

**HONOURING SACRIFICE WITH MORE
THAN WORDS:**

**A NEW DIRECTION FOR VETERANS AND
VETERANS AFFAIRS CANADA THROUGH
LISTENING DIRECTLY TO VETERANS, THEIR
FAMILIES AND FRONTLINE EMPLOYEES**

**FIRST REPORT
(FINAL VERSION)
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**SEAN BRUYEA
VETERAN ADVOCATE AND JOURNALIST**

**INAUGURAL RELEASE TO THE HOUSE STANDING
COMMITTEE ON VETERANS AFFAIRS**

Summary of Recommendations

1. All Veterans Affairs Employees especially in the Head Office and Regional Office positions of all rank levels immediately be obligated to carry out 40 hours per year in direct contact with veterans and frontline employees including attending "Getting to Know Your Veteran" days which will consist of veterans and their families telling of their experiences in both the military and with Veterans Affairs Canada programs.
2. Veterans Affairs Canada immediately set a target of 30% of all staff who must be veterans.
3. Veterans Affairs Canada immediately designate all current and future vacated positions including senior managers as 'veteran only' with priority for disabled veterans until the 30% target is reached.
4. Veterans Affairs Canada be integrated into Department of National Defence but exist as a separate entity and be allocated a separate budget to ensure operational requirements do not rob VAC of resources for the *"care treatment and rehabilitation"* of veterans and their families.
5. Veterans Affairs Canada immediately cease filling open positions in Charlottetown with all open positions in Head Office being rewritten for employment in Ottawa.
6. Veterans Affairs Canada gradually wind down operations in Charlottetown through mostly attrition and retirement, and transfer all operations of a policy formulation and national operations to Ottawa.
7. Any changes to Veterans programs and benefits must involve widespread public consultation directed and overseen by Parliament and not by bureaucrats.
8. All Regional Offices (RO's) implement hiring freezes and gradually be wound down with vacated positions being rewritten in terms of qualifications needed at District Offices (DO's) with these positions transferred to DO's to provide them with much needed manpower.
9. Serious consideration be given to removing 10 to 15% of Head Office positions and transferring the rewritten positions to District Offices.
10. Head Office begin immediately to carry out open (unless confidentiality requested) and open-ended consultations with all frontline employees to reevaluate the way VAC does business. The resultant changes must be integrated with input received from open and open-ended consultations with veterans, CF and their families.
11. Outside private-sector efficiency experts be hired to carry out a Veterans Affairs-wide evaluation as to whether positions in HO and RO are helping to fulfill services to veterans and their families or merely creating more unnecessary processes which are a detriment to all. District Office would be concomitantly evaluated to determine necessary manpower increases.

12. All frontline workers be immediately empowered to authorize more than just specialized medical devices but instead be given authority to authorize in conjunction with a team manager immediate approval for programs and services up to approximately \$5000 to \$10,000.
13. Treatment Authorization Centres be closed in favour of giving authorization powers to District Offices (DO's) once the increased positions in DO's are filled.
14. Each Area Counselor (AC) and Client Service Agent (CSA) work in a team being assigned a dedicated clerical position which can complete paperwork and input data in order to free up time for CSA's and AC's to interact and case manage clients.
15. It be officially recognized by Parliament and VAC that veterans and their families best understand what veterans and their families need from Canada, (including from VAC's programs) and veterans and families are the best to understand how to communicate with veterans and families about VAC's programs.
16. The majority of the VAC communication positions in Remembrance, Programs, Policy and Treatment employ veterans and veteran family members.
17. A specific Public Service-wide communication program be implemented with a training afternoon to receive briefings from veterans and CF members as to what makes military service so different from just another union job in the federal civil service.
18. A Canada-wide communication program be implemented to explain the costs of war, the sacrifices made by all, including those that come home wounded, and the difference between a civilian job and work in the military. The program would then explain why disabled veterans receive more comprehensive and different benefits than those on an insurance plan or those working for the federal civil service.
19. Specific programs be developed for those disabled CF veterans (and their families) who were released from the CF prior to April 1, 2006 to both improve their quality of life and assist those willing to return to work.
20. Work programs be designed to function closely with all sizes and types of employers to arrange for "co-op"-type programs to assist in acclimatization, gaining experience and determining employment desires of disabled veterans.
21. Gradual back-to-work regimes be initiated for disabled veterans to enter both the Public Service, all levels of government, universities and the private sector including various sizes and types of businesses. Wage subsidies and employment goals can be worked into agreements with employers.

22. In order to restore that sacred contract and solemn trust between Canada and its forgotten generation, an apology should be considered from the sitting Prime Minister to this forgotten generation and their families. The apology could be similar to that received by aboriginals in residential schools and Japanese internment camp victims. This apology would merely be the gateway to opening up a renovation of programs and benefits to assist those that wished assistance.
23. A task force be established immediately consisting of disabled veteran advocates, disabled veterans, their families, community and business leaders, rehabilitation specialists and psychologists/psychiatrists to develop programs designed to improve the quality of life of this forgotten generation and assist them to return to society and the workplace.
24. All disability benefits be guaranteed in order to provide the secure foundation necessary in taking the very difficult step of returning to the work force and the fullest possible integration into society.
25. Long Term Disability Plans including SISIP and the NVC Earnings Loss Benefit (ELB) be re-structured so that instead of fixed rehabilitation periods, the programs provide the earnings loss indefinitely with graduated offsets for income received in order to provide incentive for disabled veteran to keep income earned.
26. The House Veterans Affairs Committee unanimously call for the immediate cessation of the "*Unfair Deductions from SISIP*" long term disability income.
27. The immediate cessation of **CPP disability** associated claw backs of CF pensions for recipients of CPP disability pensions.
28. The federal government open up discussions to renegotiate the claw backs of the **CPP retirement** pensions.
29. The Lumpsum of the New Veterans Charter be immediately replaced by a monthly *Pension Act* disability payment.
30. Begin paying those recipients of the NVC lumpsum a *Pension Act* monthly disability pension including amounts for spouse and children if applicable while deducting the following amount monthly: the lumpsum thus far paid out is mathematically converted into a monthly income in accordance with insurance industry standards for such calculations (and then deduct this amount from what the veteran or survivor would have otherwise received from a monthly Pension Act award for the same level of disability plus additional amounts for spouse and children).
31. The financial advice provided for recipients of the lumpsum be mandatory and the amount paid for such advice be equivalent to a minimum of \$500 or 0.5% of the lumpsum (whichever is greater) on an annual go forward basis in keeping with industry average costs of paying for a financial advisor.
32. Implement all 299 recommendations contained in the NVCAG report and the four reports from SNAG.

33. The mandate of the Veterans Ombudsman's office be completely rewritten to comply with each of the 20 recommendations made in the Parliamentary Committee's report, "A Helping Hand for Veterans: Mandate for a Veterans Ombudsman".
34. The Veterans Affairs Committee and Veterans Affairs Canada carefully review all of Canada's first-ever Ombudsman Report on VAC ("*VOICE Report*") to ensure that existing recommendations are implemented and that the many observations of problems areas in VAC's operations and interactions are thoroughly addressed by either new policies or new legislation.
35. New Veterans Charter Advisory Group and Special Needs Advisory Group report to Minister as this will prevent compromising of independence by public service (i.e. VAC) officials.
36. New Veterans Charter Advisory Group and Special Needs Advisory Group contain veteran advocates as these advocates offer unfettered and direct links to many unrepresented stakeholders. Such advocates are unique in that their loyalty is to the well-being of veterans and their families and not to bureaucratic processes or group and/or professional affiliations.
37. New Veterans Charter Advisory Group and Special Needs Advisory Group current and future reports be made immediately public and easily accessible as is done by advisory committees in the United States.
38. New Veterans Charter Advisory Group and Special Needs Advisory Group be given unlimited timeframe to mandate.
39. New Veterans Charter Advisory Group and Special Needs Advisory Group rotate their chairs and members on a two to three year basis while staggering replacements so that corporate knowledge is not lost.
40. The minutes of and evidence from meetings of the New Veterans Charter Advisory Group and Special Needs Advisory Group be made immediately public barring confidentiality if requested by witnesses.

Introduction

I am a veteran advocate and journalist. I am also a disabled veteran and client of Veterans Affairs Canada (VAC). In my more than ten years of advocacy, I have had the honour of working and consulting with hundreds of veterans, serving Canadian Forces (CF) members, the family members of both, medical practitioners, journalists and other media workers, VAC employees, politicians, employees in other federal departments and Canadian citizens at large. The perspective of all of these people has been invaluable and has obviously shaped my understanding of the social contract between Canada and its obligation to care for veterans and their families.

This report reflects their input and perspectives on both the New Veterans Charter (NVC) and the problems in VAC which led to the flawed process in creating the NVC and its highly questionable end result. If most of these recommendations are implemented, I believe all of those who contributed to my understanding of this sacred social contract would agree that our veterans, the CF and the families of both would be well-served indeed.

As such this is an opinion piece on Veterans Affairs and the New Veterans Charter, reflecting the perspectives of a wide swath of interested Canadians. I hope to follow with more reports.

Canada's Afghanistan mission has provided a large and necessary push to changes in improving the care and treatment of both CF members and, and to a much less extent, veterans and their families. In July 2011 the combat mission ends. With this, it is likely that the spotlight on the military and veterans' issues will also fade, despite the demands and tempo of military operation such as Haiti and other international missions. This could be disastrous to veterans programs as VAC is at least 10 years behind the CF's initiatives.

As such, all major recommendations must be in place no later than July 2011 or else Canada's government will once again be able to forget about its veterans except for November 11 and the one or two minutes each year we pay lip service to the duty we owe so many who sacrificed so much in Canada's name.

I thank all those who have worked with me so that I could develop these recommendations. I especially thank my wife and friends for being so supportive.

Section A: Fundamental Changes at Veterans Affairs

Veterans Affairs Canada is the only federal department with its headquarters located outside Ottawa. Veterans Affairs is also, outside of Indian and Northern Affairs, the only department mandated to care for a very culturally specific portion of the Canadian population. In the United States Department of Veterans Affairs (DVA), veterans comprise more than 30 per cent of its work force including 25,000 disabled veterans. Even with these impressive numbers, the American government wants more veterans employed in both DVA and the federal government in general. No such goals exist in the Canadian government.

Veterans Affairs Canada reportedly does not employ a single veteran in its senior management (EX level and above) and the Department cannot give an accurate picture of the number of veteran employees who are members of the collective bargaining unit, i.e., all below EX level.

Every single Canadian federal government department is obligated by Public Service Commission guidelines to employ visible minorities, aboriginals, females and persons with disabilities. Departments are specifically obligated to hire either persons with expertise of the population they represent/serve or persons who have expertise studying in the field.

For instance, Transport Canada must hire transportation engineers, pilots and flight engineers; Health Canada must hire doctors and nurses; Fisheries and Oceans Canada must hire oceanographers and as inspectors, ex-fishermen; Statistics Canada must hire statisticians; Bank of Canada must hire economists; the Auditor General must hire accountants with auditing expertise; Foreign Affairs and International Trade must hire diplomats as well as language and cultural experts ...and no civilian off the street can immediately enter, for example, the position of senior non-commissioned officer of a rifle company. The CF requires that all positions in uniform be filled with those who have been trained in uniform.

Ironically, Veterans Affairs is not obligated to hire veterans. This is at the crux of why bureaucrats have been diminishing benefits overall, unilaterally rewriting the social contract and ignoring demands and recommendations for change from Parliament, Veterans Organizations, the CF and the greater veteran population and their families.

This lack of understanding veterans, their families and disabilities in general is particularly evident in VAC which operates in a culture of paternalism and patronization, believing that bureaucrats know best what veterans and their families need. This is aggravated by the practice of implementing programs which place processes above client service. The result is that the veteran justly feels that he or she is perceived by VAC as someone who is potentially attempting to defraud the government.

VAC administers program and benefits as if they are 'luxuries' provided by the government for the disabled veteran and that such benefits are more akin to a 'charity' than the 'right' of the disabled veteran. The underlying message is that people with disabilities should not feel 'entitled' but instead 'grateful' and therefore keep quiet for what they receive.

This unfortunate situation no doubt helps VAC maintain the power imbalance in administering programs but it has also likely alienated countless thousands of veterans and family members in need. More tragically, the result is the far too common and most likely accurate perception that VAC's administration of programs and benefits has contributed to a worsening of the health for far too many veterans and their family members.

This paternalistic attitude is reflected in a disturbing number of employees at Veterans Affairs. The end result is a culture at VAC, especially in the middle and senior management levels, which refuses to or is incapable of understanding disabled veterans and their families.

This culture of paternalism is at the core of what is wrong with the NVC as well as the process to create it. It is undeniable that the New Veterans Charter was broken before it was driven: over 250 unique recommendations proposed thus far by two advisory groups commissioned by VAC: the New Veterans Charter Advisory Group (NVCAG) and the Special Needs Advisory Group (SNAG).

As a result, there has been a near unanimous cry from various groups, veterans and their families for a complete recall of the NVC for a reevaluation of how it was created and what it provides.

Here is a summary of the factors which have brought Canada to a crossroads with how it honours its disabled soldiers and their families:

- a) VAC Head Office (HO) in Charlottetown is isolated from Ottawa and is the only federal department with its HO located outside Ottawa,
- b) This isolation allows senior and middle management to be, by and large, isolated from political and bureaucratic overseers, VAC frontline employees, national news media, the CF as well as veterans and their families,
- c) Due to the PS policy of local hiring, VAC Head Office and some Regional Offices must rely on a limited pool (of medical, veteran, case management, disability policy, military, mental health, etc.) of expertise inherent in hiring from small urban and/or mainly rural areas,
- d) There appears to be a disturbing lack of understanding in most middle and senior managers of veterans and their disabilities,
- e) Paternalistic and arrogant policy development which believes VAC bureaucrats have the right to unilaterally change policies and ignore both Parliament and the concerns of veterans and their families; and,
- f) The lack of Veterans employed at any level of VAC.

The Canadian Forces for all its misguided ways of the 1990's, rebounded quickly from the scandals of Somalia and the inadequate resources and moral support provided to so-called Peacekeeping missions such as Bosnia. Just as importantly, the CF quickly and dramatically improved quality of life issues for serving members, disabled soldiers, releasing members and to a lesser extent, families.

VAC has had no such parallel revolution in improvement...*period*. In fact, it can be argued that VAC has in fact regressed into a culture of further isolation and resistance to external input and direction. This is why VAC needs some very strong oversight.

Integration into the Department of National Defence would ensure:

- a) Parliament's direction is followed as the CF has a much more successful history of quickly implementing (good and bad direction) what Parliament and the CF Ombudsman recommend,
- b) military and veteran members are consulted in developing VAC programs,
- c) veterans and even CF members are employed at all levels,
- d) the isolation of Charlottetown is addressed; and, last but not least,

- e) what quality of life improvements occur in the CF are paralleled in Veterans Affairs.

Veterans and their families should not be sacrificed on the chopping block of political expediency or appeasement of regions with the result that poor compassion, isolation and limited expertise in a Head Office is the shameful manner in which Canada honours those who sacrificed so much in our country's name.

This morally untenable status quo at Veterans Affairs is a far cry from Canada's legal and solemn pledge to grant "*the benefit of the doubt*" to all veterans and their families.

In studying the NVC, Committee needs to recognize that the NVC was created, by and large, in the isolation of VAC's bureaucratic processes. The reality was that there was no real bilateral consultation but merely one way briefing sessions with VAC bureaucrats presenting sales pitches of generalities as to what the NVC might contain *after* the NVC had by and large been finalized.

The alarming outcry against the NVC as written and which has grown from two or three veterans speaking publicly in May 2005 has garnered near universal sympathy for Canada to not only rewrite the Charter but fundamentally change the way Veterans Affairs operates.

To that end, it is recommended that:

- 1. All Veterans Affairs Employees especially in the Head Office and Regional Office positions of all rank levels immediately be obligated to carry out 40 hours per year in direct contact with veterans and frontline employees including attending "Getting to Know Your Veteran" days which will consist of veterans and their families telling of their experiences in both the military and with Veterans Affairs Canada programs.**
- 2. Veterans Affairs Canada immediately set a target of 30% of all staff who must be veterans.**
- 3. Veterans Affairs Canada immediately designate all current and future vacated positions including senior managers as 'veteran only' with priority for disabled veterans until the 30% target is reached.**

- 4. Veterans Affairs Canada be integrated into Department of National Defence but exist as a separate entity and be allocated a separate budget to ensure operational requirements do not rob VAC of resources for the *“care treatment and rehabilitation”* of veterans and their families.**
- 5. Veterans Affairs Canada immediately cease filling open positions in Charlottetown with all open positions in Head Office being rewritten for employment in Ottawa.**
- 6. Veterans Affairs Canada gradually wind down operations in Charlottetown through mostly attrition and retirement, and transfer all operations of a policy formulation and national operations to Ottawa.**
- 7. Any changes to Veterans programs and benefits must involve widespread public consultation directed and overseen by Parliament and not by bureaucrats.**

Section B: Overworked and Unappreciated Frontline Veterans Affairs Employees

This is a short but integral follow-on to the important chapter in the *"First Ombudsman Report on Veterans Affairs"* or *"VOICE Report"* and the chapter titled, *"The Rarely Heard: Overworked and Frustrated VAC Employees"* The original *First Ombudsman Report* chapter is even more relevant today than it was five years ago.

VAC frontline employees are at the breaking point. They are responsible for interacting with clients on all previous benefits including *Pension Act* benefits and medical care. After April 1, 2006, these frontline workers have had to administer all the programs under the NVC. It is important to remember that there is no indication whatsoever that frontline employees were included at any stage of designing the NVC. Considering the NVC was also designed without the input of veterans, the NVC essentially consists of a bureaucratic conglomeration of processes which is out of touch with: the clients it is intended to serve and the frontline employees who need to explain the programs to the client as well as recommend approval.

For example, it is well-known in the veteran advocacy world that *each* Area Counselor is responsible for the interactions of anywhere between 900 and 1600 veteran and survivor clients. If each veteran and survivor client is seen only once per year and when the complexity of paperwork is included, Area Counselors can at best hope to spend 15 minutes per year per client on direct client interaction. However the NVC promises case management and as of April 1, 2010, all Area Counselors are now called "Case Managers".

The truth is that changing a title of an "Area Counselor" to "Case Manager" does in no way change the fact that the Area Counselors do not have sufficient time to actually 'case manage' their clients.

Added to this is that when the Head Office, which makes most of the decisions, denies an application for a program or service, it is the overworked Area Counselor (AC) and/or Client Service Agent (CSA) who has to deliver the bad news or deal with the veteran or survivor client who is frustrated with the negative decision. *(CSA's perform different functions than AC's but work closely with AC's, e.g., handling many initial applications for benefits and treatment, processing payments and authorizations to be sent to higher levels for approval and, but not limited to, doing the dirty work of tracking payments and authorizations when problems arise)*

Furthermore, whenever complaints are sent from the public or MP's to the Minister, the complaint 'rolls down hill' to the frontline staff who have the least amount of time to investigate the matter.

Believe it or not, VAC apparently does not actually have any dedicated investigative case managers who can personally perform the intensive work involved to resolve Ministerial Inquiries or other problem areas.

There are persons in Regional and Head Offices who indeed do work hard but the work is disproportionately placed on those who are obligated to provide the client services, i.e. the frontline staff in District Offices. This leaves many workers and most veterans shaking their head at VAC's promise to provide "*exemplary client-centred service*". It is likely this promise was written not by front line staff but by Head Office managers.

In reality, many positions in Head and Regional Offices are superfluous and serve only to generate more unnecessary and out-of-touch-with-reality processes. This unacceptable situation serves to frustrate and overwhelm frontline workers and undoubtedly veterans and their families, ultimately severely compromising VAC's ability to provide and care for veteran and survivor clients.

In order for VAC to start placing client interests above processes, it is recommended that:

- 8. All Regional Offices (RO's) implement hiring freezes and RO's gradually be wound down with vacated positions being rewritten in terms of qualifications needed at District Offices (DO's) with these positions transferred to DO's to provide them with much needed manpower.**
- 9. Serious consideration be given to removing 10 to 15% of Head Office positions and transferring the rewritten positions to District Offices.**
- 10. Head Office begin immediately to carry out open (unless confidentiality requested) and open-ended consultations with all frontline employees to reevaluate the way VAC does business. The resultant changes must be integrated with input received from open and open-ended consultations with veterans, CF and their families.**

- 11. Outside private-sector efficiency experts be hired to carry out a Veterans Affairs wide evaluation as to whether positions in HO and RO are helping to fulfill services to veterans and their families or merely creating more unnecessary processes which are a detriment to all. District Office would be concomitantly evaluated to determine necessary manpower increases.**
- 12. All frontline workers be immediately empowered to authorize more than just specialized medical devices but instead be given authority to authorize in conjunction with a team manager immediate approval for programs and services up to approximately \$5000 to \$10,000.**
- 13. Treatment Authorization be closed in favour of giving authorization powers to District Offices (DO's) once the increased positions in DO's are filled.**
- 14. Each Area Counsellor (AC) and Client Service Agent (CSA) work in a team being assigned a dedicated clerical position which can complete paperwork and input data in order to free up time for CSA's and AC's to interact and case manage clients.**

Section C: Communication Outreach Programs for Veterans, Public Service and Canada

The SNAG and NVCAG reports address at length the failings of VAC and its often limited and/or marginally effective efforts to communicate with the CF, veterans and their families. This report will not repeat those recommendations but instead explores three other critical areas to address the overall communication failings of VAC.

Problem #1: Communication regarding Remembrance and Commemoration

That bureaucratic officials are communicating the message of remembrance for the sacrifices of Canada's military, veterans and their families is so far beyond sensible logic that it is risible. Bureaucrats cannot truly understand the sacrifices or the military culture in which those sacrifices are made and therefore cannot appropriately convey the message of sacrifice. Veterans need to be intimately involved in delivering that message. Although veterans need to also hear the message of gratitude from elected officials in order to heal, veterans should also be intimately involved in communicating the remembrance message.

Problem #2: Communication regarding Benefits and Programmes

Many programmes and benefits are clearly insufficient or poorly administered in order to meet the needs of those veterans and families for whom VAC is responsible. Second to this most important systemic failure is the manner through which bureaucratic officials communicate these failed and/or poorly administered programs and benefits.

The poor communication has only aggravated the perceived and real broken faith between veterans and government. To add to the mess, the disastrous and patronizing tone, and/or limited amount of information provided to veterans and other clients as well as future clients (e.g. the VAC '*Salute*' newsletter) has served to mostly confuse much of the CF veteran population or push them further away. Clearly no amount of sugar coating is going to make palatable, in the long term, the multitude of failings of the NVC but once the programs are rewritten, extensive involvement and employment of veterans in the area of communication should increase the success of VAC attempting to fulfill its mandate.

Problem #3: Communication within the Public Service (PS)

Reports are emerging from some of those few disabled veterans employed in the public service that many PS employees resent veterans and treat them in a borderline discriminatory manner. Many PS employees appear to resent the perceived greater recognition given to the military and veterans. This is partly because many in the PS do not understand that the military is a fundamentally different service than the federal civil service.

The apparent growing resentment in the PS is further worsened by the fact that over the past decade, the PS has seemingly tightened its grip on secrecy and communication of its own work, thereby leaving many PS resentful of not receiving recognition for the hard work that they do carry out. Unfortunately, some in the PS appear to transfer this resentment on the CF and veterans for the long-overdue attention military sacrifice has received over the last decade.

In order to remedy these communication outreach problems, it is recommended that:

- 15. It be officially recognized by Parliament and VAC that veterans and their families best understand what veterans and their families need from Canada, (including from VAC's programs) and veterans and families are the best to understand how to communicate with veterans and families about VAC's programs.**
- 16. The majority of the VAC communication positions in Remembrance, Programs, Policy and Treatment employ veterans and veteran family members.**
- 17. A specific Public Service-wide communication program be implemented with a training afternoon to receive briefings from veterans and CF members as to what makes military service so different from just another union job in the federal civil service.**

- 18. A Canada-wide communication program be implemented to explain the costs of war, the sacrifices made by all, including those that come home wounded, and the difference between a civilian job and work in the military. The program would then explain why disabled veterans receive more comprehensive and different benefits than those on an insurance plan or those working for the federal civil service.**

**Section D: The Forgotten Generation: Veterans and Families
Who Fell Between the Cracks before the New Veterans Charter
Came into Force (April 1, 2006)**

The Big Picture

The creation process of the New Veterans Charter (NVC) was initiated precisely to take care of those veterans who had been neglected by both the CF and Veterans Affairs especially in the decade and half after the 1990-91 Persian Gulf War. This is irrefutable fact. A large proportion of those veterans were released during the Force Reductions Plans of the 1990's. Minister Guarnieri in her testimony stated the following:

"The lack of early intervention, effective rehabilitation and job opportunities have left our veteran population without the tools to build a better life. We believe the result is poor health and the high rates of depression we are currently seeing. The evidence that we could do better is glaring. Our review of veterans care needs of some years ago found that 83 per cent of our clients reported trouble with pain, and more than half self-reported their health as fair or poor with fully 28 per cent suffering major depression."

The pre-2005 CF veteran population had indeed been neglected. However, as the Summer 2006 edition of "Salute", VAC's quarterly information bulletin for clients states:

"The New Veterans Charter is a comprehensive "wellness package," designed to provide CF Veterans with the best opportunity for successful transition to civilian life. The new Charter will be most relevant to CF Veterans who have recently been released from the Forces and to serving members who are preparing to release."

What happened to designing programs to care for those who had and have been neglected? Multiple references have been made by VAC senior staff and its Ministers emphasizing the following statement made by ADM Brian Ferguson to a Parliamentary Committee:

"National Institute of Disability Management and Research reports that an injured worker has only a 50% likelihood of going back to work after being laid off for six months, with this percentage dropping dramatically to 20% after one year."

Does that mean the veteran unemployed for two, five or ten years is a write-off? Somehow, those neglected disabled veterans who have desperately waited and still need assistance to begin their new lives have since been labeled as 'hopeless'. Although the NVC may be open to all CF veterans, the truth is that the NVC fails to include specific programs to take care of the veterans and families for which the NVC was created. This is not the 'hand up' that veterans asked for.

Far too many of the 'lost generation' of veterans suffer psychological injuries such as PTSD and depression *and* they still want to improve their lives. The lost generation of veterans and their families still want to contribute and to be valuable members of society but they have much justifiable distrust of government. Unfortunately, the NVC and the secretive process in which it was created does much to justify this distrust.

It is also clear that programs specifically geared towards disabled veterans out of the work force for years will be difficult to design as there is little precedence or expertise in this field. Rehabilitation has mostly invested in areas with the quickest probability of success such as the physical component of disability and those recently disabled. Furthermore, most medical rehabilitation plans focus upon completing a program in a fixed period. A far more flexible, creative, intensive and compassionate plan than that already in the NVC is warranted to assist the neglected generation to integrate back into more productive lives.

Canada was the world leader in rehabilitation after World War 2 because of the substantial investment made in the lives of transitioning healthy and disabled soldiers. Canada can and should lead the world once again in programs which will improve the quality of lives of this forgotten generation by expanding the concepts of rehabilitation to assist those whom many have thought hopeless cases. Canada needs to develop the expertise and programs necessary to bring these neglected and abandoned veterans in from the cold, to let them know that Canada invests more than words to honour the sacrifice these veterans and families have made in our country's name.

To address this major shortfall, it is recommended that :

- 19. Specific programs be developed for those disabled CF veterans (and their families) who were released from the CF prior to April 1, 2006 to both improve their quality of life and assist those willing to return to work.**

- 20. Work programs be designed to function closely with all sizes and types of employers to arrange for “co-op”-type programs to assist in acclimatization, gaining experience and determining employment desires of disabled veterans.**
- 21. Gradual back-to-work regimes be initiated for disabled veterans to enter both the Public Service, all levels of government, universities and the private sector including various sizes and types of businesses. Wage subsidies and employment goals can be worked into agreements with employers.**
- 22. In order to restore that sacred contract and solemn trust between Canada and its forgotten generation, an apology should be considered from the sitting Prime Minister for this forgotten generation and their families. The apology could be similar to that received by aboriginals in residential schools and Japanese interment camp victims. This apology would merely be the gateway to opening up a renovation of programs and benefits to assist those who wished assistance.**
- 23. A task force be established immediately consisting of disabled veteran advocates, disabled veterans, their families, community and business leaders, rehabilitation specialists and psychologists/psychiatrists to develop programs designed to improve the quality of life of this forgotten generation and assist them to return to society and the workplace.**
- 24. All disability benefits be guaranteed in order to provide the secure foundation necessary in taking the very difficult step of returning to the work force and the fullest possible integration into society.**
- 25. Long Term Disability Plans including SISIP and the NVC Earnings Loss Benefit (ELB) be re-structured so that instead of fixed rehabilitation periods, the programs provide the earnings loss indefinitely with graduated offsets for income received in order to provide incentive for disabled veteran to keep income earned.**

Section E: Regaining Trust- The Lost Generation of Veterans and Their Families

Problem #1: Stopping the Unfair Deductions of Pain and Suffering Payments from SISIP Long Term Disability Income

Perhaps no single issue has disillusioned the pre-NVC generation of disabled veterans and their families than the *“Unfair Deductions from SISIP” long term disability income (see various reports and letters from the CF/DND Ombudsman)*.

The disabled veterans of this generation fell through the cracks in most tragic ways. In the years after their release from the military, these veterans watched but did not benefit from:

- a) Pay increases in the CF which began in 1997 to compensate for at least 5 years of pay freezes,
- b) Veterans released with identical rank and time in service after 1997 had their SISIP LTD and CF pension calculated at the dramatically higher incomes (e.g. pay in the CF between 1996 and 2006 increased between 80-100% but LTD increased only approximately 25%),
- c) After October 2000, Serving members were able to collect both their full pay and VAC *Pension Act* payments,
- d) After 1997, CF members received increased benefits including but not limited to: healthcare, family benefits, combat benefits, tax exemptions while serving in Special Duty Areas and education assistance for university while in the CF,
- e) Disabled CF members who did not meet the universality of service were allowed to stay in the military and were retrained to take on non-combat roles; and,
- f) Programs in the New Veterans Charter designed specifically for the immediately releasing member including job placement, rehabilitation targeted to recently releasing members and family assistance for counseling and schooling.

Meanwhile, for released disabled veterans, benefits received under the *Pension Act* continue to be deducted from the already diminished long term disability income.

The unfair deductions from SISIP have become a lightning rod precisely because it is the one thing which the media, Canadian Parliament, multiple ombudsman's offices, veteran groups like the

Royal Canadian Legion and so many unaffiliated veterans all agree: the *“Unfair Deductions from SISIP” LTD income* are pure and simply unjust.

This generation has lost enough and has been denied even more. It is therefore recommended that:

- 26. The House Veterans Affairs Committee unanimously call for the immediate cessation of the *“Unfair Deductions from SISIP” long term disability income*”.**

Problem #2: Righting a Wrong for the Lost Generation: Stop Confusing CPP Disability Claw Backs with CPP Retirement Income Claw Backs and End CPP Disability Claw Backs Now

The claw backs of CPP retirement were based upon discussions and agreements which unfortunately did not involve the approval of the CF members at the time more than forty years ago. The formula for claw backs is likely flawed but at the very least, no government should deny the right of the CF and veterans who call to renegotiate a rewriting of the calculations of CPP retirement claw backs from CF pension income.

The government argument that the claw backs are part of a complex calculation of contributions in a decades old agreement is open to much debate. Unfortunately the debate on the CPP retirement funding formula wrongly lumps in the issue of those soldiers who are released early due to disability and have their limited CF pensions deduct amounts due to also collecting CPP disability. It was likely never the intention of the original claw back discussions to compromise the limited earnings of the vulnerable disabled veteran population. If it was the intention, today, most if not all agree this marginalized veteran population needs to be protected from such claw backs.

It is therefore recommended that:

- 27. The immediate cessation of CPP disability associated claw backs of CF pensions for recipients of CPP disability pension.**
- 28. The federal government open up discussions to renegotiate the claw backs of the CPP retirement pensions.**

Section F: Lump Sum vs. Monthly Pension

A Moral and Ethical Question

The New Veterans Charter (NVC) pays out a one-time lumpsum instead of a lifelong disability pension under the *Pension Act*.

A soldier suffers a service-related disability for life. Honouring that disability in any other than a life-long manner such as a one-time lumpsum breaks a sacred contract and covenant Canada's soldiers have had with their nation for more than 90 years. The VAC-CF Advisory Council traveled to CF military bases prior to the tabling of the NVC. The Council asked whether CF members would prefer a lumpsum or a lifelong disability pension. The CF bases participating unanimously rejected the lumpsum. When one considers the implementation of the lumpsum was done almost unilaterally by the VAC bureaucrats ignoring consultation with CF bases, a disturbing manipulation of the social contract occurred. This has to be corrected.

When a practical comparison is made as in the Annuity Comparison Model below, there is no question that the New Veterans Charter (NVC) lumpsum is substantially inferior financially to the *Pension Act* monthly payment.

Some veterans and CF members are understandably elated at receiving a large amount of money up front. Would those same disabled soldiers be just as elated five or ten or twenty years from now when they have nothing to show from their lumpsum but they still suffer the disability? Would they be just as elated to see another soldier injured on March 30, 2006 who is still collecting his or her *Pension Act* payments 20 years from now but those injured after March 30, 2006 have nothing to show for their pain and suffering?

If elated in the short term, the question has to be asked why are the recipients happy to receive the lumpsum? Is it because they could buy a house, start a business, buy an expensive car or merely have a month or two of 'fun'?

If the later two, it is a shame that compensation for a lifelong disability is wasted on luxury items. If the former two (house or business), then we need only look to World War 2 benefits which provided low interest mortgages and small business assistance **in addition to** receiving lifelong *Pension Act* payments for pain and suffering.

In other levels of government and throughout the private insurance sector, the payment of lumpsums is either not practiced or being phased out.

Ironically, civil servants today injured or killed while flying on a military aircraft or their survivors would be compensated for life under the *Pension Act* but a military member or his/her family on the same flight would have to accept a lump sum. This is due to the fact that civil servants continue to be covered by the "*Flying Compensation Regulations*" which use *Pension Act* guidelines to compensate civil servants and their survivors in such a situation. However, these "*Flying*" regulations do not apply to the CF.

Finally, considering the psychological stressors on any military member transitioning out of the military to the substantially different civilian world, giving a lumpsum for a lifelong injury is morally reprehensible. Even the most educated and sound-minded military member would have a difficult time wisely investing that money in such times of great stress, disability and transition.

Annuity Comparison Model

Various highly valid arguments are being put forward by SNAG, NVCAG, the Royal Canadian Legion and other veteran groups and veteran advocates as to the misguided nature of replacing the monthly lifelong *Pension Act* payments with NVC lumpsum payments. These arguments clearly point to the need to either return to the monthly *Pension Act* model or substantially increase the lumpsum amount and provide active mandatory financial planning. This report adamantly favours the former: a lifelong monthly *Pension Act* payment.

The lumpsum also feeds the accurate perception that the federal government is attempting to shirk its duties of lifelong care for disabled members and their families in favour of a program which VAC documents clearly show intends to pay a net long term reduction in benefits to the disabled veteran and the family.

Getting down to brass tacks, the dimension of comparing the two methods of payment on similar financial grounds needs to be made so that apples are compared to apples. The best model for comparison is to convert a lumpsum to a vehicle which guarantees a monthly income and then comparing that vehicle to what the *Pension Act* pays out for the same disability. An annuity is the best model since it pays a guaranteed income.

Case Study #1 below determines what would be the monthly income paid by an annuity which cost \$276,080 or a 100% NVC lumpsum Disability Award.

Yes, some investors have been able to achieve returns for limited periods in excess of 10% but the long term stock market trend is equivalent to a compound rate of return of 7-8%. Most investment managers earn below this long term equivalent compound return and no investment manager can guarantee even 7% long term, especially after including the fees charged by money managers.

As a result, the annuity is the best vehicle to determine a guaranteed monthly income as the *Pension Act* monthly payments are guaranteed as well.

The second comparison is to determine what it would cost to purchase an annuity which would provide similar monthly income to *Pension Act* monthly payments. Case study#2 below explores this approach.

Since the average age of the CF member releasing today is 38, this study errs on the side of caution and assumes an average age of 40. This older age will provide a higher income for a lumpsum invested as in Case Study #1 and will require less money to purchase the annuity in order to provide similar income as in Case Study #2. This will actually provide a greater benefit of the doubt to the argument that the lumpsum may be a better option than a lifelong disability pension.

What becomes immediately obvious is that a 100% Disability Award lumpsum invested in an annuity would pay out a mere \$1,148.37 (approx 50% taxable) in the best case and this amount is not adjusted for inflation (indexing). The monthly income would be substantially lower if inflation (indexing) and after tax income equivalents were taken into account.

In Case Study #2, the chart shows what lumpsum amount would be required to provide a partly taxable (~50%) income to equal the amount paid out by the *Pension Act* monthly disability pension. What is immediately obvious in these cases is that the lumpsums required are at least 200% of or double the amount paid out by the NVC lumpsum. If the annuity lumpsums are indexed, the lumpsum required to equal the payout of *Pension Act* monthly income is almost 300% of or 3 times more than the NVC lumpsum.

The final consideration is the NVC lumpsum pays nothing extra for spouses or children yet Pension Act monthly payments pay for both those. Purchasing an annuity equivalent to reflect the increased amount paid out by Pension Act payments for children and spouses would add yet again a substantial amount to a lumpsum required to equal what the *Pension Act* pays out for a larger family.

There is no getting around the fact that the NVC award pays out significantly less than a *Pension Act* monthly payment when the NVC lumpsum is converted to an annuity. The reality is that in order to reach an equivalent monthly income paid out by the *Pension Act* in 'after tax' dollars and indexed, the lumpsum required would surely have to be well over \$1,000,000 in most cases in order for the net after tax monthly income to equate to the 100% *Pension Act* monthly payment.

This means that the lumpsum calculations should be at least 3 to 4 or even 5 and sometimes 6 times the current amounts paid out in order to match that paid out by the *Pension Act* monthly payments when accounting for:

- (i) full indexing
- (ii) after tax equivalents
- (iii) amounts for spouse and children

Although the case studies use 100% as an example for both *Pension Act* and NVC awards, the conclusions above and below apply equally to any 'per cent' award from VAC. This is because annuity amounts and monthly payouts are directly proportional, i.e., for a 50% *Pension Act* or NVC award, merely multiply the amounts by 50%. This means the ratio of what lumpsum is needed to match *Pension Act* monthly income is consistently 3 to 5 times more than the lump sum currently paid out by the NVC for the same 'per cent' award.

This is what VAC officials call the "*wellness dividend*" and clearly shows that the NVC pays out a net reduction in benefits to disabled veterans when compared to *Pension Act* and the suite of other pre-NVC benefits.

(Note: The author would like to thank the three Canadian Insurance Companies who assisted in this study)

Case Study#1: 100% Disability Lump Sum Invested in an Annuity (Hypothetical Case)

A 40-year old soldier is tragically wounded and considered 100% disabled in 2010 by the New Veterans Charter. As a result, he receives a lumpsum of \$276,080.

(We are considering males for this hypothetical case as the annuities payout more monthly income for less of a lumpsum given the lower life expectancy of males. This approach provides further err on the side of favouring the lumpsum over the *Pension Act* monthly payment.)

The male invests the entire lumpsum amount in an immediate annuity which pays out both an investment return portion and part of its capital each monthly payment so therefore approximately half of the income is taxable.

The payouts below are not adjusted for inflation. Adding an indexing or inflation provision would reduce the monthly payout dramatically (approximately 30%). Nevertheless, ignoring indexing, the annuity would provide a monthly income of which approximately 50% is taxable as follows, although taxable portions are not provided in Company #'s 2 and 3:

Insurance Company #1: \$1,148.37 per month with taxable portion \$6,496.01

Insurance Company #2: \$900 per month

Insurance Company #3: \$1,079 guaranteed for 20 yrs

Note: All payments are calculated for payment until death according to actuarial tables. Insurance company #3 quote guarantees this exact monthly income for at least 20 years, after which the income can vary. A longer guarantee period would pay slightly less.

Case Study #2: Annuity Comparison Table

Description of Monthly Pension Act (PA) Benefit to be compared	Age of Member	Sex	Monthly Payout (Partially Taxable)	Index Rate	Yearly Taxable portion of Annuity	Lumpsum Amount Required to pay out equivalent PA payments: Insurance Company #1	Lumpsum Amount Required to pay out equivalent PA payments: Insurance Company #2	Lumpsum Amount Required to pay out equivalent PA payments: Insurance Company#3 (paid for life but guarantee period for minimum income amount indicated in parenthesis)
Single 100% disabled No children	40	M	\$2397	0%	\$13,574	\$75,699		
Single 100% disabled No children	40	M	\$2397	0%			\$600,000	
Single 100% disabled No children	40	M	\$2397	0%	Registered plan			\$609,074 (20yrs) \$653,705 (50yrs)
Single 100% Disabled no children	40	M	\$2397	2.5%		\$873,803		
Single 100% Disabled no children	40	M	\$2397	2%	Registered Plan		\$750,000	\$869,805 (20yrs) \$965,764 (50yrs)
Married 100% Disabled no children	40	M	\$2997	0%	\$16,950	\$720,599		
Married 100% Disabled no children	40	M	\$2997	0%	Registered plans		\$720,000	\$760,693 (20yrs) \$816,481 (50yrs)
Married 100% Disabled No children	40	M	\$2997	2%	Registered Plans		\$850,000	\$1,086,688 (20yrs) \$1,206.652 (50yrs)
Survivor of deceased soldier with two Children	40	F	\$2421	0%	\$14,501	\$621,327		
Survivor of deceased soldier with two Children	40	F	\$2421	0%	Registered Plans		\$600,000	\$623,693 (20yrs) \$660,315 (50yrs)

- i) Capital is depleted so there is no payout at the end of period (death)
- ii) all hypothetical cases are considered to be non-smokers and occasional drinkers
- iii) payout is to time of death in accordance with actuarial tables for the given annuitant

Summary of Lumpsum Discussion

The following can be concluded from the table at Case Study #2 above:

- I. Ignoring indexing and after tax equivalents (*Pension Act* payments are both fully indexed and non-taxable), the current lumpsum paid by the NVC for 100% disability is approximately 50% less than that amount required from an annuity to generate the equivalent monthly income awarded by a 100% *Pension Act* payment for a single person.
- II. The lumpsum required to purchase an annuity in order to generate an indexed income to match the equivalent amounts paid by a monthly *Pension Act* payment is approximately 300% or three times the amount currently awarded by the NVC lumpsum.
- III. Calculations which provide the same after tax income paid by the monthly *Pension Act* payments are not provided in this study but such calculations would substantially increase the cost of the annuity (at least 30%) and therefore would require substantially higher (5 or more times?) than the current amount awarded as a lumpsum in the NVC.
- IV. Considering the *Pension Act* pays out amounts for children and a spouse, in such cases, the NVC lumpsum amount required to purchase an annuity paying similar amounts as *Pension Act* benefits is likely approximately 500% or more of, or 5 to six times greater than, that which is currently paid out by the NVC lumpsum.

Finally, the ethical question of giving large amounts of money to disabled and distressed transitioning soldiers and their families needs to be addressed. The *Pension Act* model of lifelong disability pensions for pain and suffering is a sound, proven and compassionate model which needs to be retained.

Although this is written above it bears repeating:

This is what VAC officials call the "wellness dividend" and clearly shows that the NVC pays out a net reduction in benefits to disabled veterans when compared to Pension Act and the suite of other pre-NVC benefits.

Therefore it is recommended that:

- 29. The Lumpsum of the New Veterans Charter be immediately replaced by a monthly *Pension Act* disability payment.**
- 30. Begin paying those recipients of the NVC lumpsum a *Pension Act* monthly disability pension including amounts for spouse and children if applicable while deducting the following amount monthly: the lumpsum thus far paid out is mathematically converted into a monthly income in accordance with insurance industry standards for such calculations (and then deduct this amount from what the veteran or survivor would have otherwise received from a monthly Pension Act award for the same level of disability plus additional amounts for spouse and children).**
- 31. The financial advice provided for recipients of the lumpsum be mandatory and the amount paid for such advice be equivalent to a minimum of \$500 or 0.5% of the lumpsum (whichever is greater) on an annual go forward basis in keeping with industry average costs of paying for a financial advisor.**

Section G: Consideration and Implementation of Recommendations from Previous Reports

Introduction

Veterans Affairs Canada has refused to implement an overwhelming array of sound and well-researched recommendations from previous advisory groups, from their own studies, from Parliament, from veteran groups and from the general population of veterans and their families. After negligently allowing so many recommendations to accumulate, VAC and/or government then claims that it would cost too much to implement the recommendations and usually, as a result, VAC implements none.

This has left Canada, its military and its veterans at a crossroads. Either Canada will pay for all the costs of sending its troops into war including the costs of caring for the disabled long after they return home or Canada will not pay. If Canada decides on the later, *i.e.*, to not pay for all the costs, then this *proviso* should be clearly spelled out and provided to any Canadian enlisting in the Canadian Forces.

However, all current veterans joined the military under the current social contract which promises the unconditional “*care, treatment and rehabilitation*” of veterans and their families. To that end, Parliament must have VAC implement the majority if not all of the outstanding recommendations contained in previous reports provided to the Department. Some important reports with extremely valid recommendations are as follows:

I. Recommendations from the Special Needs Advisory Group (SNAG) Reports (4) and the Initial Report from the New Veterans Charter Advisory Group (NVCAG)

Between the two groups, their hard work shows in their reports which include approximately 299 or more recommendations. More than 200 of those recommendations are unique with the remainder having some or complete overlap, for a total of approximately 250 separate recommendations. They are all highly relevant and well thought out recommendations.

All of these recommendations would likely have been included in the New Veterans Charter had the legislation been properly and openly planned and created over time in an atmosphere of cooperation,

openness, transparency and deferral to the experience and expertise in so many areas which exist outside Veterans Affairs.

The following is a somewhat accurate counting of recommendations from the reports of SNAG and NVCAG and the numbers of recommendations which may have overlap:

Report	Total Recommendations	No Overlap (i.e. Unique)	Partial Overlap	Complete Overlap	Implemented
SNAG Initial	80	58	17	4	1
SNAG #2	88	26	12	6	1
SNAG #3	45	67	8	12	1
SNAG #4	6	0	0	6	0
NVCAG	86	53	18	15	2
Subtotal	305	204	55	43	5

Note: a) Due to VAC's lack of clarity on the matter, calculations above likely have some error in determining overlap or implementation
 b) SNAG Report #4 is essentially a compilation of deficiencies in six areas of the VAC and the New Veterans Charter with respect to Special Needs Veterans and their families. The six areas have been included as recommendations but the areas are essentially compilations of previous recommendations. Thus the number of 299 recommendations used below

It is therefore recommended that Parliament instruct Veterans Affairs to,

32. Implement all 299 recommendations contained in the NVCAG report and the four reports from SNAG.

II. Recommendations from “A Helping Hand for Veterans: Mandate for a Veterans Ombudsman”

This aptly titled and well-researched report is bang on in every one of its 20 recommendations. Had all of those recommendations been implemented, the Ombudsman’s office could have provided a powerful and long-needed tool to oversee Veterans Affairs and the implementation of all the programs for which it is responsible including the New Veterans Charter.

Here is the status of the 20 recommendations:

<u>Status</u>	<u>Quantity of Recommendations in Category</u>
Clearly Implemented (#’s 1,5,9,16,20)	5
Partially Implemented (#’s 3,13,19)	3
Mandate too Compromised to be Fully Implemented (#18)	1
Not Implemented (#’s 2,4,6,10,11,12,14)	7
No Obvious Indication of Implementation (#’s 7,8,17)	3
Not Applicable at this Time (#5)	5

Most troubling is that the public service officials of VAC and not Parliament were given control of creating the mandate for the Ombudsman. In short, the public servants ignored the directions of Parliament. The creation of a feebly-powered office only serves to appease a bureaucracy which is widely perceived as wishing to avoid oversight. This is a tragic betrayal of veterans and their families after so many years of neglect and mismanagement of programs at Veterans Affairs Canada. The Committee has to right this wrong for only then will the veterans and their families as well as Parliament have an office which can keep a vigilant watch over a bureaucracy, the past behaviour of which shows it needs close oversight.

Soldiers do not sacrifice their lives in the honour of public servants; soldiers sacrifice their lives for Canada and Canadians and the elected officials who represent them.

Equally troubling is why Parliament allowed bureaucrats to ignore their political masters and create an office which is impotent in powers and independence. Since the bureaucracy chose the current office holder (reportedly two bureaucrats from PCO, one or two from VAC and the Chief of Staff for Minister Thompson), it would be no surprise if the current office holder would publicly deny that a legislated mandate or accompanying powers with teeth would improve the functioning of the office.

The good news is that veterans' organizations, the Canadian public and Parliament have far a greater moral and legal authority to decide on the mandate of the office than any official essentially picked by the bureaucracy to 'oversee' them.

Therefore, it is recommended that:

- 33. The mandate of the Veterans Ombudsman's office be completely rewritten to comply with each of the 20 recommendations made in the Parliamentary Committee's report, "A Helping Hand for Veterans: Mandate for a Veterans Ombudsman".**

III. First Ever Canadian Ombudsman Report on Veterans Affairs Canada (*“Veterans Ombudsman: Independent Client Evaluation-VOICE”*)

This first Ombudsman report on VAC in Canada’s history was prepared in November 2005 in response to the rapid and unilateral creation of the New Veterans Charter. The principal author of the VOICE report is also the author on this report you are now reading.

The VOICE report is as relevant today if not more relevant as it was in 2005. Many of the observations have been mirrored in SNAG and NVCAG reports. For instance the chapter on the treatment of care providers talks of broken trust and bridges being burned by VAC with this important community. The NVCAG and Muriel Westmoreland’s testimony to Committee repeated some of the same important messages contained in this VOICE chapter.

Nevertheless, the observations in VOICE go a long way to explaining why fundamental change is required at VAC in the documented areas of the report. The report is valuable in that no report has been compiled thus far with the input of so many individuals from varying backgrounds including VAC employees, veterans, their families, medical practitioners and the general Canadian public.

Most of the recommendations in the report however focus upon the need for a Veterans Ombudsman. Many of the problem areas identified in the report were not provided solutions as these areas were considered secondary to the need for an Ombudsman at the time. This author hopes to update in the near future the recommendations from this report to address the many still relevant observations contained therein.

Meanwhile, it is recommended that

- 34. The Veterans Affairs Committee and Veterans Affairs Canada carefully review all of Canada’s first-ever Ombudsman Report on VAC (*“VOICE Report”*) to ensure that existing recommendations are implemented and that the many observations of problems areas in VAC’s operations and interactions are thoroughly addressed by either new policies or new legislation.**

**Section I: New Veterans Charter Advisory Group (NVCAG)
and Special Needs Advisory Group (SNAG)**

SNAG and the NVCAG provide far too valuable an oversight and advisory function to merely be seconded to the very directors, Darragh Mogan and Ken Miller who not only authored the NVC but who sold it to veterans, the CF, Parliament and the Canadian public as the best thing for the military since tanks and jet fighters. Five years have proven the substantial flaws of their product, the NVC.

The 299 recommendations provided thus far by SNAG and the NVCAG show that the NVC does not just need tweaking; it is far more broken than the problems in the original *Pension Act* system which motivated the creation of the NVC.

As such, to ensure SNAG and the NVCAG continues to serve veterans and their families and not the far too often secretive agenda of a Department reluctant to change, the following recommendations should be considered:

- 35. New Veterans Charter Advisory Group and Special Needs Advisory Group report to Minister as this will prevent compromising of independence by public service (i.e. VAC) officials.**
- 36. New Veterans Charter Advisory Group and Special Needs Advisory Group contain veteran advocates as these advocates offer unfettered and direct links to many unrepresented stakeholders. Such advocates are unique in that their loyalty is to the well-being of veterans and their families and not to bureaucratic processes or group and/or professional affiliations.**
- 37. New Veterans Charter Advisory Group and Special Needs Advisory Group current and future reports be made immediately public and easily accessible as is done by advisory committees in the United States.**
- 38. New Veterans Charter Advisory Group and Special Needs Advisory Group be given unlimited timeframe to mandate.**

- 39. New Veterans Charter Advisory Group and Special Needs Advisory Group rotate their chairs and members on a two to three year basis while staggering replacements so that corporate knowledge is not lost.**

- 40. The minutes of and evidence from meetings of the New Veterans Charter Advisory Group and Special Needs Advisory Group be made immediately public barring confidentiality if requested by witnesses.**