

A STUDY OF THE NEW VETERANS CHARTER

**Interim report of the
Standing Senate Committee on National Security and Defence**

- Subcommittee on Veterans Affairs –

**The Honourable Roméo A. Dallaire, Chair
The Honourable Donald Neil Plett, Deputy Chair**

MARCH 2013

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MEMBERS OF THE SUBCOMMITTEE ON VETERANS AFFAIRS

The Honourable Roméo A. Dallaire, Chair
The Honourable Donald Neil Plett, Deputy Chair

and

The Honourable Senators:

Joseph A. Day
Pierre Claude Nolin
Pamela Wallin

Other Senators who participated in the work of the Committee: The Honourable Senators Banks*, Dickson*, Downe, Kenny, Manning, Meighen*, Pépin*, Raine,

** retired Senators*

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ORDER OF REFERENCE

Extract from the *Journals of the Senate* of Wednesday, June 22, 2011:

The Honourable Senator Wallin moved, seconded by the Honourable Senator Martin:

That the Standing Senate Committee on National Security and Defence be authorized to study:

(a) services and benefits provided to members of the Canadian Forces; to veterans who have served honourably in Her Majesty's Canadian Armed Forces in the past; to members and former members of the Royal Canadian Mounted Police and its antecedents; and all of their families;

(b) commemorative activities undertaken by the Department of Veterans' Affairs Canada, to keep alive for all Canadians the memory of Canadian veterans' achievements and sacrifices; and

(c) continuing implementation of the New Veterans' Charter;

That the papers and evidence received and taken and the work accomplished by the Committee on this subject during the Fortieth Parliament be referred to the Committee; and

That the Committee report to the Senate no later than June 17, 2012, and that the Committee retain all powers necessary to publicize its findings until 90 days after the tabling of the final report.

After debate,

The question being put on the motion, it was adopted.

Delegation to the subcommittee

Extract from the Minutes of the Standing Senate Committee on National Security and Defence of Monday, October 3, 2011

It was moved

That the order of reference regarding veterans affairs adopted by the Senate on Wednesday, June 22, 2011, be delegated to the Subcommittee on Veterans Affairs.

The question being put on the motion, it was adopted.

Clerk of the Senate

Gary W. O'Brien

Extract from the *Journals of the Senate* of Thursday, June 14, 2012:

The Honourable Senator Plett moved, seconded by the Honourable Senator Patterson:

That, notwithstanding the order of the Senate adopted on Wednesday, June 22, 2011, the date for the final report of the Standing Senate Committee on National Security and Defence in relation to its study on the services and benefits provided to members of the Canadian Forces, to veterans, and to members and former members of the Royal Canadian Mounted Police and their families be extended from June 17, 2012 to June 28, 2013.

The question being put on the motion, it was adopted.

Clerk of the Senate

Gary W. O'Brien

EXECUTIVE SUMMARY

The New Veterans Charter (NVC)¹ was unanimously adopted by both Houses of Parliament and received Royal Assent on 13 May 2005. It came into force on 1 April 2006. The NVC is and was always considered to be a living document. On 17 November 2010, Bill C-55, *An Act to Amend the Canadian Forces Members and Veterans Re-establishment and Compensation Act and the Pension Act*, short title, *Enhanced New Veterans Charter Act*, was introduced in the House of Commons. It received Royal Assent on 24 March 2011 and came into force on 3 October 2011. It dealt with certain limitations of the original NVC.

The Standing Senate Committee on National Security and Defence Subcommittee on Veterans Affairs (hereafter ‘the Subcommittee’) decided to determine if the NVC is delivering programs of compensation and benefits it was designed to deliver.

Our premise is that all Canadian Forces (CF) personnel and veterans who turn to Veterans Affairs Canada (VAC) should receive the best care, benefits and service our country has to offer. Moreover, given the fact that CF personnel and veterans accepted unlimited liability to serve the government and people of Canada, if they die or are injured as a result of that service, programs providing them with compensation, benefits and care should be the best in Canada.

Overall, we found that VAC and the NVC serve the majority of CF personnel and veterans well. However, we found that there are four issues that impact and affect the implementation of the NVC. First is the absence of a clear, universally agreed ‘social contract’ between the people of Canada, represented by their government, on one hand, and CF members and veterans on the other. We feel that the existing

¹ The NVC was introduced on 20 April 2005 in the House of Commons as Bill C-45, *An Act to provide services, assistance and compensation to or in respect of Canadian Forces (CF) members and veterans and to make amendments to certain Acts*, short title, *Canadian Forces Members and Veterans Re-establishment and Compensation Act*.

Veterans Bill of Rights does not fully achieve this end. In the absence of such a social contract, or even any substantive debate, disagreements and misunderstandings abound. Second, the NVC should embody the vision of a meaningful relationship between the people of Canada and CF members and veterans, along with their families. Third, veteran transition to civilian life would benefit from a better understanding of whole-of-government obligations to the care and compensation of CF personnel and veterans injured in the course of their service to Canada. Fourth, there should be clear and effective communication between VAC and serving CF members. While there may be some difficulty with the quality of VAC outreach initiatives, there is at least an equal onus that must fall on the CF chain of command at all levels, to become more engaged in ensuring serving personnel are fully aware of VAC programs and how to access them.

Our report also notes that some financial benefits of the NVC are modeled on an insurance plan that was designed for non-service-related injuries.

VAC should do more to improve its outreach and enhance communications with CF members, veterans and their families. We recommend the hiring of more veterans as frontline workers and the establishment of a more formal network with the Royal Canadian Legion and the various service, branch and regimental associations across the country, to enhance VAC's ability to keep track of serving military personnel and veterans, particularly Reservists, who reside beyond the major urban centres.

Government also needs to continue to enable meaningful programs to allow disabled veterans to return to work as quickly as possible.

We have produced nine recommendations that follow.

RECOMMENDATIONS

The Subcommittee recommends that:

Recommendation 1. The Government of Canada table a document that articulates and promotes the social contract between the people of Canada and their veterans.

Recommendation 2. The Government of Canada encourage the provinces and territories to endorse the social contract to reflect a common understanding and acceptance of the needs of veterans. Such endorsement should not interfere with provincial or territorial constitutional rights.

Recommendation 3. The Veterans Bill of Rights include appropriate rights to be enjoyed by veterans. These rights would be based on the veterans' and their spouses' acknowledgement of unlimited liability in the service of Canada.

Recommendation 4. Within the framework of the New Veterans Charter, Veterans Affairs Canada increase their efforts to promote and address family roles and requirements associated with injuries and disabilities suffered in the line of duty.

Recommendation 5. The Government of Canada continue to review the Earnings Loss Benefit to ensure veterans are receiving the appropriate level of compensation.

Recommendation 6. The Government of Canada consider streamlining the way that veterans are able to access the internal appointment process throughout the federal public service and ensure that veterans are given priority and assistance in the process.

Recommendation 7. Veterans Affairs Canada and key stakeholders establish more effective formal links to better support veterans.

Recommendation 8. Veterans Affairs Canada, in concert with the Royal Canadian Legion, consider establishing representation in support of Legion branches.

Recommendation 9. Veterans Affairs Canada consider involving more veterans throughout Canada to enhance the relevance of their outreach activities.

INTRODUCTION

Veterans Affairs is one of those rare portfolios that requires cooperative, non-partisan attention in both Houses of Parliament. Veterans and their families have served all Canadians, no matter their political inclinations, their origins or their habits. There have been differences of opinion about the extent of veterans programs and their administration, but not about the fundamental concept or the need for Canada to have a comprehensive program of benefits for them. This is an important legacy.

Veterans Affairs Canada (VAC) is responsible for the administration of sixteen pieces of legislation, one of which is the New Veterans Charter (NVC).² It replaces the *Pension Act*, redefines the compensation system for veterans in the event of injury, disability or death, and provides a range of services to assist veterans and their families. The NVC aims to promote social and occupational reintegration for veterans. The specifics of services provided and details on eligibility conditions are set out in the *Canadian Forces Members and Veterans Re-establishment and Compensation Regulations*.³ Bill C-55, the *Enhanced New Veterans Charter* deals with certain limitations of the original New Veterans Charter.

The NVC does not define veterans' eligibility for health care programs (health benefits, Veterans Independence Program, long-term care, etc.). These programs are set out in the *Veterans Health Care Regulations*, which are independent from the NVC.⁴

The Standing Senate Committee on National Security and Defence Subcommittee on Veterans Affairs (hereafter 'the Subcommittee') decided to conduct a detailed study of the NVC, to determine if it is

² Veterans Affairs Canada, *Legislation Administered by Veterans Affairs Canada*, <http://www.veterans.gc.ca/general/sub.cfm?source=department/Legislation/actsVAC>. An outline of the NVC is at Appendix A.

³ Department of Justice, <http://laws.justice.gc.ca/eng/SOR-2006-50/index.html>.

⁴ *Ibid.* <http://laws.justice.gc.ca/eng/SOR-90-594/index.html>.

delivering the programs of compensation and benefits it was designed to deliver and that our CF personnel, veterans and their families deserve.

The Subcommittee gathered evidence for its study of the implementation of the NVC from May 2006 until December 2010. When opening a meeting on 12 December 2007, the Chair, Senator Michael Meighen outlined the Subcommittee's mandate this way:

*The Charter has now been in place for more than a year and a half; as such, it can be reviewed to determine whether its implementation has been as effective as it was intended to be and if, indeed, it is an evolving, living, breathing document.*⁵

The NVC was introduced in the Senate as Bill C-45 on 10 May 2005 and from the beginning it was recognized that it contained some gaps that could be dealt with through the amending process once it became law.⁶ Bill C-45 passed with unanimous agreement in both the House of Commons and the Senate. It received Royal Assent on 13 May 2005 and came into force on 1 April 2006.

Amendments to the NVC were tabled as Bill C-55 on 17 November 2010, received Royal Assent on 24 March 2011, and came into force on 3 October 2011. They fix issues of concern for severely disabled veterans who were in receipt of both a pension and a disability award, introduce an annual supplement of \$12,000 for eligible veterans who are “totally and permanently incapacitated”, and offer the option of receiving the disability award as a lump-sum payment, as yearly payments, or as a combination of yearly payments and a lump-sum payment.

⁵ The Hon. Michael Meighen, *Proceedings of the Senate Subcommittee on Veterans Affairs*, 12 December 2008, http://www.parl.gc.ca/39/2/parlbus/commbus/senate/Com-e/vete-e/02ev-e.htm?Language=E&Parl=39&Ses=2&comm_id=79.

⁶ See the speech of Lieutenant-General, The Hon. Roméo Dallaire, *Legisinfo*, The Senate of Canada, 10 May 2005, http://www.parl.gc.ca/38/1/parlbus/chambus/senate/deb-e/057db_2005-05-10-e.htm?Language=E&Parl=38&Ses=1#41.

Amendments to the Regulations also came into force in October 2011, guaranteeing that the income of a veteran participating in a rehabilitation program would not fall below \$40,000.

These changes, reaching an estimated cost of \$130 million over ten years, have been generally well received as a good first step.

To begin, the Subcommittee wishes to recognize that the overwhelming majority of VAC clients are being served well and are satisfied with the support being provided. The 2010 VAC client survey indicated that VAC's programs and services are meeting client needs.⁷ The majority of clients are satisfied with the programs and services offered by the Department.

According to this VAC survey, CF modern day veterans provided lower ratings compared with other clients, indicating that this group is more likely to have experienced difficulty in contacting VAC, and they also offer lower ratings of VAC staff members. Overall, CF Veterans are less likely to agree that the programs and services offered by VAC are meeting their basic needs – a phenomenon explored later in this report.

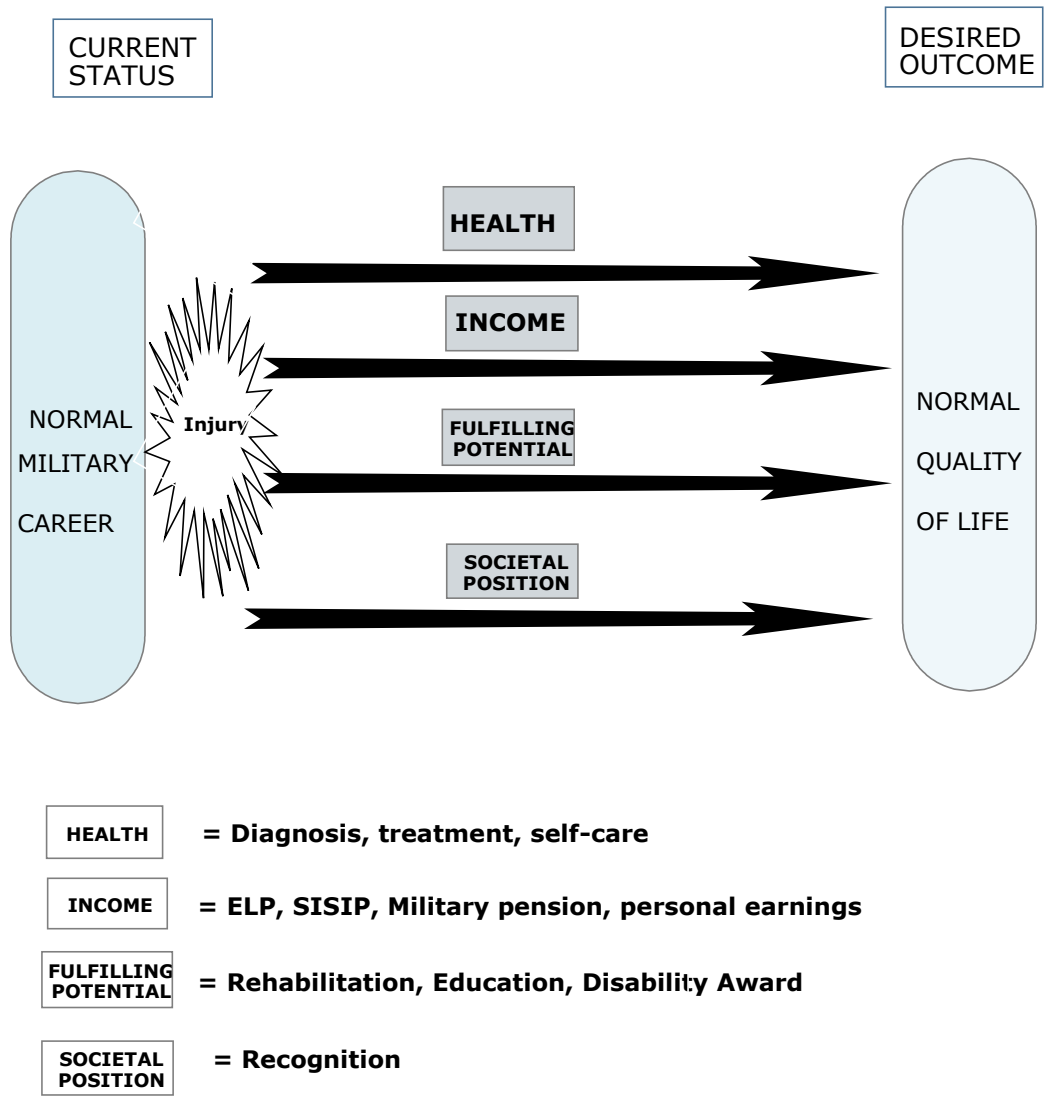
The Subcommittee heard from a number of witnesses who offered specific criticisms of the NVC, stating that the NVC may contain some limitations and that the implementation of the NVC has not been as effective as intended. However, some of these limitations have been addressed with the implementation of Bill C-55, the Enhanced New Veterans Charter Act, and the amendments to the NVC Regulations.

We concluded that the NVC, as a living document, could be more responsive to the evolving needs of its mandate. However changes made in Bill C-55 addressed some of these concerns. We feel that VAC should continue with its institutional evolution to more effectively deliver its mandated programs and services to veterans. A complementary obligation exists within DND senior management and the CF chain of

⁷ Veterans Affairs Canada (VAC), *2010 National Client Survey*, <http://www.veterans.gc.ca/general/sub.cfm?source=department/reports/ncs10/summary>.

command to ensure serving CF personnel and their spouses understand and take advantage of VAC programs and services available to them.

A pictorial representation of an ideal situation as viewed by this committee is included below.



When a normal military career is interrupted by a severe, career-ending injury, the desired outcome is that the veteran and his or her family should still enjoy a normal quality of life. To achieve this end, four aspects of quality of life must be addressed – the veteran’s health, income, the opportunity to fulfill one’s potential and the veteran’s

position in society. VAC currently has programs that impact each of these thrusts; however, changes in the NVC must address deficiencies in these programs to attain the desired end.

The NVC as a living document

The veteran community was generally and genuinely happy with the enactment of the NVC, but in late 2010 that no longer seemed to be the case. Through our study, we came to see that the potential source of this dissatisfaction lay in a perception that changes to the NVC did not occur in a timely manner.

During debates that led to the passage of the NVC in both Houses of Parliament, all parties recognized limitations in the details of the legislation and some individual veterans advised against rushing ahead with the Bill.⁸ Nonetheless it was passed unanimously. The NVC has been described as a living document by Ministers of Veterans Affairs, as such it was always understood changes would be made to the legislation as limitations were found.

The charter, however, is not a destination. It is not a place where we can stop and declare our work done. Instead, it is a new path, a living, breathing document that will evolve with the changing needs of our veterans and their families.⁹

Official advisory groups and a number of veterans associations identified issues that required correction. The New Veterans Charter Advisory Group (NVCAG), the Gerontological Advisory Council, the

⁸ Captain Sean Bruyey (Retired), *Proceedings of the Standing Senate Committee on National Finance*, “Evidence,” 11 May 2005, http://www.parl.gc.ca/38/1/parlbus/commbus/senate/Com-e/fina-e/23ev-e.htm?Language=E&Parl=38&Ses=1&comm_id=13. Captain Bruyey suggested, “My point is, why are we rushing something through that is so important? I recommend that the problem areas be taken to the bases and that the Operational Trauma and Stress Support Centres be consulted for feedback on the legislation itself. ...I recommend that the Senate take the time to treat this with the importance it deserves by having Canadians at large provide feedback.”

⁹ The Honourable Gregory Thompson, *Proceedings of the Subcommittee on Veterans Affairs*, “Evidence,” 31 May 2006, http://www.parl.gc.ca/39/1/parlbus/commbus/senate/Com-e/vete-e/01evb-e.htm?Language=E&Parl=39&Ses=1&comm_id=79.

Special Needs Advisory Group, and the House of Commons' Standing Committee on Veterans Affairs all provided overall recommendations to VAC. Together these groups submitted over 200 recommendations, a number of which have already been implemented. They submitted formal reports to the Minister of Veterans Affairs and Veterans Affairs Canada.

The Chair: when the committee, of which you are the chair and which is comprised of five veterans and five clinicians, makes its report to Veterans Affairs Canada, what reaction do you receive? I believe you said there have been four reports. What do you feel about the reaction you get towards those reports, which I presume reflect some of these views?

Major Henwood: Absolutely. We are an advisory committee; and on the reports we submit to Veterans Affairs for the department's review, the feedback has been verbal. They have identified that many of our recommendations and suggestions are good.¹⁰

The first Veterans Ombudsman, Colonel (Retired) Patrick Stogran became the public figure for those veterans who were dissatisfied with the NVC.¹¹

From 2009 to 2011, VAC conducted a comprehensive, three-phased evaluation of the relevance and effectiveness of the NVC programs. Reports on each phase were regularly posted on the VAC website, but not with any significant notice to the public, or the veteran community, that such reports were available for study.¹² The evaluation focussed on existing NVC programs and did not address perceived deficiencies.

¹⁰ The Honourable Michael Meighen, Chair, and Major Bruce Henwood (Retired), Chair, Special Needs Advisory Group, *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 16 June 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/05evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

¹¹ CBC News, "Ombudsman slams 'deceptive' Veterans Affairs," 17 August 2010, <http://www.cbc.ca/politics/story/2010/08/17/veterans-ombudsman-stogran.html>.

¹² Veterans Affairs Canada, "Departmental Audit and Evaluation Reports," <http://www.veterans.gc.ca/eng/department/reports/deptaudrep..>

The adoption of Bill C-55 in March 2011 has appeased some of this discontent by showing that constructive changes could be made. However, in the five years between the coming into force of the NVC and the adoption of Bill C-55, the trust between the veteran community and VAC has been challenged by issues directly or indirectly related to the NVC.

Limitations with the NVC

In the course of our study, we found that there are four issues that impact and affect the implementation of the NVC.

First is the absence of a clear, universally agreed ‘social contract’ between the people of Canada, represented by their government, on one hand, and CF members and veterans on the other. We feel that the existing Veterans Bill of Rights does not fully achieve this end. In the absence of such a social contract, or even any substantive debate, disagreements and misunderstandings abound.

Second, the NVC should embody the vision of a meaningful relationship between the people of Canada and CF and veterans, along with their families.

Third, veteran transition to civilian life would benefit from a better understanding of whole-of-government obligations to the care and compensation of CF personnel and veterans injured in the course of their service to Canada.

Fourth, there should be clear and effective communication between VAC and serving CF members. While there may be some difficulty with the quality of VAC outreach initiatives, there is at least an equal onus that must fall on the CF chain of command at all levels, to become more engaged in ensuring serving personnel are fully aware of VAC programs and how to access them.

Each of these four issues includes a number of sub-issues. For example, full consideration of the needs of military families will involve discussion of the role of provincial and territorial governments in providing health care services to veterans and families alike.

Canada's Social Contract with its Veterans

The absence of agreement and clarity on such a social contract sometimes leads directly to conflicting expectations. As one young disabled soldier stated, “We were ready to give up everything for our country. Should misfortune strike, I hope that our country would be willing to do the same for us.”¹³

A senior CF officer asked, “Do we have the obligation to meet people’s expectations?”¹⁴

History shows that the consistent approach of Canadian governments has been to provide support and assistance to help veterans reintegrate into Canadian society and become productive citizens once again.

In 1944, a pamphlet aimed at informing Canadian military personnel who were about to be released from the armed forces about government plans for the rehabilitation of those in uniform, entitled *Back to Civil Life*, said that “The objective of Canada’s plan for the rehabilitation of her armed forces is that every man or woman discharged from the forces shall be in a position to earn a living.”¹⁵ It was supported with this explanation of the overall rationale applied:

Canada’s rehabilitation belief is that the answer to civil re-establishment is a job, and the answer to a job is fitness and training for that job. Our ambition is that these men and

¹³ Corporal Martin Renaud, *Proceedings of the Subcommittee on Veterans Affairs*, “Evidence,” 12 May 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/03evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79

¹⁴ Major Jacques Lasalle, *Proceedings of the Subcommittee on Veterans Affairs*, 12 May 2010.

¹⁵ Minister of Pensions and National Health, *Back to Civil Life*, 2nd ed. (Revised 25 August 1944), http://www.ptbo.igs.net/~djdelong/post_war/Back_to_Civilian_Live_1944_edited.pdf.

*women who have taken up arms in defence of their country and their ideals of freedom shall not be penalized for the time they have spent in the services and our desire is that they shall be fitted in every possible way to take their place in Canada's civil and economic life.*¹⁶

Disabled veterans unable to reintegrate as a working member of Canadian society, could be provided care for life, based on the degree and nature of their infirmity, in federally run long-term care facilities.

VAC initiated a Review of Veterans' Care Needs in 1996. The first two phases of this study resulted in some positive changes and the establishment of the VAC Gerontological Council in 1997.

Phase Three began in 1999. It revealed the human cost born by veterans, CF members and their families faced with an increased operational tempo and simultaneous government budget cuts throughout the 1990s. Related surveys and studies found that nearly half of the respondents were dissatisfied CF and VAC services and attention given to injured and disabled veterans and CF members, and the families of those CF members killed on duty.¹⁷

The Phase Three report of the Review of Veterans' Care Needs yielded 28 key findings, including the judgment that the pension process was an overused and inappropriate tool with which to address many client needs. It found that CF members and their families lacked appropriate transition services to help them adjust to civilian life. It also noted that VAC staff needed to be better equipped to communicate with and serve veterans and CF members.

Subsequent changes were made in a number of areas. The CF Service Income Security Insurance Plan (SISIP) was amended to provide lump-sum payments to CF members below the rank of Colonel with lump-sum

¹⁶ *Ibid.*, "Forward."

¹⁷ VAC-CF Advisory Council, *Honouring Canada's Commitment: "Opportunity with Security" for Canadian Forces Veterans and Their Families in the 21st Century*, Veterans Affairs Canada (March 2004),18.
http://www.veterans.gc.ca/clients/sub.cfm?source=forces/nvc/discuss_paper.

payments in the event of accidental dismemberment in the line of duty. A new Operational Stress Injury (OSI) Centre was created within VAC's one remaining hospital at Ste. Anne de Bellevue, Qc. New mental health clinics were opened at VAC long-term care sites. VAC and DND also strengthened their working relationship; in 1999, for example, the two departments formed a joint steering committee to review issues related to veterans care and in 2000 established the VAC-DND Advisory Council. Finally, the definition of 'veteran' was clarified. On 29 March 2001, the Minister of Veterans Affairs said, "the designation 'veteran' would be conferred upon any former member of the Canadian Forces who had achieved 'trained' status by meeting military occupation classification standards and had subsequently received an honourable discharge."¹⁸

In March 2004, the VAC-CF Advisory Council published a discussion paper entitled *Honouring Canada's Commitment: "Opportunity with Security"* for Canadian Forces Veterans and Their Families in the 21st Century. The discussion paper was supported by a reference paper *The Origins and Evolution of Veterans Benefits in Canada 1914-2004* that traced the historical Canadian government support for veterans.¹⁹ *Opportunity with Security* was published to make the point that the time had come for comprehensive reform of the programs providing support to veterans, CF members and their families.

On 16 September 2003, the VAC-DND Advisory Council launched a Service and Program Modernization Task Force to develop a comprehensive and improved suite of programs and services to aid the successful transition of CF members and families to civilian life.²⁰ The Task Force was guided by seventeen principles and the following six priority issues:

- a. a complete and thorough overhaul of the way that veterans and CF members are compensated for injury, based on "no-

¹⁸ *Ibid.*, 21 and 24.

¹⁹ *Ibid.*, and *The Origins and Evolution of Veterans Benefits in Canada 1914-2004*, Veterans Affairs Canada (March 2004), <http://www.veterans.gc.ca/clients/sub.cfm?source=forces/nvc/reference>.

²⁰ VAC-DND Advisory Council, *Opportunity with Security*, 25-26.

- fault” principles and with consideration given to coordination of the *Pension Act* and SISIP;
- b. a robust program of transition services and benefits;
 - c. enhance support provided to spouses and children, particularly in the areas of health care and structural economic inequalities;
 - d. expansion of existing health-care benefits;
 - e. acknowledgment of the government’s “duty to accommodate” disabled members of the CF through an enhanced priority for employment in the Public Service; and
 - f. the provision of equitable access to funeral and burial benefits.

This work eventually led to the NVC passed in Parliament and enacted on 1 April 2006.

Beyond that background, there has been no thoughtful public discussion of the nature or substance of a broadly understood ‘social contract’ that should exist between the people of Canada and the military personnel they send to fight on their behalf. Such a discussion took place internally in the CF in the late 1990s, but never became a public debate that could have informed and legitimized subsequent reforms.²¹ We suggest it is time for a meaningful discussion to be held in Parliament concerning a social contract linking Canadians and their veterans.

Our committee found that there should be more discussion with Provincial and territorial governments for the provision of care, treatment and benefits for veterans and their families. We acknowledge that serving CF personnel are excluded from the provisions of the Canada Health Act, but veterans and military families are eligible for provincial health care services at least to the degree enjoyed by other Canadians living in a specific province or territory. When CF Reservists return home from full time service and take off their uniform, they too return to being eligible for provincial health care services. There are

²¹ A series of discussion papers was produced in 1997 on the pertinence of a social contract between the military and the people of Canada.

different degrees and standards of health care services available to the families of veterans and military personnel across the country.

We therefore recommend that:

Recommendation 1. The Government of Canada table a document that articulates and promotes the social contract between the people of Canada and their veterans.

Recommendation 2. The Government of Canada encourage the provinces and territories to endorse the social contract to reflect a common understanding and acceptance of the needs of veterans. Such endorsement should not interfere with provincial or territorial constitutional rights.

Recommendation 3. The Veterans Bill of Rights include appropriate rights to be enjoyed by veterans. These rights would be based on the veterans' and their spouses' acknowledgement of unlimited liability in the service of Canada.

Are families clients too?

There is no doubt that military families share the burden of military service and that the families of injured and disabled veterans and CF members are especially involved in and are often responsible for care-giving. In the CF, families are considered as 'operational enablers' that provide important home front support for deployed personnel. We understand the challenges they face. We heard of concerns for how these families are compensated and treated. One disabled senior officer told us of the impact of his injury on his family:

The family dynamic is fundamentally changed for the rest of the family's life. ...I want to emphasize this point. ...There has been no compensation, as far as I am concerned, for the loss of my family's quality of life.

We talk the good talk, but when it comes to the New Veterans Charter, we are definitely not walking the walk, and the families are the ones that suffer. Everyone looks at the soldier and says 'Oh, poor man, he is missing his legs.' I can tell you... during my training, the difficulties I have encountered, the chronic pain, the quality of life – all of that pales in comparison to what happened to my family.²²

We admire the strength and dedication of the families of injured and disabled veterans and CF members. We must, with great respect, clarify their position *vis-a-vis* legislation and regulations.

While the word 'family' is not currently present in NVC legislation, it is present within its regulations. In the regulations, it is found in two paragraphs, both of which encourage the Minister to involve the family in the design and provision of rehabilitation and vocational assistance plans.²³ The NVC, while it may recognize spouses, survivors and dependents individually, does not specifically cater to the broader collective notion of 'family.'

Unless they are survivors or dependents of a deceased veteran or CF member military families are not independently entitled to compensation or benefits provided by NVC programs.

Civilian members of military families are not eligible for CF health care services. They are entitled to provincial health care services, just like any other Canadian citizen. The associated issue is that not all military families have access to a local family doctor, given that some military bases are located far from major population centres. In these circumstances, the CF have traditionally done what they could to assist military families in emergencies and connect them with civilian health care professionals.

²² Major Mark Campbell, *Proceedings of the Subcommittee on Veterans Affairs* "Evidence," 16 June 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/05evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

²³ Justice Canada, *Canadian Forces and Veterans Reestablishment and Compensation Regulations*, Paragraphs 8(b) and 9(b), http://laws.justice.gc.ca/eng/SOR-2006-50/page-2.html#anchorbo-ga:l_2-gb:s_7.

In October 2009, the NVCAG published a report in which their first recommendation called upon government to strengthen family support services.²⁴ It suggested that VAC should take a number of steps, including educating the appropriate VAC staff, service providers and the public about Veterans' and families' right to services, developing a covenant for Veteran families, reviewing the eligibility criteria for all programs to ensure family members have equitable access, and continuing to develop service models that treat Veterans and families with respect. There were five supporting strategies:

- a. Take steps to create and maintain a respectful, family-centred culture in all VAC programs;
- b. Fill service gaps to ease the transition to civilian life;
- c. Improve access to skilled, knowledgeable health care providers;
- d. Provide more support for family members caring for Veterans;
- e. Provide more support for survivors and families of the Fallen.

We have seen evidence that VAC is currently working to increase its recognition of veterans' families, toward the same degree they are recognized and supported within DND and the CF. We encourage VAC to continue to act on the NVCAG recommendations, and therefore recommend that:

Recommendation 4. Within the framework of the New Veterans Charter, Veterans Affairs Canada increase their efforts to promote and address family roles and requirements associated with injuries and disabilities suffered in the line of duty.

While more could be done within VAC to enhance support for veterans' families, we wish to point out that not all the criticisms we heard, associated with the NVC, can be entirely directed at one department. VAC, as a department of government, does have specific responsibilities

²⁴ NVCAG, *Honouring Our Commitment*, 1.

to implement certain Acts with regard to veterans and related affairs, but it also has a responsibility to coordinate other government activity associated with the care and treatment of veterans and their families. The provision of care, treatment and benefits for CF personnel, veterans and their families is a ‘whole-of-government’ obligation.

VAC’s Relationship with Veterans

Some disabled CF members that testified before our committee expressed that they have concerns about VAC’s ability to care for them upon release. Also we found that a majority of disabled military personnel want to remain in the CF.

CF leadership has in recent years adopted a flexible approach to the release of injured soldiers who can no longer meet the stringent universality of service standards. Many disabled soldiers have been given employment appropriate to their medical condition; new units have been formed to assist in their recovery or transition; and a number of innovative programs have been established within the CF, some with VAC support, to complement medical treatment programs.

There is an appreciation of top-down loyalty in the CF and a culture based on a sense of grave responsibility. This solemn sense of responsibility gives meaning to the actions of a CF member. If this ethos is not recognized or valued when the member becomes a veteran, the very meaning of service is lost too. It is therefore not surprising that serving soldiers who appeared before our Subcommittee indicated that most soldiers wanted to continue serving, although they reluctantly admitted they would have to leave at some point. Such enthusiasm can be, in large part, explained by the traditional pull of military comraderie, esprit de corps, and a deep sense of trust that the institution will take care of them. Disabled serving personnel worry about being released because they see no clear equivalent manifestation of top-down care in government at large.

One young soldier expressed his concerns this way:

*With all of the negativity that has gone on about it, they [soldiers] do not have peace of mind. They are worried that if they get hurt, they will have to go through a massive, lengthy process. ...On the military side, people are fighting to stay in for as long as they can because they do not want to deal with Veterans Affairs.*²⁵

Another disabled soldier told us that:

*Many of us are trying to stay in [the CF] as long as possible to prolong having to deal with Veterans Affairs Canada because everyone I talk to says that they are difficult to deal with.*²⁶

And yet another disabled veteran expressed this opinion:

*I knew that DND would always be there for me. Many soldiers... do not want a 25 per cent pay cut, and they want to ensure that they get all their stuff and have an employer that completely understands their state of mind and their well-being. ...To stay in uniform in the forces, is better, without a doubt.*²⁷

The Subcommittee recognizes that the Joint Personnel Support Unit (JPSU) and its subordinate satellite Integrated Personnel Support Centres (IPSCs) located on major CF bases across the country are having a positive impact on the relationship between serving CF soldiers and VAC staff co-located with CF staff in the IPSCs. We are confident

²⁵ Corporal Michael McTeague, *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 26 May 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/04eva-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

²⁶ Master Corporal Jodi Mitic, *Proceedings of the Senate Subcommittee on Veterans Affairs*, "Evidence," 12 May 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/03evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

²⁷ Master Corporal Paul Franklin (Retired), *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 12 May 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/03evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

that the type of opinions above, expressed by serving soldiers, will become increasingly rare as more troops and more experienced VAC staff are able to get together in person.

Communication

We heard witnesses state that there was a definite lack of effective communication between VAC and serving CF members. While there may be some difficulty with the quality of VAC outreach initiatives, there is at least an equal onus that must fall on the CF chain of command to become more engaged in ensuring serving personnel are fully aware of VAC programs and how to access them.

An earlier section discussed the VAC evaluation of the NVC conducted from 2009 to 2011. One of the principal findings was the need to develop a more effective outreach strategy, one element of which was an improved communications program. Among the suggestions was the idea that VAC share information with CF members earlier in the process leading to release. This is being done through the IPSCs.

Communication with CF and veterans' families also received attention because families are often instrumental in having a CF member or veteran seek assistance. Families must have access to clear and concise information, particularly in times of crisis and this has been recognized within VAC. The Subcommittee looks forward to some concrete improvement in this area.

PERCEIVED LIMITATIONS OF THE NVC

CF personnel have accepted unlimited liability to their country by putting their life on the line for Canada. It is thought that any program of care, compensation and benefits available to those who are disabled or killed as a result of service should be the best Canada has to offer.

Recognizing that the NVC is a living document, our first observation is that, unlike the inspired work conducted leading up to the NVC, the NVC itself and the regulations supporting it fall short of expectations.

On 11 May 2005, during the examination of Bill C-45 by the Standing Senate Committee on National Finance, Mr. Darragh Mogan, the Executive Director, Service and Program Modernization Task Force, accompanying the Honourable Albina Guarnieri, Minister of Veterans Affairs, was asked by Senator Kinsella to explain why NVC clients had to apply for the Earnings Loss Benefit (ELB) within one hundred and twenty days of being released from the CF. Mr. Mogan replied:

*The number was chosen because an existing rehabilitation program under the authority of the Chief of the Defence Staff, the Service Income Security Insurance Plan, SISIP, has that 120-day limit. We do not want to create two standards.*²⁸

Associated government analysis describes the NVC as being designed to fill gaps in existing services and benefits. According to the Canada Gazette:

These [NVC] programs will be implemented in collaboration with other government departments and agencies involved in the delivery of similar programs. VAC's intent in delivering these new programs is to fill existing gaps in services and benefits. For example, the New Veterans Charter will bolster the current benefit packages provided by the Service Income Security Insurance Plan (SISIP) and VAC. Most CF members who voluntarily release and later develop a service-related disability could, up to now, only qualify for a VAC pension and related health care. SISIP will continue to provide eligible medically releasing CF members with income replacement and vocational rehabilitation benefits. Under

²⁸ Darragh Mogan, *Proceedings of the Standing Senate Committee on National Finance*, "Evidence," 11 May 2005, http://www.parl.gc.ca/38/1/parlbus/commbus/senate/Com-e/fina-e/23ev-e.htm?Language=E&Parl=38&Ses=1&comm_id=13.

the New Veterans Charter, VAC will meet the needs of the "gap" group and will provide top-up benefits for the SISIP group, such as additional vocational rehabilitation or earnings loss benefits, medical or psychosocial rehabilitation, and Canadian Forces income support. VAC will work closely with SISIP to ensure a comparable level of benefits, regardless of whether the client's avenue of access is SISIP or VAC.²⁹

Some of the witnesses who appeared in front of this Subcommittee believed that the NVC is less effective than it should be. Dr. Maria Barrados, President of the Public Service Commission of Canada told us:

Public servants, however, have much more protection and many more provisions than members of the Armed Forces have. If someone is injured, many insurances and programs are in place to reintegrate people back into the workforce. ... Much would take place in the public service before they would end up on a disability priority....

We acknowledge that using the SISIP model for benefits such as the Earnings Loss and Vocational Rehabilitation Program was done to make the transition from the Canadian Forces to Veterans Affairs as seamless as possible. That being said, programs such as the Permanent Impairment Allowance, the Permanent Impairment Allowance Supplement and the Disability Award are benefit programs designed using criteria such as typical Veterans Affairs and more broadly Government of Canada programming models.

Using an insurance plan designed for non-service related injuries for some of the financial benefits included in the NVC supports the point made earlier that there has been no substantial public discussion of the

²⁹ Canada Gazette, *Canadian Forces Members and Veterans Re-establishment and Compensation Regulations*, "Regulatory Impact Analysis Statement," Vol. 139, No. 51, 17 December 2005, <http://www.gazette.gc.ca/archives/p1/2005/2005-12-17/html/reg7-eng.html>.

nature of a social contract between the people of Canada and their veterans.

Sense of Security

Historically, almost all of Canada's wartime veterans enrolled 'for the duration' to serve as long as needed to defeat the enemy. Many gave up civilian jobs, vocations and professions to serve abroad. Some were unemployed and welcomed the chance to travel and earn some money, even if they would be doing it in the context of a war. These wartime veterans traditionally did not plan to make a career of military service. Large scale demobilization took place at the end of the First and Second World Wars, and a less, but still substantial de-mobilization occurred after the Korean War. Accordingly, as explained earlier, government programs aimed to re-integrate hundreds of thousands of veterans back into Canadian civilian life at the end of hostilities.

Coincidentally with the Korean War, military personnel began to enrol in the Regular Force with the intent to spend a good number of years in military service, if not a career. They intended to serve Canada, work hard and perhaps get promoted to higher ranks with greater responsibility. They made life plans based on those long-term intentions. Many of those plans included raising a family. If all went well, individual and family goals would be met. Over time, the CF has become a career-oriented force.

Today, most Regular Force members of the CF being released require a different approach to preparing for re-integration into civilian society because most of them have spent their entire adult life in military service. They have no previous 'civilian life' to 'return' to.

It is interesting to note that today's reservists might have more in common with wartime veterans than they do with their contemporary Regular Force colleagues. Reservists are regularly volunteering to serve on an international operation for a contracted period of time, at the end

of which, they return to their civilian employment, or other circumstances from which they came. They may indeed intend to continue serving part-time, but they will essentially ‘return’ to civilian life after their tour of full-time duty. If they are severely injured or disabled, they will continue to serve full-time until they either recover, or are medically released from the CF. Reservists receive the same benefits as Regular Force Members if they are injured while deployed or training with the Regular Force for deployment. Moreover, in December of 2012, Minister of National Defence, Peter Mackay announced a regulation change that gave all reservists the same coverage under the *Injured Military Members Compensation Act*.

An important requirement is that the NVC recognize and address these circumstances. In large part, it does so. However, it apparently does not generate an adequate sense of security among some of today’s veterans who are injured or disabled as a result of service and subsequently medically released.

In the view of serving soldiers who are hurt, their first thought is focussed on the future security of their family, not so much on how much money they will individually get. This is particularly true of those with young families. This perspective was also especially apparent in discussions about the lump-sum Disability Award. According to Master Corporal Jodi Mitic, “[i]t is not about the money; it is about security.”³⁰

Major Bruce Henwood (Retired), Chair of the VAC Special Needs Advisory Group, offered this opinion:

What you have not heard in your various testimonies – and I reviewed them all – is the difference between a traditional veteran and a new veteran when it comes to financial security. You have been exposed to some of the new and essential elements of the New Veterans Charter that may work very well for the majority of the veterans who have not experienced severe, life-altering, career-ending quality of life

³⁰ Mitic, *Proceedings*, 12 May 2010.

challenges as the seriously injured veterans do, on a daily basis.

What you have not heard is that the seriously injured new veterans' family no longer received a spousal allowance, no longer receives children allowances, no longer receives an attendants allowance and no longer receives an Exceptional Incapacity Allowance. ...All four of these allowances are for life. They are tax free; they are indexed; and they are paid on a monthly basis. These allowances provide the traditional veterans with financial security over their life course.

I will say this once and I will say it as forcefully as I can; these are all gone in the New Veterans Charter – gone.³¹

Some element of this difficulty lies in a lack of effective communications, by both VAC and the CF. Some CF members have not been adequately informed about the full range of NVC programs available to them and how they can be accessed. Junior ranks who came before us consistently fixated on the lump-sum issue when expressing concern for their long-term security condition. Some CF members expressed that they also could do more to access the information available to them. They admitted to not being well-informed on the wide range of other NVC programs available to them and their spouses.

To qualify for NVC benefits, veterans must be approved by the Minister for enrolment in an authorized rehabilitation program. That is to say, beyond the Disability Award, the only gateway to NVC vocational and financial benefits is through an approved rehabilitation program.

³¹ Major Bruce Henwood (Retired), Chair, Special Needs Advisory Group, *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 16 June 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/05evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

Quality of life

From the viewpoint of some injured CF soldiers waiting to hear if their injury is severe enough to have them medically released from the CF, the prospect of having to deal with the VAC bureaucracy can be challenging and frustrating.

A young Master Corporal, supporting a wife and one young child on \$58,000 a year, who loses both legs below the knee in Afghanistan would have received in 2012 a non-taxable \$293,308 lump sum Disability Award from VAC, or divided in annual instalments. If he enrolls in a rehabilitation program after release, he will then receive 75% of his pre-injury salary in the form of a taxable Earnings Loss Benefit (ELB). The ELB is designed to ensure an injured veteran has income that is at least 75% of his pre-release salary, so if he has a CF pension or other income from a private business, his ELB will be adjusted accordingly.

As military personnel rise in rank, those who are medically released receive less of an ELB from VAC, since they will begin to receive military pension payments provided for in the *Canadian Forces Superannuation Act*. In general, proportionally, the more senior in rank, the less an injured veteran's income will come from VAC.

There is thus a perception among many disabled soldiers, especially those who are junior in rank, that they will be less well-off under the NVC than they are in the CF. Seventy-five per cent of a Master Corporal's annual salary of \$58,000 is considerably less than seventy-five per cent of a Major's \$98,000 salary.

Given that the bulk of junior ranks – Privates, Corporals and Master Corporals; and Lieutenants and Captains – are the ones who are most often and most heavily engaged in combat, it might be viewed as restrictive by some to have their level of income capped at seventy-five per cent of their salary upon release. Some may have expected to

spend many years in uniform, and to receive promotions with the accompanying pay increases.

It should be noted that amendments to the Regulations have introduced a guaranteed minimum income of \$40,000 to veterans who were medically released and participate in a rehabilitation program. But is this enough? Some argue that it is not and that junior ranks in particular can expect difficulties supporting themselves and their families on such an income.

There are several suggestions that may provide assistance to the above described limitations. These include raising the minimum ELB in one of two ways:

- a. make the ELB non-taxable;
- b. raise the ELB to a higher level and keep it taxable.

The second approach may address any limitations perceived by a person who becomes disabled and medically released before being able to enjoy the fruits of a military career of a reasonable length.

Unlike the First and Second World Wars and the Korean War, Canadian soldiers who enlisted in the Cold War era, including those who join the CF today, generally intend to stay in military service for many years. Many choose to make a career of it. Consequently, they hope to rise in rank and tentatively make plans in light of such a positive future. Not everyone expects to become the Chief of the Defence Staff, but independent studies have shown that in today's CF, the average Canadian who joins as a Private can reasonably expect to reach the rank of Sergeant over the span of a 30 year career. In the officer ranks, the average Canadian will probably reach the rank of Major in the same amount of time.

It has been suggested that if a soldier is disabled in the junior non-commissioned ranks and in the junior officer ranks, that the minimum level of ELB awarded under the ELB would be based on the basic rate of pay of a captain, for officers (\$72,960 in 2012) and the basic rate of

pay of a sergeant, for non-commissioned members (\$63,720 in 2012).³² It has been further suggested that these amounts be kept in step with the actual pay levels provided to serving members at any one time. In other words, the pay rate for these veterans would be equivalent to those still serving.

We therefore recommend that:

Recommendation 5. The Government of Canada continue to review the Earnings Loss Benefit to ensure veterans are receiving the appropriate level of compensation.

Reintegration into Civilian Life

Expert testimony heard by the Subcommittee made the clear point that it is in the best interests of disabled CF personnel to accept their injury and move on to a new life outside the CF, as soon and as best they can. As Mr. Wolfgang Zimmerman, Executive Director of the National Institute of Disability Management and Research explained:

*I have been privileged to have been involved with the New Veterans' Charter advisory committee, and I can say that we are not seeing interface between DND and Veterans Affairs to support an optimum return-to-work outcome. In other words, individuals are being kept at DND for much too long before an active effort is made to ensure that there is a speedy return-to-work outcome.*³³

Remaining in uniform may be necessary in the short term, particularly when undergoing treatment and rehabilitation, but it is not a final or permanent measure.

³² In 2012, basic monthly pay rates for a sergeant is \$5,310 (\$63,720 per year) and for a captain \$6,080 (\$72,960 per year). DND, [Pay Scales](#), Consulted 11 September 2012.

³³ Wolfgang Zimmerman, *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 1 December 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/09eva-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

During the course of our study, the question arose of whether enough was being done to provide meaningful employment for disabled veterans. Employing disabled veterans in the Public Service of Canada is one such case.

CF personnel are not members of the Public Service (PS). Consequently, they are not employees of the Government of Canada. For many years CF personnel were not eligible to participate in the PS internal appointment process. This changed on 31 December 2005, when the Public Service Employment Act was amended to allow CF personnel participation in the advertised internal appointment process, where they have been identified as being eligible by deputy heads of departments.³⁴ Such identification is an *option* open to deputy heads; it is not a mandatory designation.³⁵

Beyond this general entitlement³⁶ to apply for positions in the PS is the question of actual appointment to a specific job. Dr. Maria Barrados, the President of the Public Service Commission of Canada told the Subcommittee that since 1997, certain CF personnel have enjoyed priority entitlement to a job in the PS, upon release from the CF as a result of an injury suffered in a Special Duty Area. In 2004, the entitlement was extended to all those released because of a disability sustained in the course of Special Duty Service, at home or abroad. On 31 December, the entitlement was further expanded to include former members of the CF and the RCMP who were released for medical reasons.³⁷

³⁴ Justice Canada, *Public Service Employment Act*, 2003, <http://laws.justice.gc.ca/en/P-33.01/index.html>.

³⁵ Dr. Maria Barrados, *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 24 November 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/08evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

³⁶ Entitlement: This term is often used in VAC documentation to refer to the distinction between a veteran who is merely 'eligible' to a given benefit, and a veteran who is 'entitled' to the same benefit. 'Eligible' means the veteran can apply to receive the benefit, whereas 'entitled' means that the eligible veteran who applied will in fact receive the benefit. For an example of the distinction, see the brochure "Disability Benefits. Entitlement Eligibility Guidelines" at: <http://www.veterans.gc.ca/eng/services/disability-benefits/benefits-determined/entitlement-eligibility-guidelines>.

³⁷ Dr. Maria Barrados, *Proceedings of the Subcommittee on Veterans Affairs*, "Evidence," 24 November 2010, <http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/08evb-e.htm>.

There has been a significant upward trend in the number of priority entitlements for former CF and RCMP members in recent years – 301 in 2009-10, up from 259 in 2008-09. In fiscal year 2009-10, 215 former members of the CF and RCMP were appointed to positions in the PS, compared with 205 in 2008-09.³⁸

The central issue is whether the federal government should consider releasing CF members to become ‘government employees’ and therefore be given the opportunity to an actual prioritized *appointment* to suitable employment, rather than just the right to *apply* for priority appointment. Treating medically released CF members as government employees would require government to actively seek and place disabled veterans in jobs suitable to their condition and circumstances. This is more than simply allowing them to apply for employment in the PS. Particularly if there were some sort of framework of federal-provincial cooperation, the chances of finding timely employment for a disabled veteran would be increased, given the range of jobs available.

We therefore recommend that:

Recommendation 6. The Government of Canada consider streamlining the way that veterans are able to access the internal appointment process throughout the federal public service and ensure that veterans are given priority and assistance in the process.

Outreach

The Joint Personnel Support Unit/Integrated Personnel Support Centres (JPSU/IPSC) are working well. However, there is still a need to keep track of rural Reservists. Better use may be made of the Royal Canadian

[e.htm?Language=E&Parl=40&Ses=3&comm_id=79](#). Most of the information in this section is taken from her testimony.

³⁸ Public Service Commission of Canada, “Table 21: Canadian Forces and Royal Canadian Mounted Police: New entitlements compared to appointments,” *Public Service Commission Annual Report 2009-10*, 121, <http://www.psc-cfp.gc.ca/arp-rpa/2010/rpt-eng.pdf>.

Legion and the various service, branch and regimental associations who know where individuals are.

We recommend that:

Recommendation 7. Veterans Affairs Canada and key stakeholders establish more effective formal links to better support veterans.

Recommendation 8. Veterans Affairs Canada, in concert with the Royal Canadian Legion, consider establishing representation in support of Legion branches.

Recommendation 9. Veterans Affairs Canada consider involving more veterans throughout Canada to enhance the relevance of their outreach activities.

Disability Award

There are three areas of concern directed at the Disability Award. Some witnesses were unclear as to the nature and purpose of the award, some felt it was inadequate and some suggested that it was inappropriate to pay out the Disability Award in one large sum to a CF member or veteran who may not be in a fit physical or mental state to make sound decisions on what to do with the money.

Since October 2011, the disability award may be paid as a lump-sum or in instalments. This seems to have appeased concerns about misuse by injured veterans. However, a significant proportion of veterans will choose to receive the disability award as a lump sum.

To review, VAC may pay a Disability Award to a member of the CF or a veteran who is disabled by a service-related injury or disease, or a non-service-related injury or disease aggravated by service.³⁹ The amount

³⁹ NVC, Paragraph 45.

awarded is commensurate with the degree of disability. The maximum amount in the original legislation was capped at \$250,000. Since then, being indexed for inflation, the current maximum Disability Award for 2012 is \$293,308.⁴⁰

Among those CF members and veterans who came before the Subcommittee, there was some confusion as to the true purpose of the Disability Award. Consider this testimony from one witness:

Depending on what Veterans Affairs Canada literature you read, the department keeps changing its tune on what that maximum \$250,000 one-time lump sum payment is for. I have been told it is compensation for the loss of your limbs. I have read that it is compensation for pain and suffering, and I have also read that it is now intended to assist in satisfying the immediate financial needs of the injured soldier.⁴¹

The VAC website is clear and states, “The Disability Award is a one-time, tax-free cash award designed to compensate for the non-economic impacts of a service-related disability such as pain and suffering.”⁴² The NVC Disability Award is not intended to be used for necessary home renovations, prosthetics or automobile adaptations. There are other funds and programs available to meet those requirements.

Perhaps this misunderstanding of the Disability Award is the basis of criticism that the NVC is inadequate. The same witness explained:

I can tell you my \$250,000 disappeared very, very quickly. I had to buy a brand new minivan for \$32,000 because they would only modify a brand new vehicle. Also, since my house was deemed unsuitable for renovation to make it wheelchair

⁴⁰ Veterans Affairs Canada, http://www.veterans.gc.ca/clients/sub.cfm?source=Forces/nvc/da_db_include.

⁴¹ Major Mark Campbell, *Proceedings of the Subcommittee on Veterans Affairs*, “Evidence,” 16 June 2010, http://www.parl.gc.ca/40/3/parlbus/commbus/senate/Com-e/vete-e/05evb-e.htm?Language=E&Parl=40&Ses=3&comm_id=79.

⁴² VAC, *Current or Former Canadian Forces Members Services and Benefits*, “Disability Benefits,” <http://www.veterans.gc.ca/general/sub.cfm?source=information-canadian-forces/services-benefits/disability-benefits>. See also NVC, Paragraph 45-56.

accessible, I had to sell that house and construct a new barrier-free home. That money was gone immediately.

Depending on what we are calling it and what it is for, is \$250,000 adequate compensation for the loss of your legs and the loss of quality of life for your family? It completely disrupts the entire family; it is not just the soldier. Everything is upside down. My wife has twice the stress.

I have chronic phantom limb pain two or three nights a week where I cannot sleep. Is \$250,000 adequate compensation for that and for a lifetime of pain and suffering? I would suggest it is not.

I would also suggest a cap of \$250,000 based on the loss of two limbs, or the equivalent in terms of eyesight, is completely inadequate. What about the soldier I know, a young reserve corporal in Sudbury, who is missing not just both legs but also an arm? He received no additional compensation for that arm. Once you max out at \$250,000 that is it. Half of my injuries... are not considered because I maxed out with two legs. The ruptured right eardrum and the loss of hearing are not compensated in any way, shape or form.⁴³

It is difficult to measure such unsettling distress, but the Subcommittee notes that the NVC Disability Award is not the only sum awarded to CF members or veterans, at government expense, for pain and suffering. All serving CF members, both Regular and Reserve Force are covered, at no charge, by the Accidental Dismemberment Insurance Plan (ADIP), sponsored by the CF and governed by the Treasury Board of Canada.⁴⁴ The ADIP may pay a maximum disability benefit of \$250,000 for, as examples, the loss of two feet, or two hands. In this

⁴³ Campbell, *Subcommittee on Veterans Affairs*, 16 June 2010.

⁴⁴ See details of the ADIP on the Service Income Security Insurance Plan Financial Services (SISIP FS) website at http://sisip.com/en/Insurance_e/ad_e.asp#1.

way, as a result programs entirely funded by government, CF members or veterans disabled as a result of service might receive up to \$500,000.

CONCLUSION

Veterans and CF members have accepted unlimited liability in the service of Canada. Those who die or are injured in the course of duty deserve the best program of compensation and benefits Canada can provide. VAC and the NVC are serving the majority of CF members, veterans and their families well, but the NVC can be enhanced to provide improved compensation and benefits and provide a sense of security for disabled CF members, veterans and their families. Government as a whole should endeavour to ensure its broad obligations are met, not just in a majority of cases, but in every case.

LIST OF WITNESSES

40th Parliament – 3rd Session

Organization	Name/Title	Date of Appearance	
Army, Navy and Air Force Veterans in Canada	Lorne McCartney, Dominion Secretary-Treasurer	June 2, 2010	
As individuals	Deborah Norris, Associate Professor, Family Studies and Gerontology, Mount Saint Vincent University	December 15, 2010	
	Majory (ret'd) Bruce Henwood, Chair, Special Needs Advisory Group (SNAG), Veterans Affairs Canada	June 16, 2010	
	Major Mark Campbell, Regimental Veterans Care Officer, Princess Patricia's Canadian Light Infantry		
	Dr. Don Richardson, Consultant Psychiatrist, Ste. Anne's Hospital		June 9, 2010
		MCpl (Ret.) Paul Franklin	May 12, 2010
	Canadian Association of Veterans in United Nations Peacekeeping	Ronald R. Griffis, National President	June 2, 2010

Organization	Name/Title	Date of Appearance
Royal Canadian Legion	Brad White, Dominion Secretary	October 27, 2010
	Pierre Allard, Service Bureau Director	
National Defence	Colonel Gerard Blais, Director Casualty Support Management	November 24, 2010
	Corporal Thomas Bezruki, Royal Highland Fusiliers of Canada	May 26, 2010
	Corporal Michael McTeague, 32nd Combat Engineer Regiment	
	Corporal Dominique Lareau, Régiment de la Chaudière	
	Corporal Jean-Pierre Godbout, 35th Service Battalion of Canada	
	Master Corporal Martial Boivert, 12e Régiment blindé du Canada	
	Major Jacques Lasalle, Officer Commanding of the Joint Personnel Support Unite (JPSU) Quebec Region	May 12, 2010

Organization	Name/Title	Date of Appearance
National Defence	Master Corporal Jody Mitic, Outreach Coordinator, National Defence Headquarters, DCSM	May 12, 2010
	Corporal Martin Renaud, 3 rd Battalion, Royall 22 nd Regiment	
	Lieutenant-Colonel C.M. Hand, CD, Commanding Officer Joint Personnel Support Unite, New Brunswick/PEI region	May 5, 2010
National Institute of Disability Management and Research	Wolfgang Zimmermann, Executive Director	December 1, 2010
Public Service Commission of Canada	Maria Barrados, President	November 24, 2010
	Janelle Wright, Director, Delegation and Reporting, Policy Branch	
Veterans Affairs	The Honourable Jean-Pierre Blackburn, P.C., M.P., Minister of Veterans Affairs and Minister of State (Agriculture)	April 28, 2010

Organization	Name/Title	Date of Appearance
Veterans Affairs Canada	The Honourable Jean-Pierre Blackburn, P.C., M.P., Minister of Veterans Affairs and Minister of State (Agriculture)	November 17, 2010
	Suzanne Tining, Deputy Minister	
	Colonel (Ret'd) Patrick Stogran, Veterans Ombudsman	November 3, 2010
	Charlotte Stewart, Director General, Service Delivery Management	October 20, 2010
	Charlotte Bastien, Regional Director General, Québec, Service Delivery and Commemoration	
	Sandra Williamson, Director, Strategic Policy, Policy Programs and Partnerships	October 6, 2010
	Raymond Lalonde, Director, Strategic Policy, Policy Programs and Partnership	

Organization	Name/Title	Date of Appearance
Veterans Affairs Canada	Nathalie Pham, Manager, Client Services Team, Montreal District Office	June 9, 2010
	Charlotte Bastien, Regional Director General, Quebec Region	May 5, 2010
	Robert Cormier, Director, Montreal district	
	Lina Matos, Regional Director, Client Services, Western Region	
	Katherine Richards-Solc, Manager, Client Service Team, Kingston District Office	June 9, 2010
	Suzanne Tining, Deputy Minister	April 28, 2010
Workplace Safety & Insurance Board of Ontario	Paul Gilkinson, Vice- President, Service Delivery Division	December 1, 2010
	Donna Bain, Vice- President, Health Services Division	
	Judy Geary, Vice- President, Work Reintegration	

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Organization	Name/Title	Date of Appearance
Joint VAC/DND/RCMP Mental Health Advisory Committee	Colonel (Ret.) Donald Ethell, Chair	December 9, 2009
National Defence	Major-General Walter Semianiw, Chief of Military Personnel	November 4, 2009
	Jim Labrie, Chief Warrant Officer	
	Colonel Gérard J. Blais, Director, Casualty Support Management (DCSM)	October 21, 2009
	Brigadier-General (Ret.) D.E. Martin, Director General, Personnel and Family Support Services (DCSM)	
	Colonel Gérard J. Blais, Director, Casualty Support Management (DCSM)	October 28, 2009
	Brigadier-General (Ret.) D.E. Martin, Director General, Personnel and Family Support Services (DCSM)	
André Bouchard, President, SISIP Financial Services (DCSM)		

Organization	Name/Title	Date of Appearance
New Veterans Charter Advisory Group	Muriel Westmorland, Chair	November 4, 2009
Royal Canadian Legion	Pierre Allard, Service Bureau Director	October 7, 2009
Veterans Affairs Canada	Brian Ferguson, Senior Assistant Deputy Minister Policy, Programs and Partnership	November 25, 2009
	Brenda MacCormack, Director, Rehabilitation, Program Management, Policy, Programs and Partnerships	
	Keith Hillier, Assistant Deputy Minister, Service Delivery and Commemoration	October 21, 2009 October 28, 2009
	Brian Ferguson, Senior Assistant Deputy Minister Policy, Programs and Partnerships	October 28, 2009
	Ken Miller, Director, Program and Policy Directorate	October 21, 2009
	Colonel (Ret'd) Patrick Stogran, Veterans Ombudsman	October 7, 2009

APPENDIX A

RELATED REPORTS

1. House of Commons Standing Committee on Veterans Affairs. *A Timely Tune-Up for the Living New Veterans Charter*. June 2010.
<http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4634723&Language=E&Mode=1&Parl=40&Ses=3&File=9>.
2. New Veterans Charter Advisory Group. *Honouring our Commitment to Veterans and Their Families: The 'Living' Charter in Action*. October 2009.
<http://www.veterans.gc.ca/general/sub.cfm?source=forces/nvc/2009-oct-nvcag>.
3. Veterans Affairs Canada (VAC). *Departmental Reports*.
<http://www.veterans.gc.ca/general/sub.cfm?source=department/reports>.
4. VAC. *New Veterans Charter Evaluation: Phase III (Final)*. February 2011.
<http://www.veterans.gc.ca/eng/department/reports/deptaudrep/2010-dec-nvc-eval-ph3>.
5. VAC *New Veterans Charter Evaluation: Phase II (Final)*. August 2010.
<http://www.veterans.gc.ca/eng/department/reports/deptaudrep/2010-aug-nvcep-ph2>.
6. VAC. *New Veterans Charter Evaluation: Phase I (Final)*. December 2009.
<http://www.veterans.gc.ca/eng/department/reports/deptaudrep/2009-dec-nvc>.

7. VAC. *Redress for the New Veterans Charter (NVC) Re-Establishment Program Review (Rehabilitation and Financial Benefits Program): Final*. July 2009.
<http://www.veterans.gc.ca/general/sub.cfm?source=department/reports/deptaudrep/2009-july-rnvc>.
8. VAC. *New Veterans Charter Evaluation Plan: Final*. June 2009.
<http://www.veterans.gc.ca/general/sub.cfm?source=department/reports/deptaudrep/2009-june-nvcep>.
9. VAC-CF Advisory Council. *Honouring Canada's Commitment: "Opportunity with Security" for Canadian Forces Veterans and Their Families in the 21st Century*. Veterans Affairs Canada. March 2004.
http://www.veterans.gc.ca/clients/sub.cfm?source=forces/nvc/discuss_paper.