 - *Reserve Force*
 - *Specify other type of service*
- *Yes, but no longer serving in the Canadian military. What type of service was this? Mark all that apply.*
 - *Regular Force*
 - *Reserve Force*
 - *Specify other type of service*
- *No Canadian military service*

New and updated content on Census 2026 will support comparisons between Regular Force and Reserve Force Veterans across numerous variables of interest, including general health, homelessness, sexual orientation, activities of daily living, and labour force status.

VETERANS AFFAIRS CANADA LITIGATION

- Canada's Veterans deserve our greatest recognition and respect for their service.
- Veterans Affairs Canada is committed to ensure that Veterans and their families receive the right benefits and supports when they need them.
- Sometimes Veterans and their families feel that we did not get it right. It is their right to pursue legal actions to resolve their concerns and we respect that process.
- We strongly encourage Veterans and their families to contact us whenever they have questions or need support so that we can work with them to find solutions to whatever issues they are facing.
- Veterans Affairs Canada will continue to take action to strengthen supports available to Veterans and their families

QUICK FACTS & FIGURES

VAC Response to Veterans' Legal Actions

- Veterans, like all Canadians, can use all avenues available to them, including legal action, if they feel government programs are not adequate. If a legal action impacts the Government of Canada, the Government is obligated to defend itself against claims that are unfounded in Canadian law.

Settlement vs. Litigation

- Our legislation, regulations and policies are the cornerstones of supports for Veterans and their families. Veterans Affairs Canada has an obligation to provide those supports in a manner that is consistent with the legal authorities Parliament has put in place. While negotiated agreements and outcomes are preferred wherever possible, there are cases where the Government has the obligation to defend itself against unfounded claims.

BACKGROUND

Veterans Affairs Canada (VAC) is currently involved in several legal actions. These include class actions, court actions, judicial reviews and human rights complaints focused specifically on Departmental benefits and services, or where VAC is an interested party.

The Department works closely with the Department of Justice and Attorney General of Canada. The Attorney General of Canada has responsibility for all litigation for or against the Crown, any department, or Crown agent corporations.

As these matters are in front of the court, it would be inappropriate to discuss them in any more detail.

MAIN ESTIMATES – DEPARTMENTAL BUDGET 2025-2026

- Veterans Affairs Canada’s budget reflects the government’s commitment to ensuring Canadian Veterans and their families are provided with the support they need.
- 94% of the Department’s budget represents payments to Veterans, their families and other program recipients.
- The 2025-26 Main Estimates provide VAC funding of \$7.8 billion.
- These contributions for Veterans are an important part of achieving Canada’s NATO targets.

QUICK FACTS & FIGURES

- VAC's 2025-26 Main Estimates are \$7.8 billion

Overall Budget Growth

- Increase of \$1.62 billion (26%) over 2024–25 Main Estimates
- Increase is related to increase in demand, increased production and costs for benefits and services
- 94% of VAC's budget is dedicated to payments for Veterans, their families, and other recipients

Budget Increase Drivers

- Annual demand-driven (quasi-statutory) program adjustments
- Funding for newly signed collective bargaining agreements
- Manuge Class Action Settlement agreement
- Juno Beach Centre, Veterans and Family Well-Being Fund, and Research
- Telemedicine Services
- Advertising initiatives

Support for Veterans

- Majority of funding directed to Veterans' benefits and services
- Programs are demand-driven (quasi-statutory): ensures all eligible Veterans receive entitled benefits
- Budgets are updated annually to reflect expected demand

Managing Increased Demand

- If more Veterans require benefits or services than forecasted, budgets can be increased during the year through Treasury Board submissions

Pain and Suffering Compensation – program with largest increase

- Increase of **\$687 million** in 2025–26, driven by:
 - More Veterans coming forward for support
 - Faster processing and production
 - More Veterans electing to receive lump sum payments

BACKGROUND

The 2025-26 Main Estimates provide Veterans Affairs Canada funding of \$7.83 billion, which represents a net increase of \$1.62 billion (26%) compared to last year's Main Estimates (2024-25).

The 2025-2026 Main Estimates reflect funding adjustments for the following:

- Annual quasi-statutory program adjustments;
- Funding for newly signed collective bargaining agreements;
- Funding for the *Manuge Class Action* Settlement agreement;
- Funding for the Juno Beach Centre, Veterans and Family Well-Being Fund and Research;
- Funding for Telemedicine Services; and
- Funding for Advertising.

The net increase of \$1.62 billion is comprised of the following items:

\$625M increase in Vote 1 (Operating):

- Other Health Purchased Services: \$280M increase due to overall increase in demand and costs for treatment/healthcare.
- *Manuge* SPA (Special Purpose Allotment): \$275M – new funding to meet obligation in the *Manuge Class Action* Final Settlement Agreement.
- Veterans Support Services: \$50M increase due to updated forecast from new rehabilitation contractor.
- Regular operating: \$19M increase due to funding for Collective Bargaining, Service Excellence (Case Management), and *Manuge*, offset by reduction due to the Reduced Government Spending initiative.
- Advertising Initiatives: \$2M received for Advertising funding.

\$985M increase in Vote 5 (Grants and Contributions):

- Increase due to increased demand and/or increased expenditures for the following programs:
 - Pain and Suffering Compensation: \$687M
 - Income Replacement Benefit: \$229M
 - Housekeeping & Grounds Maintenance: \$46M
 - Additional Pain and Suffering Compensation: \$33M

\$7M increase in Statutory budget

- Employee Benefit Plan: Increase due to annual adjustment exercise, *Manuge*, and Collective Bargaining Agreement.

LAPSED FUNDING

- Veterans' benefits and services are demand-driven; No matter how many Veterans come forward and when, the Department's funding model guarantees that funds authorized for their services and benefits are always available to our Veterans
- Veterans Affairs Canada's top priority is to support Veterans. 94% of the department's budget funds Veterans' programs, benefits and services. This amounted to \$7.3 billion last year alone.
- Between 2015-2016 and 2024-2025, Veterans Affairs Canada experienced a 92% increase in the number of applications received for disability benefits.
- To keep up with the rise in demand and ensure that Veterans get services and benefits when they need them, over \$11.5 billion has been invested for Veterans since 2016.

QUICK FACTS & FIGURES

Lapsed Funding – 24/25

Lapsed funding for 2024-25 was \$157M (2% of Total Budget)

- \$121M - Pension for Life Programs
- \$25M – Normal amounts of unspent funds in Quasi Stat programs
- \$5M – Operating
- \$5M – Manuge
- \$1M – Normal amounts of unspent funds in non-Quasi Stat programs and SPAs

Lapsed Funding – 23/24

Lapsed funding for 2023-24 was \$51M (1% of Total Budget)

- \$10M - Pension for Life Programs
- \$2.2M – Disability Pension and Awards Programs
- \$30M – Normal amounts of unspent funds in 20 Quasi Stat programs
- \$8M – Operating
- \$1.4M – Normal amounts of unspent funds in non-Quasi Stat programs and SPAs

Lapse funding and Demand-Driven Programs

- Money returned to the consolidated revenue fund (lapsed) for quasi-statutory programming is accessible the next year to fund Veterans programming based on demand. This is how “quasi-statutory” program authority works. Veteran programs/services are funded based on need regardless of when the Veterans come forward to receive the benefit.

BACKGROUND

Lapsed Funding 2024-25 is \$157M – approximately \$146M (97%) are program funds and the remaining (3%) are operational funds

93% of the 2024-25 lapsed or unspent funds are a quasi-statutory expenditure authority approved by Parliament to cover the costs of Veterans benefits and services.

The Department has no authority to spend these funds for any other purpose thereby safeguarding these funds and ensuring they are available whenever a client comes forward and is deemed eligible.

4% of the 2024-25 lapsed or unspent funds are a non quasi-statutory expenditures and were made available in fiscal year 2025-26 through standard funding mechanisms available to Departments.

The remaining 3% of the 2024-25 unspent funds were approved by Parliament to cover our Departmental operating costs and these unspent funds were made available in fiscal year 2025-26 through standard funding mechanisms available to Departments.

Therefore 100% of the \$157 unspent funds are still available to spend when needed.

Lapsed Funding 2023-24 is \$51.6M – approximately \$44M (85%) are program funds and the remaining (15%) are operational funds

85% of the 2023-24 lapsed or unspent funds are a quasi-statutory expenditure authority approved by Parliament to cover the costs of Veterans benefits and services.

The Department has no authority to spend these funds for any other purpose thereby safeguarding these funds and ensuring they are available whenever a client comes forward and is deemed eligible.

The remaining 15% of the 2023-24 unspent funds were approved by Parliament to cover our Departmental operating costs and these unspent funds were made available in fiscal year 2024-25 through standard funding mechanisms available to Departments.

Therefore 100% of the \$51.6M unspent funds are still available to spend when needed.

SUPPLEMENTARY ESTIMATES B 2025-2026

- Veterans Affairs Canada's budget reflects the government's commitment to ensuring Canadian Veterans and their families are provided with the support they need.
- 94% of the Department's budget represents payments to Veterans, their families and other program recipients.
- Through these Estimates, VAC's budget will increase by \$14.2M from \$7,839 million to \$7,853 million.
- These contributions for Veterans are also an important part of achieving Canada's NATO targets.

QUICK FACTS & FIGURES

Overall Budget Growth

- Increase of \$14.2 million (0.2%) over current budget levels
- Budget will increase from \$7,839 million to \$7,853 million
- 94% of VAC's budget is dedicated to payments for Veterans, their families, and other recipients

Budget Increase Drivers

- FHCPS contract funding (OHPS) : \$10.5M
- Research funding (Transfer from DND): \$1.7M
- Advertising initiatives: \$1M
- Peer Support funding: \$965K

BACKGROUND

VAC's budget will increase by \$14.2 million, representing 0.2% increase over current budget. VAC's budget will increase from \$7,839 million to \$7,853 million in relation to the following transfers and adjustments:

New Treasury Board Submissions

- New FHPCS Contract – Contract costs: \$10.5M – Other Health Purchased Services Special Purpose Allotment
 - This funding will be used to support the Federal Health Claims Processing Services (FHPCS) contract to ensure continued delivery of health care authorization and claims processing services.
- Peer Support/MST – Gender Based Violence: \$965K (\$691K in Salary; \$88K in O&M; \$187 for EBP).
 - As announced in Budget 2021, this funding for the administration of Peer Support for Sexual Misconduct and/or Military Sexual Trauma will help ensure VAC's continued support of the Peer Support Program.
- Government Advertising Initiatives: \$1M – Advertising Initiative Special Purpose Allotment
 - As highlighted in the Speech from the Throne (2019), the government intends to recognize its solemn duty to those who choose to serve in the Canadian Armed Forces and build upon investments in previous mandates to deliver better outcomes for Canada's Veterans.

Transfers

- Transfer from Vote 1 (Operating) to Vote 5 for the Veterans Emergency Fund: (\$800k)
 - This transfer of funds will be used to fund pressures on the Veterans Emergency Fund.
- Transfer from GAC to adjust previous funding: \$17K (\$9K in Sal and \$8K in OM)
 - GAC provides common services such as procurement of goods, services, and real property in support of VACs delegation abroad. This transfer of funds represents reimbursement to adjust funding previously provided for departmental staff located at missions abroad.
- Transfer from DND for Research Projects: \$1.7M (\$70K operating, \$1.6M Grant)
 - This transfer of funds will help support research related to military members, Veterans and their families. This is part of the Joint Federal Research Funding project.
 - This transfer represent the admin portion of the joint project (funding from DND to support VAC in administering the funds).

PUBLIC ACCOUNTS 2024-25

- Veterans Affairs Canada's top priority is to support Veterans, with 94% of the department's expenditures representing payments to Veterans, their families, and other program recipients.
- Veterans Affairs Canada continues to see growth in demand for Veterans Support, demonstrated by increased spending in fiscal 2024-25.
- Total expenditures for 2024-25 were \$7.6 billion, an increase of \$1.6 billion over 2023-24.
- Veterans Affairs Canada had a 2% funding lapse in 2024–25. However, Veterans Affairs' demand-driven funding model ensures that authorized funds for Veterans' benefits and services are always available, regardless of how many Veterans come forward or when.

QUICK FACTS & FIGURES

- The Department spent \$7.6 billion in 2024-25.

Overall Expenditure Growth

- Increase of \$1.6 billion (26%) over 2023-24.
- 94% of expenditures were spent on Veterans Benefits, Services and Support.

Expenditure Increase Drivers

- Disability Benefits \$697M.
- Income Support \$173M.
- Manuge Class Action Settlement \$444M.

Lapsed Funding

- In 2024-25, \$157M or 2% of Veterans Affairs Canada's \$7.8B budget lapsed.
- Annually a 2 to 3% contingency is managed to ensure sufficient funding is available for every Veteran who comes forward.

Areas of Lapsed Funding

- \$121M Pension for Life Programs.
- \$26M within other client programs and special purpose allotments.
- \$5M Manuge Class Action Settlement.
- \$5M Operating.

Claims Against the Crown

- 11 Claims against the Crown valued at \$1.6M. Two claims cover \$1.4M.

BACKGROUND

The majority of Veterans Affairs Canada's \$7.6 billion expenditures in 2024-25 represented payments to Veterans, their families, and other program recipients.

The Department experienced growth of \$1.6 billion in expenditures during 2024-25, primarily driven by growth in clients accessing lifelong benefit programs. This heightened demand for specific services, combined with the Department's efforts to align production capacity with this increased demand. Expenditures were also made in relation to the Manuge Class Action settlement agreement.

A lapse of \$157M or 2% was realized. This is consistent with the Department's 2-3% contingency to ensure funding is available throughout the year for every Veteran that comes forward.

Volume I – Summary Report and Consolidated Financial Statements

- Expenditures for 2024-25 totaled \$7.6B.
 - Payments to Veterans, and their families was \$7.1B.
 - Operating costs in support of Veteran's programs was \$428M.
- Overall, the Budget Allocation in 2024-25 was \$1.6B higher than the Budget allocation in 2023-24, related to increases in Pension for Life Programs and Manuge settlement.

Volume II – Details of Expenses and Revenues

- Lapsed funding for 2024-25 was \$157M
 - \$121M - Pension for Life Programs
 - \$26M – Other Client programs.
 - \$5M – Manuge Class Action Settlement
 - \$5M – Operating Budget Carry Forward

Volume III – Additional Information and Analyses

- VAC reported 11 claims against the Crown with a value of \$1.6M
 - 7 of these cases totaling \$103K related to settlement claims related to employment and Phoenix pay system.
 - 2 of these cases totaling \$36K related to Veterans Health Care Regulations.
 - 1 of these cases is related to improper advice provided to a client for \$1.1M
 - 1 of these cases is related to a procurement process for \$325K
- VAC Reported 5 court award cases totaling \$14K.
 - Amount covered awards for legal costs.