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# **Veterans Affairs**

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## **Portfolio Performance Report**

**For the Period Ending March 31, 2003**

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**The Honourable Dr. Rey D. Pagtakhan, P.C., M.P.  
Minister of Veterans Affairs**



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# Messages

## Minister's Message



The Government of Canada, along with Canadians from every walk of life, continues to remember those that have sacrificed so much toward the betterment of our nation. As Minister of Veterans Affairs, it continues to be my honour to serve the brave men and women who so willingly gave of themselves in our country's hour of need. Their service to Canada, and the greater good, demands that we forever keep them alive in our national consciousness, through Remembrance activities, education of our youth, and the high quality of our programs and services.

Those we serve include traditional War Service Veterans, Canadian Forces Veterans and still-serving members, the Royal Canadian Mounted Police (RCMP), and their families and surviving spouses. The level and complexity of our clients' needs have increased over the past few years, in part due to the aging of our War Service Veterans, but also due to the enhanced role many of our Canadian Forces members have taken on through our international commitments to peacekeeping and overseas operations. As well, recently acquired responsibilities related to the provision of benefits and services to the RCMP present both new challenges and opportunities.

The past year at Veterans Affairs has been marked by significant accomplishments. We began implementing components of the Department's Integrated Service Delivery Framework (ISDF), aimed at improving our already high levels of service. We completed the transfer, from the RCMP to Veterans Affairs Canada (VAC), of the management of disability pensions for RCMP pensioners and the provision of treatment benefits for retired and civilian members in receipt of disability pensions. And we furthered our proud mandate of Remembrance through commemorative events including the 85<sup>th</sup> Anniversary of the Battle of Vimy Ridge and the 60<sup>th</sup> Anniversary of the Dieppe Raid.

Our partnership efforts with other Government of Canada departments and agencies grew stronger with the introduction of the Mental Health Strategy for Operational Stress Injuries in collaboration with the Department of National Defence (DND). We entered the important development phase of the Federal Health Claims Processing System (FHPCS), designed to both reduce costs and improve the health claims process for VAC, the RCMP and DND clients, and we continued our lead role in the Health Care Coordination Initiative, a partnership of ten Government of Canada departments and agencies. These efforts reaffirm our commitment to improve service, reduce ongoing costs through the creation of planned partnership arrangements, and maintain our efforts in strategic leadership as we plan now to meet the present and future needs of those we serve.



As stated in *Budget 2003*, Canadians have the right to know what is achieved through the use of their tax dollars. In *Results for Canadians 2001*, the Government of Canada set out a clear management framework and an agenda for change. A key component of that framework is accountability to Parliament and Canadians. Veterans Affairs' Portfolio *Performance Report*, and its sister document, the *Report on Plans and Priorities*, reflect our responsibility to provide balanced and reliable information with respect to our plans, priorities and performance. As such, our *Performance Report* confirms the status of earlier commitments made in Veterans Affairs' *Report on Plans and Priorities*. Through these efforts, we will continue to reinforce accountability and transparency in our public reporting. Additionally, our Reports provide an opportunity to engage Parliamentarians and Canadians more effectively in a constructive dialogue about our past performance and future direction of the Portfolio.

At Veterans Affairs, the ability to work with and motivate people, a sense of shared values and ethics, the ongoing implementation and application of mature risk management, and the timely provision of integrated performance information are central to the performance of our innovative programs and services. How we manage our Portfolio reflects on our level of commitment, admiration, and respect for those who served us so well in times of war, conflict and peace. How we manage for results, deliver strategic leadership, and provide clear accountability to Parliament and Canadians speaks to that commitment. It is our solemn duty to offer nothing less than we have received.

The Honourable Dr. Rey D. Pagtakhan, P.C., M.P.  
Minister of Veterans Affairs



## Chair's Message



I am pleased to provide the Veterans Review and Appeal Board portion of Veterans Affairs' *Portfolio Performance Report*, which outlines our results achieved during the fiscal year ending March 31, 2003.

The period covered by this report has been a year of transition for the Board. Brian Chambers, who was Chair for seven years, completed his term in December, and I would like to take this opportunity to commend him on his leadership which is clearly reflected in the Board's many achievements during this review period.

We also have transitioned from a Board that dealt primarily with the traditional War Service Veteran to a Board where the majority of the applicants are former and still-serving members of the Canadian Forces. Although there are many commonalities among our client groups, there are also differences that have required the Board to adjust aspects of its service delivery to ensure that all applicants are dealt with as informally and expeditiously as circumstances and considerations of fairness permit.

While carrying out its mandate to provide full and fair hearings, the Veterans Review and Appeal Board has also made significant progress in the timeliness of decisions despite an increased workload. These advancements are the result of increasing the knowledge base of our adjudicators and staff, modernizing aspects of our service delivery such as piloting a process where certain clients can participate in their review hearings by using the telephone to give testimony and by fostering effective working relationships with government and service organizations that represent applicants before our Board.

Fairness, consistency, respect, professionalism and excellence were the focus of the Board's activities in 2002-2003 and will continue to be our focus now and in the future.

Victor A. Marchand  
Acting Chair  
Veterans Review and Appeal Board



# About Veterans Affairs

## Who We Are

There are two components to Veterans Affairs (the **PORTFOLIO**): Veterans Affairs Canada (the **DEPARTMENT**) and the Veterans Review and Appeal Board (the **BOARD**) which operates at arm's length from the Department.

Veterans Affairs Canada provides benefits and services to eligible Canadians who serve their country during periods of war and peace, including peacekeeping operations, and honours their sacrifice and achievements in the defence of freedom.

The Veterans Review and Appeal Board has full and exclusive jurisdiction to hear, determine and deal with all applications for review and appeal that may be made to the Board under the *Pension Act* and the *War Veterans Allowance Act*. This Board also adjudicates duty-related disability pension applications under the authority of the *Royal Canadian Mounted Police Pension Continuation Act* and the *Royal Canadian Mounted Police Superannuation Act*.

With a staff of approximately 3,400 employees, Veterans Affairs Canada (VAC) is headquartered in Charlottetown, Prince Edward Island, with an office in Ottawa, Ontario, and across Canada, five regional offices, and over 30 district/satellite offices or service centres. VAC also includes Ste. Anne's Hospital in Ste. Anne-de-Bellevue, Quebec, where we have approximately 900 positions filled by approximately 1,300 part-time and full-time staff. The Veterans Review and Appeal Board (VRAB) is also located in Charlottetown and they have 29 Governor-in-Council appointed Members and approximately 80 staff.

Veterans Affairs Canada provides pensions for disability or death, economic support in the form of allowances, and health care benefits and services to our Veterans and other clients. For those who wish a further review of their disability claims, our Veterans Review and Appeal Board and our Bureau of Pensions Advocates ensure that clients are treated fairly and professionally. In addition to the above, through our Remembrance programming, we also pay tribute to those who served in times of war, conflict and peace.

Veterans Affairs Canada's **MISSION** is to provide exemplary, client-centred services and benefits that respond to the needs of Veterans, our other clients and their families, in recognition of their services to Canada, and to keep the memory of their achievements and sacrifices alive for all Canadians. Our **VISION** is to provide exemplary service which honours the sacrifice and achievements of our Veterans and other clients.





The Veterans Review and Appeal Board's **MISSION** is to provide clients with full opportunity to request review and appeal hearings to ensure a fair adjudicative process for disability pension and War Veterans Allowance claims.

Veterans Affairs **VALUES** the contribution of our men and women in uniform to the development of Canada as a nation and honours the sacrifices they have made in the defence of freedom and the pursuit of world peace. In expressing Canada's gratitude to them we strive to exemplify the high principles which they have defended.

Integrity, respect, service, accountability, teamwork and balance are reflected in the benefits and services we deliver to our Veterans and other clients.

Veterans Affairs Canada's **PRIORITIES** are grouped under two strategic objectives, and are reviewed on an annual basis to ensure they are still relevant and timely. In November 2002, the priorities were amended as follows:

***Strategic Objective 1: Integrity of our programs and service improvement***

- Improving and expanding services for Canadian Forces Veterans;
- Partnering to serve the Royal Canadian Mounted Police and eligible civilians;
- Providing strong leadership in the delivery of Remembrance programming through effective partnerships;
- Transforming service delivery and promoting innovation in policies and practices; and
- Evaluating the effectiveness of the disability pension process and its flexibility to adapt to the emerging and changing needs of our Veterans and other clients.

***Strategic Objective 2: Organizational effectiveness***

- Aligning our strategic human resources plan to support the goals of the organization and aspirations of our people;
- Advancing the development of our information technology capacity in support of service improvement, organizational effectiveness and Government On-Line; and
- Enhancing our policy capacity to ensure more effective use of information and analysis in support of evidence-based decision-making and better public accountability.

Of the eight priorities, up to four priorities are aligned with each of our strategic outcomes, and some priorities apply to more than one strategic outcome.



Veterans Affairs has 21 **PLANNED RESULTS** which support specific strategic outcomes. These planned results are shown below, followed by a description of our strategic outcomes.

**Chart 1: Planned Results**

Planned Results	Strategic Outcome
Compensation for sacrifice in service to Canada Improved basic standard of living Client-centred services and programs delivered in a timely, fair and consistent manner Client independence and healthy lifestyle Optimization of health Appropriate care in the most suitable location Improved quality of life Quality “end of life” care	<p><b>Benefits and Services Programs</b></p> <p>The delivery of benefits and services that contribute to the independence, quality of life and standard of living of Canada’s war Veterans, eligible Canadian Forces Veterans and still-serving members, RCMP clients, qualified civilians and their families in recognition of their sacrifice to the nation.</p>
Clients being informed of the process and their rights Professional case preparation and representation Service improvement	<p><b>Pensions Advocacy Program</b></p> <p>The rights of Veterans Affairs Canada clients protected through professional, legal representation in appealing decisions related to disability pensions and allowances.</p>
Increased knowledge and public awareness of the contributions made by those who served Canada in times of war and peace Increased involvement in Remembrance activities Veterans’ recognition in life and death Maintenance, preservation and presentation of Canada’s commemorative resources which are among the nation’s symbols of identity	<p><b>Canada Remembers Program</b></p> <p>A knowledgeable Canadian public that recognizes the achievements and sacrifices of Canada’s citizens in the defence of freedom and appreciates the historical significance of these accomplishments in the development of Canada as a nation.</p>



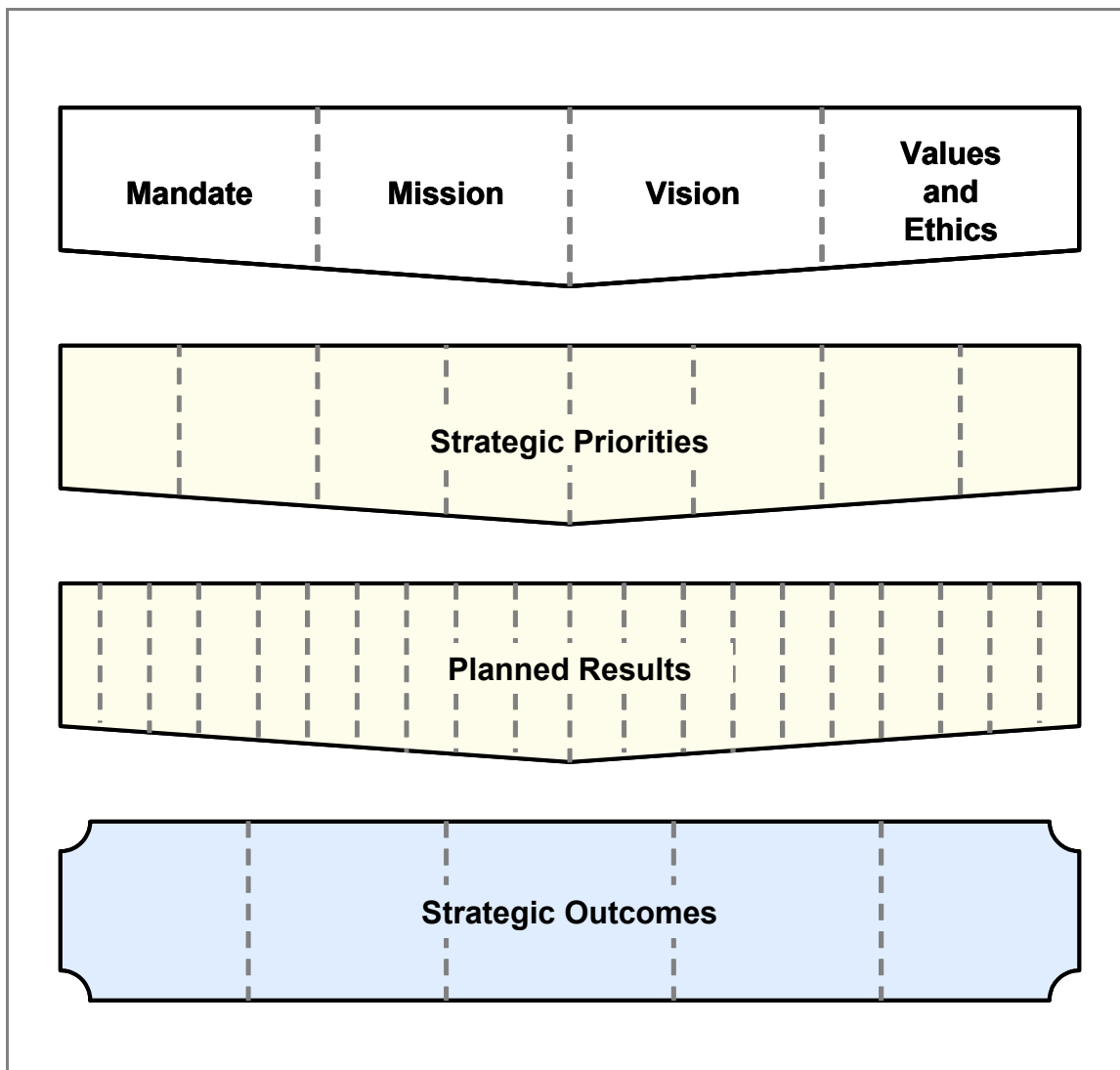
Planned Results	Strategic Outcome
<p>Portfolio resources meet corporate and program delivery needs in a cost-effective manner</p> <p>Portfolio programs, strategic initiatives, activities and projects are assessed and performance reported</p> <p>Stakeholder consultation on major Portfolio change initiatives</p>	<p><b>Corporate Administration</b></p> <p>Activities focus on service improvement and organizational effectiveness through the strategic management of our staff, improved communications, expanded use of technologies and a greater contribution to national policy development in areas that are directly related to the well-being and recognition of our Veterans and other clients.</p>
<p>Independent review and appeal process</p> <p>Consistent and timely adjudication of claims</p> <p>Clients informed of their rights</p>	<p><b>Veterans Review and Appeal Board Program</b></p> <p>Fairness in the Disability Pension and War Veterans Allowance Program.</p>

These strategic outcomes are the long-term and enduring benefits to Canadians that stem from Veterans Affairs' vision and efforts.



Internally, our mandate, vision, mission, values and ethics, priorities and planned results guide us in our day-to-day operations. Externally, Veterans Affairs' operations are influenced by the Government of Canada's commitments set out in the September 2002 *Speech from the Throne* and the February 2003 *Budget*. As well, the four themes of the *Canada's Performance Report* – the health of Canadians; economic opportunities and innovation in Canada; the environment; and the strength and safety of communities – are important to the Canadian population and, where applicable, are reflected in the work that we do at Veterans Affairs to improve the quality of life for our Veterans and other clients, ensure that our clients are treated fairly and professionally, and promote Remembrance by Canadians of all ages. The following chart shows how the various components lead to our strategic outcomes.

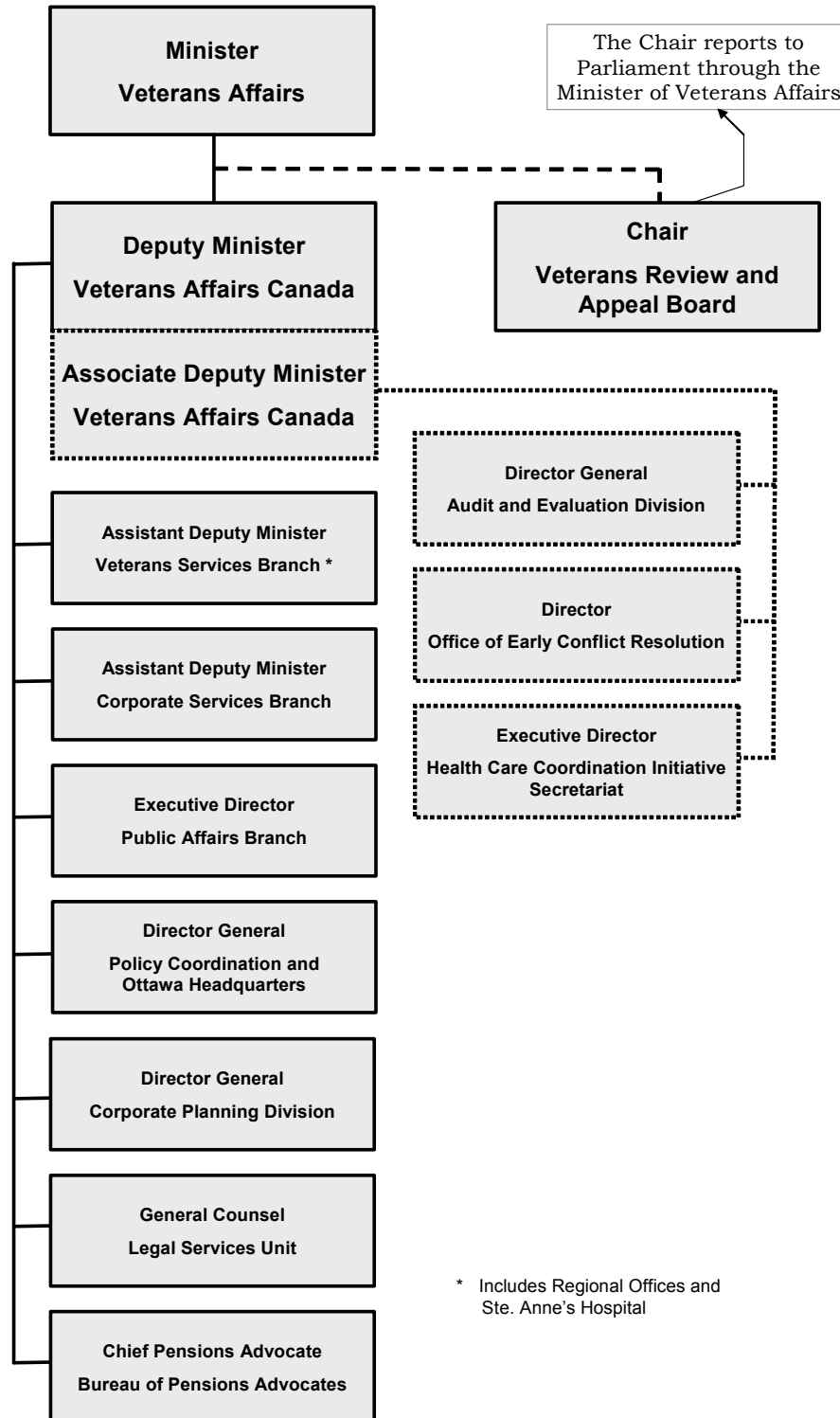
**Chart 2: Achieving our Strategic Outcomes**





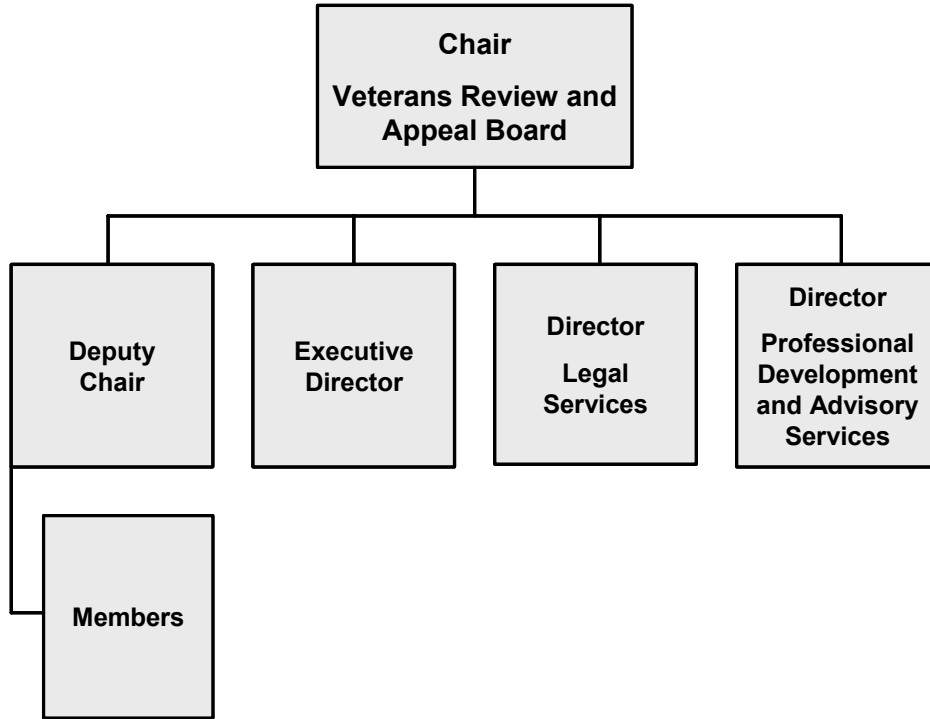
# How We Are Structured

Chart 3: Veterans Affairs Organization





**Chart 4: Veterans Review and Appeal Board Organization**

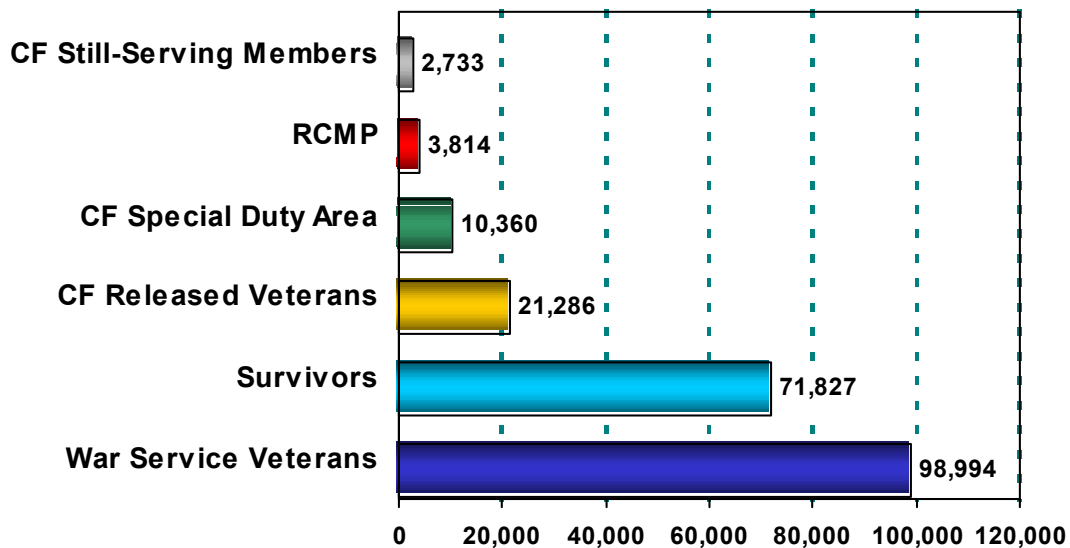




## Who We Serve

As of March 31, 2003, Veterans Affairs Canada provided benefits and services to approximately 209,000 Canadians comprising Veterans, Canadian Forces still-serving members, past and present members of the Royal Canadian Mounted Police, and their families and surviving spouses. The following is an approximate breakdown of the groups of people we serve:

**Chart 5: Who VAC Serves**



Note 1: These figures are based on clients in receipt of a paid service or benefit as of March 31, 2003.

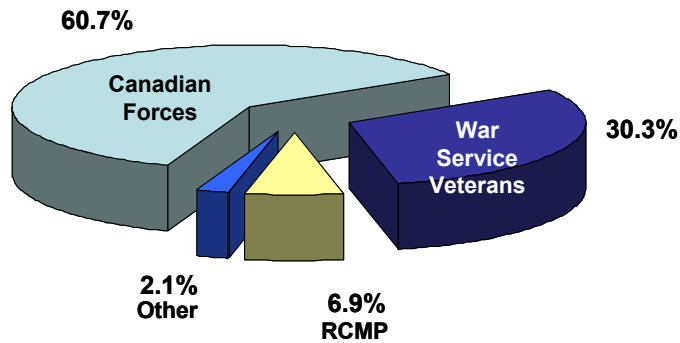
Note 2: Some clients may receive a dual benefit or service due to their service with two different groups, for example, RCMP and CF Special Duty Area. For purposes of our client breakdown, we count War Service Veterans first, CF Special Duty Area second, CF Released Veterans third, etc. A dual client/recipient would be counted only once – under the group they fall under first in our client breakdown sequence.

Note 3: Our CF client population comprises CF Still-Serving Members, CF Special Duty Area Veterans, and CF Released Veterans.



The Veterans Review and Appeal Board serves the same types of clients as VAC, specifically those who have been denied pension entitlement for a claimed disability or who are dissatisfied with their assessment for a pensioned condition.

**Chart 6: Who VRAB Serves\***



\* Based on 6,549 review and appeal decisions issued as of March 31, 2003.

For more information, please visit the following web sites:

The Portfolio (Organization):

<http://www.vac-acc.gc.ca/general/sub.cfm?source=department/organization>

The Department:

<http://www.vac-acc.gc.ca/general/sub.cfm?source=department>

The Board:

<http://www.vrab-tacra.gc.ca>

Legislation Administered by Veterans Affairs:

<http://www.vac-acc.gc.ca/general/sub.cfm?source=department/Legislation>





## The Year in Review

For Canadians, including our Veterans and other clients, this fiscal year (April 1, 2002 to March 31, 2003) was notable for the health care issues faced by many across Canada and the military conflicts that took place overseas.

There have been many consultations with Canadians on how to renew our health care system. As a result of these consultations, a number of reports have been produced with thoughtful and insightful recommendations on what governments can do about our health care system – the Honourable Roy Romanow, Senator Kirby, Messrs. Mazankowski, Clair and Fyke have all produced such reports. In November 2002, the Commission on the Future of Health Care in Canada delivered its Final Report (*Building on Values: The Future of Health Care in Canada*) to Canadians. This report contained recommendations for sweeping changes to Canada's health care system to ensure its long-term sustainability. Subsequently, in February 2003, Canada's First Ministers reached agreement in a *Health Care Renewal Accord*. In *Budget 2003*, the Government of Canada made a commitment to provide \$17.3 billion in increased federal support for health over the next three years, rising to a total of \$34.8 billion over five years. This investment in health reform will help relieve immediate pressures on the health care system and provide funding to support a variety of needs such as diagnostic and medical equipment, home care, and telehealth services – all of which will benefit our Veterans and other clients.

The international fight against terrorism figures prominently in the minds of many Canadians as we think of those who have left their homes and families to bravely serve our country. Over the year, Canadian Forces personnel participated in overseas operations and provided humanitarian aid where they were able to assist. The sacrifices that these people have made on behalf of all Canadians deserve our attention and respect, and through our Remembrance mandate, we recognize their achievements in these times of conflict.

In our day-to-day business, Veterans Affairs has made progress on a number of initiatives and projects which have improved the quality of our service to our Veterans and other clients, and increased awareness of Remembrance among all Canadians. In December 2002, the VAC/RCMP Transfer Project was completed and VAC assumed responsibility for the direct payment of disability pensions for approximately 3,800 RCMP pensioners as well as the provision of health care benefits for approximately 800 retired and civilian pensioners. We also entered the development phase of our Federal Health Claims Processing System. This new system will process health care claims for three federal government departments: VAC, the RCMP and the DND (previously each department processed their own claims). This collaboration will save millions of dollars for the Government of Canada. The implementation of our Integrated Service Delivery Framework also began this fiscal year. Building on the Client-Centred Service Approach, this Framework is the logical next step in improving the way exemplary



client-centred services are provided across the country. In July 2002, the Mental Health Strategy for Operational Stress Injuries was jointly announced by our Minister and the Minister of National Defence. This strategy will establish networks of clinics specializing in the assessment and treatment of Canadian Forces members and Veterans suffering from psychological injuries, such as Post-Traumatic Stress Disorder.

During this fiscal year, a number of commemorative events were held, including the 85<sup>th</sup> Anniversary of the Battle of Vimy Ridge and the 60<sup>th</sup> Anniversary of the Dieppe Raid. As well, various projects and activities that promote Remembrance took place across Canada throughout the year. In Ottawa, our Minister announced that a Seventh Book of Remembrance will be created and installed in the Memorial Chamber in the Peace Tower on Parliament Hill. This Book will recognize those who have given their lives as a result of military service to Canada, other than in the First World War, the Second World War, and the Korean War, for example, peacekeeping missions and other international operations.

Our Veterans and other clients are a diverse group – older War Service Veterans, younger Canadian Forces Veterans and still-serving members, the Royal Canadian Mounted Police, and their families and surviving spouses. Not only do we serve a wide age range of clients, we face a multitude of needs ranging from supporting older veterans and caregivers so that they can continue to remain independent at home to developing comprehensive treatment plans to enable younger, disabled clients to attain optimal levels of functioning in their communities. Applications for benefits and services are becoming increasingly complex as our Veterans age and as our Canadian Forces personnel return from Special Duty Areas. For these reasons, Veterans Affairs Canada and the Veterans Review and Appeal Board are constantly monitoring and improving the services we provide so that we're able to meet the evolving needs of our Veterans and other clients.

Veterans Affairs Canada is the lead department for the Health Care Coordination Initiative, a partnership of ten departments and agencies. This horizontal initiative involves coordination of federal government purchasing of health care products and services for federal government clients at the lowest possible cost through coordination of effort among the partners. In 2002-2003, jointly negotiated fees, bulk purchases and collaborative policy development, collectively resulted in improved quality of service to clients and \$11.6 million in cost savings. This horizontal initiative is profiled in the *Canada's Performance 2003 Report*.

In response to allegations of discriminatory and differential treatment during and after the wars, the Government of Canada offered a package to First Nations Veterans or surviving spouses up to a maximum of \$20,000 each. In total, 2,393 applications were received and the payment process for these applications began in March 2003.

Service improvement is at the forefront of everything we do. At Veterans Affairs Canada, the level of client satisfaction with our programs and services has risen from 85% in 2001, to 87% in 2003. This is due, in large measure, to the dedicated efforts of our staff. Survey respondents rated "Services Offered by Staff" higher than any other



category with five of the seven service elements receiving satisfaction ratings in excess of 90%. Since the implementation of our new client information system in 2001-2002, we have improved our turnaround times in the processing of claims by our staff in the Bureau of Pensions Advocates and the Veterans Review and Appeal Board. For example, at VRAB, the review and appeal hearing processes were accelerated through the use of teleconference and videoconference technology.

Over the year, our many activities, projects, and initiatives have resulted in improved benefits and services for our Veterans and other clients, as well as a better quality of life. We have made progress toward our strategic outcomes, but more needs to be done as we adjust our programs and services to meet the changing, and sometimes complex, needs of our Veterans and other clients. We are proud to serve this special group of people and to honour them for the sacrifices and achievements they have made on behalf of all Canadians.



# Performance Accomplishments by Strategic Outcome

## ① Benefits and Services Programs

<b>Priorities</b>	Improving and expanding services for Canadian Forces Veterans	
	Partnering to serve the Royal Canadian Mounted Police and eligible civilians	
	Transforming service delivery and promoting innovation in policies and practices	
	Evaluating the effectiveness of the disability pension process and its flexibility to adapt to the emerging and changing needs of our Veterans and other clients	
<b>Planned Results</b>	Compensation for sacrifice in service to Canada <span style="float: right;">■</span>	Optimization of health <span style="float: right;">▲</span>
	Improved basic standard of living <span style="float: right;">▲</span>	Appropriate care in the most suitable location <span style="float: right;">▲</span>
	Client-centred services and programs delivered in a timely, fair and consistent manner <span style="float: right;">▲</span>	Improved quality of life <span style="float: right;">▲</span>
	Client independence and healthy lifestyle <span style="float: right;">▲</span>	Quality "end of life" care <span style="float: right;">▲</span>
<b>Strategic Outcome</b>	<b>The delivery of benefits and services that contribute to the independence, quality of life and standard of living of Canada's war Veterans, eligible Canadian Forces Veterans and still-serving members, RCMP clients, qualified civilians and their families in recognition of their sacrifice to the nation.</b>	

<b>Self-Assessment of Performance Achievement</b>			
✦ Exceeded Expectation	■ Met Expectation	▲ Progress Achieved	■ No Progress Achieved

**Actual spending for fiscal year 2002-2003: \$2,350.1 million ♦ 2,580 Full-Time Equivalents**

The Benefits and Services Programs Strategic Outcome supports the independence, quality of life and standard of living of the people we serve. This benefits all Canadians by allowing our Veterans and other clients to continue to be valuable, contributing members to their communities and society as a whole.

The Benefits and Services Programs Strategic Outcome is also linked to two themes of the *Canada's Performance Report* ([http://www.tbs-sct.gc.ca/report\\_e.asp](http://www.tbs-sct.gc.ca/report_e.asp)). In the Health of Canadians theme, this strategic outcome is linked to three horizontal areas with other federal departments and agencies (accessible high quality health care system; protection



from preventable risks; and health care policies that reflect Canadian values). In the Strength and Safety of Canadian Communities theme, this strategic outcome is linked with the horizontal area, Canadian culture and heritage are preserved and internationally recognized.

The following are some of Veterans Affairs' major projects and initiatives that demonstrate our progress toward achieving our Benefits and Services Programs Strategic Outcome. Where possible, actual cost for a particular project or initiative has been identified.

***Performance Accomplishments:***

Over the long term, Veterans Affairs Canada adopted a four-level strategy to improve service to our Veterans and other clients:

- 1) Continuum of Service (policy level);
- 2) Client-Centred Service Approach (business level);
- 3) Client Service Delivery Network and Federal Health Claims Processing System (technology level); and
- 4) Integrated Service Delivery Framework (organizational and operational level).

The work of the Continuum of Service has resulted in a significantly better understanding of the needs of our Veterans. A series of recommendations based on this work will result in enhanced programs for Veterans and their families. Further information relating to our Canadian Forces clientele can be found under our VAC-CF Initiatives in this Benefits and Services Programs Strategic Outcome section. As reported in our previous Portfolio *Performance Reports*, the Client-Centred Service Approach and Client Service Delivery Network have both been successfully implemented. The Federal Health Claims Processing System, a partnership with the RCMP and the DND, is profiled in the Horizontal Initiatives section of this report. Our performance accomplishments for Integrated Service Delivery Framework are shown below as well as other major projects and initiatives.

Veterans Affairs Canada seeks to provide exemplary, client-centred services and benefits that respond to the needs of Veterans, other clients and their families. The hallmark of VAC's tradition of service to Canadian Veterans has been its ability to adapt and improve its services and programs to meet the ever-changing needs of our Veterans. The **INTEGRATED SERVICE DELIVERY FRAMEWORK (ISDF)** was developed to manage and link a number of related VAC initiatives and projects that are directed at building service excellence. The ISDF will support staff in providing exemplary client-centred service to meet the needs of clients.

Building on the Client-Centred Service Approach, supported by enhanced technology platforms (the Client Service Delivery Network and Federal Health Claims Processing System), the ISDF is the next logical step in improving the way exemplary client services are provided to our Veterans and other clients, and their families. As a result of this



continuous improvement in service, this Framework will achieve three objectives:

- Clients will receive consistent, exemplary services across the country;
- Financial and human resources will be allocated where they are most needed; and
- Service expectations will be monitored to ensure that services and programs meet the needs of our clients.

This fiscal year was the first year of a three-year implementation of ISDF. During this period, a Communications and Consultation Strategy, fourteen interdisciplinary Client Service Teams, National Pro-active Screening Centre, Adjudication Centre with a French Satellite Office, and Foreign Countries Operations Centre were successfully implemented. As well, the ISDF Project Team implemented three Treatment Authorization Centres and continued the transfer of incoming calls to the three National Client Contact Centres. A review of VAC's finance, personnel, and administrative functions and the functional role of regions in policy development and service delivery is underway.

As a Centre of Expertise, the National Pro-active Screening Centre was established in Charlottetown in November 2002. Using a client outreach approach, staff began contacting clients who have not been in touch with VAC in a year. This new approach in client service is being implemented gradually across the country in conjunction with other initiatives supporting the Integrated Service Delivery Framework. Information is gathered, using a standardized process, to determine if a client has any unmet needs where Veterans Affairs Canada can provide assistance or guidance. This demonstrates our focus on providing client-centred service. The challenges we faced in establishing this Centre involved training of staff and developing a comprehensive strategy to ensure that clients who had not been in touch for a year were contacted. The risk we faced was that there may not be enough resources to conduct pro-active screening. This was addressed by extensive planning, continual monitoring, and assessment of the progress that we were making with pro-active screening.

The challenges associated with the implementation of the ISDF Framework, include the scope of the project, integration of service delivery, time lines of key deliverables, realignment of resources, and training of employees. We have addressed these challenges by continually monitoring our progress and resources to ensure the successful implementation of the ISDF.

**STE. ANNE'S HOSPITAL**, located in the West Island of Montréal, is the last federal hospital still administered by VAC. This long-term care facility accommodates over 500

**With ratings ranging from 6.06 to 6.3 out of 7 for quality, Ste. Anne's Hospital received the highest level of accreditation available from the Canadian Council on Health Services Accreditation.**

Veterans. In 2002-2003, work was completed in terms of planning activities related to the hospital modernization. This project includes construction of a new power plant, construction of a new 130-bed pavilion, and renovation of the main building. Development of project concept and preliminary plans for this project were completed in





February 2003. An audit of the modernization project, conducted by VAC, began in the Spring of 2002. Its objectives are to periodically review project activities to determine the extent to which activities are on schedule, determine whether they remain within established budgets, and assess project and risk management in relation to established frameworks. As mentioned in the Mental Health Strategy for Operational Stress Injuries, the Ste. Anne's Centre, a partnership between VAC and DND, was officially opened in July 2002. In February 2003, Ste. Anne's Hospital received its three-year accreditation certificate from the Canadian Council on Health Services Accreditation. As a result of the excellent outcomes obtained and the special mention given our Dementia Program, we are even better positioned as a centre of expertise and excellence. This reinforces our ongoing commitment to improve the quality of service to our clients. With respect to our renovation project, challenges we faced involved remaining within pre-defined budget and time lines, coordinating the involvement of the stakeholders, and designing a living environment that would be home-like for our Veterans while at the same time, adapting to their clinical needs. As a result of the opening of the Centre, Ste. Anne's Hospital had the challenge of adapting to a new type of client and their needs. As for our accreditation, the challenge was fulfilling a rigorous process to achieve our accreditation certificate. There were consequences involved if we didn't address these challenges: not completing our renovation if we were not able to stay on budget and on schedule; not maintaining the high quality of care and service; and not achieving our accreditation. We addressed these challenges by constant attention to detail in the planning of the project in order to remain in the pre-defined budget; training of our staff before our new clients joined Ste. Anne's Centre; and by thorough preparation for accreditation.



Due to the success of the Mental Health Clinical Services Pilot Project, the **MENTAL HEALTH STRATEGY FOR OPERATIONAL STRESS INJURIES** was jointly announced by our Minister and the Minister of National Defence in July 2002 with the official opening of the Ste. Anne's Centre at Ste. Anne's Hospital. This strategy will improve access for Canadian Forces members and Veterans to assessment and treatment of Post-Traumatic Stress Disorder and other operational stress injuries resulting from military service. This strategy comprises a four-pillar approach: partnership of networks, educational forums, continuing education program, and research. Accomplishments during this fiscal year are numerous. Under the partnership of networks, as previously mentioned, the Ste. Anne's Centre was officially opened in July. This Centre specializes in the assessment and treatment of operational stress injuries. In partnership with the DND, the establishment of other networks is ongoing. These other networks include the DND's five Operational Trauma and Stress Support Centres, several outpatient mental health clinics, and three Priority Access Bed facility sites. Through educational forums, VAC has sponsored local workshops for community health professionals. Under the Continuing Education Program pillar, training is offered on an ongoing basis by several Canadian universities and other agencies to health professionals who serve our Veterans and other clients. Lastly, for research, VAC's Research Directorate was in the process of developing a



research program around mental health clinic networks. Our challenges with this strategy involve maintaining standardized services nationally.

In the Fall of 2002, the mid-term review of our **FALLS PREVENTION INITIATIVE** was completed. In 2000, Veterans Affairs Canada and Health Canada partnered together to establish a four-year community-based health promotion initiative to help identify effective strategies to prevent falls in the community among our Veterans and seniors. In total, 26 projects were approved for funding. Health Canada has the lead role for this initiative and Veterans Affairs Canada provides financial assistance. Preliminary findings from the mid-term review have been positive as a result of increased interest and awareness of falls prevention. Falls are a serious health problem for Canadian seniors and Veterans – approximately one in three seniors will suffer a fall this year. This initiative is valuable because it will improve the independence and quality of life for Veterans and seniors, generate new knowledge to improve the effectiveness of health promotion, and contribute to the sustainability of Canada’s health care system.

Planned revisions to the **TABLE OF DISABILITIES** are designed to improve the consistency, equity, quality, and transparency of disability pension decisions. Developmental work has been completed on the medical content of the Table. Although an anticipated 2003-2004 implementation has been delayed, a revised implementation strategy has now been developed that will see the Table updated incrementally through a phased approach with completion expected by 2005. While the Table addresses matters of “disability assessment,” the Department has also been working to develop **“DISABILITY ENTITLEMENT” ELIGIBILITY GUIDELINES**. Some 35 of these new guidelines were completed and posted on our Veterans Affairs Canada web site in 2002-2003. As operational resources permit, other guidelines will be developed and released. Throughout the developmental period on both of the above, the Department has worked in consultation and collaboration with stakeholder organizations including the Veterans’ Organizations, the Veterans Review and Appeal Board, and the Bureau of Pensions Advocates.

VAC’s **DEMENTIA CARE INITIATIVE (DCI)** is designed to improve the quality of care and quality of life for Veterans and seniors with dementia. In this fiscal year, progress was made in a number of areas. The Atlantic Priority Access Beds (PAB) Network was officially launched in November 2002 with representation from twenty-four Atlantic PAB facility sites and VAC. This network will meet on an annual basis to share best practices in the field of dementia, and work on a strategy for a community outreach program. At this inaugural meeting, various sub-committees were established to deal with specific items such as staff education, best practices and partnerships. As well, five DCI projects were completed this fiscal year – five facilities, located throughout Canada, underwent an independent assessment of their care and organizational practices. A consultant then worked with facility management and staff over a period of eighteen months to develop and implement plans to improve care to Veterans and improve their organizational practices. Preferred outcomes and related benchmarks for dementia care were drafted and forwarded for approval to VAC senior management. A bibliography of best practices literature is still in progress and it is anticipated that this will be available





on the VAC web site in the Fall of 2003. The challenge for an initiative this size was coordinating the participation of so many partners, including facilities, local health boards, dementia care consultants, expert panels and internal staff. Therefore, organizational skills and monitoring were crucial to ensuring that progress was made with this initiative.

Easy access to health information, assessment and services have become increasingly critical to Veterans and seniors maintaining good health. Since 1999, our **INTEGRATED SERVICES FOR SENIORS AND VETERANS PROJECT** has been successful in increasing the capacity for collaboration with our partners through the establishment of effective case management practices by participating in joint case conferences with multiple disciplines and conducting joint visits for assessment and care planning. These in turn provide easier access to federal/provincial health programs for seniors, Veterans and their caregivers. It also has the potential to decrease duplication of the number of service providers going into the clients' homes gathering the same health assessment information. Our project partners include Prince Edward Island's Department of Health and Social Services, Prince Edward Island's Queens Region Health Authority, Human Resources Development Canada, and the City of Charlottetown. In addition to enhancing collaborative case management practices, this initiative continues to explore opportunities for further collaboration within other health regions and the health care system and identify other access to information and privacy issues as well as exploring opportunities to enhance sharing of information through technology and common assessment tools.

Our **RESIDENTIAL CARE STRATEGY** provides a framework to ensure that both the current and future long-term care needs of Veterans will be appropriately addressed. In November 2002, VAC sponsored the second annual National Long-Term Care Meeting, in Victoria, British Columbia, to share best practices and advances in elder care in the areas of dementia, palliative and respite care. With respect to our Overseas Service Veterans at Home Pilot Project, this has expanded from the three original sites in Halifax, Ottawa, and Victoria to all sites nationally where long wait lists for long-term care beds exist. This resulted in 191 additional Overseas Service Veterans receiving Veterans Independence Program and treatment benefits at home while waiting for a long-term care bed to become available. The challenge with this project was to ensure that proper follow-up was conducted with clients once the program was in place and ensuring that clients were not at risk by staying home. For our Overseas Service Veterans Wait List Management Initiative, 926 additional Overseas Service Veterans accessed nursing home care in their communities while on a wait list for access to care in the priority access beds. Our challenges here involved managing the number of clients entering long-term care and ensuring that priority access beds were not left empty.



Our **REHABILITATION INITIATIVE** addresses the rehabilitation needs of CF members and



their families. In partnership with the Department of National Defence and the Canadian Association of Rehabilitation Professionals, Veterans Affairs Canada has made some progress over the fiscal year. In October 2002, a work plan was developed for this initiative. During this fiscal year, our focus was on staffing in regard to rehabilitation specialization. This will continue into the next fiscal year. Also, VAC secured membership on the newly formed Canadian Council on Rehabilitation Education and Disability Studies, bringing a VAC perspective to the development of education and training programs and standards to rehabilitation education in Canada. Also, a Canadian Standard for Best Practices in Rehabilitation Counselling has been reviewed and adopted as a key reference document to guide the development of staff training modules and facilitate communication about rehabilitation practice. Due to a high incidence rate (83%) of chronic pain in our CF caseload, an initial program focus on chronic pain management was chosen and extensive research was conducted on models for program delivery for VAC clients in this respect. The challenge we face with this initiative involve meeting the rehabilitation needs of our CF members clients despite limited resources.

Our **ACCESSING HEALTH INFORMATION PROJECT** is a VAC project that has been carried out in partnership with the Royal Canadian Legion and Industry Canada. Its purpose is to teach Veterans and seniors how to access health information and resources via the Internet which will assist them in making informed decisions about their health. The Industry Canada partnership spanned two years with a final report completed in May 2002. The report outlined the results achieved at 44 Community Access Program (CAP) sites established at Legion branches in seven provinces. With respect to the partnership of this project, Industry Canada provided the funding; VAC managed and monitored the project; and the Royal Canadian Legion delivered the project. In June 2002, VAC continued supporting the project in partnership with the Royal Canadian Legion through delivery in one location on Prince Edward Island, three locations in New Brunswick and more recently at six sites in Quebec, scheduled to be completed in the Fall of 2003. The challenges we faced during this project involved coordination of activity among the nine Royal Canadian Legions in several provinces, as well as delivering quality programs within a tight time frame and on budget. Therefore, communication and organization were critical to the success of this project.

Telehomecare uses telecommunications technology to provide care, instruction, and education to patients in their own homes. The equipment used allows two-way audio-visual interaction and transmits data and graphics to permit remote nursing staff to monitor patients' vital signs. This technology uses the existing telephone system and requires no previous knowledge of technology by clients. On January 9, 2003, the Ministers of Veterans Affairs and the Prince Edward Island Department of Health and Social Services jointly announced a **TELEHOMECARE PILOT PROJECT**. This partnership will result in expansion of the provision of telehomecare service to eligible Veterans and other homecare clients throughout Prince Edward Island. Building upon the Telehospiice Pilot Project initiated by Prince Edward Island's West Prince Health Region in April 2000, the partners will develop an operational plan for the continued expansion of our telehomecare service from 2003 to 2006. It is expected that the knowledge gained from



this project will be transferrable to other regions of Canada.

Our **NATIONAL QUALITY ASSURANCE PROGRAM** allows Veterans Affairs to determine how well the organization is doing in terms of meeting Client-Centred Service Approach (CCSA) standards and how well we support the achievement of CCSA objectives. During this fiscal year, revisions were made to this program based on two pilot projects that were conducted in 2001-2002 to validate quality assurance tools and processes. A quality assurance review was completed in our Winnipeg District Office in November 2002. As well, this fiscal year, an outline was developed for a Quality Management Program which will enable staff and management at all levels of the organization to work collaboratively to meet or exceed standards for the delivery of consistent, exemplary client-centred services. Through these efforts, we are raising awareness of national service standards and encouraging quality improvement to meet or exceed these standards. Similar to other government departments, our challenges involve achieving our performance expectations with limited resources.

The **VOLUNTARY SECTOR INITIATIVE (VSI)** was launched by the Government of Canada in June 2000. This five-year initiative strengthens the voluntary sector's capacity to meet the challenges of the future, and enhances the relationship between this sector and the federal government and their ability to serve Canadians. This initiative is also directly related to the societal indicator, volunteerism (under the Strength and Safety of Canadian Communities theme), in the *Canada's Performance Report* ([http://www.tbs-sct.gc.ca/report\\_e.asp](http://www.tbs-sct.gc.ca/report_e.asp)). For Veterans Affairs, two VSI projects were ongoing in this fiscal year. In partnership with the Royal Canadian Legion, VAC continued work on the "*Review and Determination of Housing Issues for Veterans and Seniors.*" A literacy review was completed and a meeting was held in February 2003 to discuss the research that was conducted throughout the fiscal year. As a result of this meeting in February, policy development recommendations will be prepared for the final report on this project. The Victorian Order of Nurses' Project, "*Giving Voice to Seniors' and Veterans' Interests*" was completed in March 2003. Throughout this fiscal year, gap analysis research was conducted as to what community and home care Veterans and seniors have now and what their needs are. The final report was scheduled for completion early in 2003-2004.

**RESEARCH** plays an important role in the development and refinement of the programs we deliver and the services we provide to our Veterans and other clients. Research is key to ensuring that we are continually changing to meet the diverse needs of the people we serve. Over the fiscal year, a number of activities were completed, including background research into the use of mustard gas and exposure of Canadian troops to radiation and Agent Orange. We produced numerous reports on CF released clients to assist the Transition Program with policy development. We conducted analyses into the use of psychotropic drugs by both Active Force and Regular Force clients. A number of studies were also completed, such as noise induced hearing loss among active Regular Force members, and social isolation of Veterans. Due to the nature of our research, we worked with external partners from time to time including Statistics Canada, various universities, the Royal Canadian Legion, as well as many internal partners within Veterans Affairs



Canada. The challenge that we faced in conducting our research involved working with large amounts of data in a strict time frame with a limited number of staff.

In 1999, a claim for damages in the form of interest on administered account balances was filed against the Crown. The claim was later certified as a class action lawsuit, with the late Mr. **AUTHORSON** being the representative for all persons who between 1916 and 1990 had accounts administered for their benefit by VAC. The Crown was ruled to be liable for damages, and appealed this decision to the Supreme Court of Canada which was heard on April 10, 2003. On July 17, 2003, the Supreme Court of Canada accepted the Crown's arguments that section 5.1(4) of the *Department of Veterans Affairs Act* was valid legislation which effectively barred claims by Veterans and their heirs for unpaid interest on administered balances.

On March 24, 2003, the Ontario Superior Court released its decision on a second "estates" claim – that the Crown improperly took the pension or allowance money being administered for a Veteran when that Veteran died. The Court ruled that the applicable Veterans' legislation, which provided that the balance of the account administered at a Veteran's death might "lapse" to the Crown, was *intra vires* (of full force and effect) prior to 1986. However, after 1986 when the *Pension Act* was amended to provide for payment of administered pension balances to a deceased Veteran's estate, no corresponding amendment was made in respect of allowances administered under the *Veteran's Treatment Regulations*. Therefore, the Court found that from that point in time in 1986, the operative section, s. 55 of the *Regulations*, was *ultra vires* (of no force and effect) and ordered that the amounts of treatment allowances administered for Veterans, who died after the 1986 amendment, would devolve to the Veterans' estates and was payable to such estates by the Crown. The Plaintiff filed an appeal of the "estates" decision which will be heard in March 2004.

In early March 2003, the Ontario Superior Court heard argument on the Plaintiff's motion to assess the total liability of the Crown for unpaid interest. Judgment was reserved.

In June 2002, on behalf of the Government of Canada, our Minister responded to a National Round Table Report regarding longstanding grievances of **FIRST NATIONS VETERANS** relating to their allegations of discriminatory and differential treatment during and after the wars by offering a total package of \$39 million (including administration costs) to these Veterans or surviving spouses, up to a maximum of \$20,000 each. This goodwill offer was not provided on the basis of any liability on the part of the Government of Canada. In October 2002, it was announced that applications for this First Nations Veterans Package would be accepted until February 15, 2003 – in total, 2,393 applications were received for processing. The payment process to eligible First Nations Veterans began in March 2003 and it is anticipated that remaining payments will be processed by December 2003. There were many partners involved in research, negotiations, drafting of Cabinet documents, and implementation of the application process. These partners included Indian and Northern Affairs Canada, Justice Canada,



Treasury Board Secretariat, Privy Council Office, Finance, the Department of National Defence, the Assembly of First Nations, and First Nations Veterans. During this fiscal year, discussions and research were ongoing with the Métis and Non-Status Indian Veterans' organizations and Privy Council Office with respect to the demobilization benefits these Veterans received after the wars.

First Nations Veterans Project  
VAC's Portion of Actual Spending for Fiscal Year 2002-2003: \$1.4 million

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**BILL C-41**, enacted in 2000, facilitates the delivery of pension benefits to eligible CF Veterans and still-serving members, and the extension of full Veterans' benefits to all civilian groups who served overseas in close support of war efforts. To adhere to the program and policy changes required as a result of enactment of this Bill, during this fiscal year, implementation of the administrative processes, policies and training took place. The enhanced policies and training provide for improved client services including adjudication and provision of pension benefits to CF still-serving members for military service pensionable disabilities, and Veterans Independence Program services to military service pensioners and eligible civilian groups who provided overseas support to war efforts. This expanded eligibility for disability pensions and health care benefits resulted in an increased volume of claims processed.

In partnership with the DND, VAC has a number of ongoing **VAC-CF INITIATIVES** that address legislative/policy issues, client services and program benefits, and issues relating to CF member transition from military to civilian life. Some of these activities in 2002-2003 include:

In April 2002, a Joint VAC-DND Release Transition Project was launched. The principal focus was on providing releasing members of the CF and their families with a wide range of integrated services to assist them in making the transition from military to civilian life. Also in April, the Memorandum of Understanding was renewed by VAC and Health Canada (lead department) for the Assistance Service for former CF members and their families who require professional counselling. This Memorandum of Understanding was expanded to include former members of the RCMP and their families. In our Reaching Out to Reservists project, VAC is developing a National Framework to ensure members of the CF Reserve are fully informed about VAC services and programs for which they may be eligible. Also during 2002-2003, eight Peer Support Coordinators were located either at VAC office or CF Sites. VAC continues to support and participate in many initiatives that were previously established through this partnership with the Department of National Defence. For example, we continue to support the DND-VAC Centre for the Support of Injured and Retired Members and Their Families. One of the programs of this Centre is the Operational Stress Injury Social Support Program. VAC also continues to participate in the VAC-CF Advisory Council which provides the Minister and Department with advice on the need to enhance existing or develop new policies, programs and services for eligible CF members and Veterans and their families.

The **VAC/RCMP TRANSFER PROJECT** was successfully completed in December 2002





with Veterans Affairs Canada taking over the management of disability pensions for RCMP pensioners and the provision of health care benefits for retired and civilian members in receipt of disability pensions. Previously, VAC adjudicated disability pension claims for RCMP members, but payments were administered through the RCMP. As a result of this project, VAC has assumed responsibility for the direct payment of disability pensions for approximately 3,800 RCMP pensioners as well as the provision of health care benefits for approximately 800 retired and civilian pensioners. Several challenges were presented during this project. Since the RCMP did not have electronic records or systems which could be used to assist in the transfer of history or payment information, an extensive manual process was undertaken to review RCMP records and build electronic history records. This collaboration provides an effective solution to the challenge of increased numbers of pension applications while ensuring that RCMP members, whose disabilities have resulted from service, have access to treatment benefits.

For more information, please visit the following web sites:

Accessing Health Information Project:

<http://www.vac-acc.gc.ca/clients/sub.cfm?source=health/legion>

Centre for the Support of Injured and Retired Members and Their Families:

[http://www.dnd.ca/hr/thecentre/engraph/home\\_e.asp](http://www.dnd.ca/hr/thecentre/engraph/home_e.asp)

Clients:

<http://www.vac-acc.gc.ca/clients/>

Entitlement Eligibility Guidelines and Table of Disabilities:

<http://www.vac-acc.gc.ca/providers/sub.cfm?source=eguidelines/disabpen>

Falls Prevention Initiative:

<http://www.vac-acc.gc.ca/clients/sub.cfm?source=health/fallprev>

Guide to Access VAC Health Benefits and the Veterans Independence Program:

[http://www.vac-acc.gc.ca/content/services/healthcare/vachealthvip\\_e.pdf](http://www.vac-acc.gc.ca/content/services/healthcare/vachealthvip_e.pdf)

Providers and Professionals:

<http://www.vac-acc.gc.ca/providers/>

Ste. Anne's Hospital:

<http://www.vac-acc.gc.ca/providers/sub.cfm?source=steannes>

Veterans Independence Program:

<http://www.vac-acc.gc.ca/clients/sub.cfm?source=services/vip>

Voluntary Sector Initiative:

<http://www.vsi-isbc.ca/>



## ② Pensions Advocacy Program

<b>Priorities</b>	<p>Improving and expanding services for Canadian Forces Veterans</p> <p>Partnering to serve the Royal Canadian Mounted Police and eligible civilians</p> <p>Evaluating the effectiveness of the pension process and its flexibility to adapt to the emerging and changing needs of our Veterans and other clients</p>
<b>Planned Results</b>	<p>Clients being informed of the process and their rights <span style="float: right;">■</span></p> <p>Professional case preparation and representation <span style="float: right;">■</span></p> <p>Service improvement <span style="float: right;">✦</span></p>
<b>Strategic Outcome</b>	<p><b>The rights of Veterans Affairs Canada clients protected through professional, legal representation in appealing decisions related to disability pensions and allowances.</b></p>

**Self-Assessment of Performance Achievement**

✦ Exceeded Expectation    
 ■ Met Expectation    
 ▲ Progress Achieved    
 ■ No Progress Achieved

**Actual spending for fiscal year 2002-2003: \$8.2 million ♦ 86 Full-Time Equivalents**

All Canadians have a right to be treated fairly and professionally when dealing with the Government of Canada. At Veterans Affairs, under our Pensions Advocacy Program Strategic Outcome, we seek to ensure that Veterans and other clients are made fully aware of what the Bureau of Pensions Advocates (the Bureau) can do for them, and receive free professional, legal advice and representation. The Bureau provides these services for review or appeal, to the Veterans Review and Appeal Board (VRAB), of unfavourable or partially favourable entitlement or assessment pension or allowance decisions rendered at the first level of adjudication, or for final appeal of War Veterans Allowance decisions. The Bureau also represents still-serving Canadian Forces members and RCMP clients in their redress of duty-related disability pension application decisions.

The Bureau continually strives to improve the service we provide to Veterans and other clients when preparing their cases. At the same time, we must be innovative in increasing awareness of our role with those who could most benefit from our assistance. The accomplishments highlighted for this strategic outcome demonstrate tangible progress made in creating an awareness of the role the Bureau serves, and steps that we have taken to ensure that Veterans and other clients are treated fairly and efficiently.

The Pensions Advocacy Program Strategic Outcome is also linked to the Strength and Safety of Canadian Communities theme of the *Canada's Performance Report* ([http://www.tbs-sct.gc.ca/report\\_e.asp](http://www.tbs-sct.gc.ca/report_e.asp)) through one horizontal area (a society that



upholds human rights and equality as fundamental principles).

**Performance Accomplishments:**

During this fiscal year, we have made much progress with a number of initiatives. In March 2003, a “fact sheet” was produced which is now included in all initial mailings to Bureau clients. We held numerous information sessions across Canada – audiences included such groups as the Korea Veterans Association, the Royal Canadian Legion, Canadian Forces personnel, and the RCMP. We also took part in a video produced by the Department of National Defence which highlighted Veterans Affairs’ benefits and services available to CF personnel. This video is provided to CF personnel on deployment or aboard ships who would not otherwise have access to this information. Lastly, we have begun a review of our web site and are in the process of revising the wording to ensure the information is current and meets the needs of people who are seeking information regarding the Bureau.

During this past year, the Bureau was successful in improving the service provided to Veterans and other clients by shortening turnaround times for processing of claims. In total, the Bureau handled 12,079 claims. Of this number, 8,551 claims were completed. The remaining 3,528 were resolved through client counselling by the Bureau, and did not require further action. It should be noted that the 8,551 completed claims represents a 58% increase over 2001-2002 when 5,426 claims were completed. This is due to the implementation of a new client computer system in 2001-2002, which caused a decrease in the number of claims processed during that fiscal year, but increased productivity in 2002-2003 as a result of this new improved technology.

**Over 1,000 claims were handled as “departmental reviews,” resulting in a significant number of clients not having to proceed personally to an appeal before the VRAB – a savings of some 40 weeks of hearings for both the Portfolio and our clients.**

For the cases that do need to proceed before VRAB, Bureau clients have indicated that they would prefer to have more time in face-to-face contact with their Advocates prior to Hearings. As a means of increasing this time for interaction, the number of cases per Advocate per Hearing was reduced from six to five.

The chart below summarizes the Bureau’s turnaround times over the last two fiscal years.

**Chart 7: The Bureau’s Turnaround Times**

	2001-2002	2002-2003	Turnaround Improvement
Reviews (average number of days)	142	125	12%
Appeals (average number of days)	121	97	20%





The standard for scheduling hearings at the Review level is 120 days from first contact by the client, and 90 days at the Appeal level. As shown in the above chart, there has been an improvement in our service turnaround times over the one-year period, however, we realize that additional work is required to improve our turnaround times even more and to deal with some of the unique challenges we face in serving Veterans and other clients.

A new measure was also introduced during the reporting period to enhance the quality of evidence obtained in support of client claims. With the agreement of the client, the Advocate now has the option of deferring the Hearing date, and the turnaround time, while awaiting key documents, such as medical specialist reports, which would increase the chance of success at Hearing.

During the course of the year, a pilot project was initiated in concert with VRAB. In situations where clients are unable to appear personally at Review Hearings due to distance, illness or mobility problems, a process was developed whereby these individuals are able to participate actively and provide testimony via teleconferencing. Bureau clients who would not otherwise be able to participate in their Review Hearings have provided extremely positive feedback with respect to this new initiative.

With the decline in the numbers of VAC's traditional war-time clients, and the increase in the number of younger CF and RCMP clients, the Bureau conducted a review of its office locations and clientele served by each office. As a result, there was a strategic relocation of resources over a number of months. The Calgary, Regina and Hamilton District Offices were phased out. Responsibility for Calgary clients shifted to Edmonton, the Regina workload moved to Winnipeg, and Hamilton clients were divided between Toronto and London.

As well, resources were added to Head Office, Charlottetown, to address the need for additional lawyers to conduct Appeals. A decision was also made to make Pension Advocacy services available to CF clients on a pilot basis, at the Valcartier CF Base, starting April 1, 2003. The reaction of CF clients to this initiative, and the overall results of the pilot will assist Bureau management in deciding whether or not to expand the service to other CF locations across the country.

***Challenges:***

There were a number of challenges in serving our clients in a timely fashion. The current difficulties faced by the health care system across Canada impacted the Bureau's turnaround times through delays in receiving specialists' medical reports. Our turnaround times were also affected when our CF clients were deployed out of the country. Lastly, as stated earlier, our clients prefer more face-to-face discussion time with our Advocates. To address this, we continued to look for ways to improve our operational processes so that there is more time for each of our clients. With this effort, workload issues must also be addressed to ensure that work is distributed equitably among Advocates and Bureau offices, taking into consideration our shifting client base.



For more information, please visit the following web site:

Bureau of Pensions Advocates:

<http://www.vac-acc.gc.ca/clients/sub.cfm?source=department/organization/bpa1>



### ③ Canada Remembers Program

<b>Priority</b>	Providing strong leadership in the delivery of Remembrance programming through effective partnerships
<b>Planned Results</b>	<p>Increased knowledge and public awareness of the contributions made by those who served Canada in times of war and peace ▲</p> <p>Increased involvement in Remembrance activities ▲</p> <p>Veterans' recognition in life and death ▲</p> <p>Maintenance, preservation and presentation of Canada's commemorative resources which are among the nation's symbols of identity ▲</p>
<b>Strategic Outcome</b>	<b>A knowledgeable Canadian public that recognizes the achievements and sacrifices of Canada's citizens in the defence of freedom and appreciates the historical significance of these accomplishments in the development of Canada as a nation.</b>

<b>Self-Assessment of Performance Achievement</b>			
◆ Exceeded Expectation	■ Met Expectation	▲ Progress Achieved	■ No Progress Achieved

**Actual spending for fiscal year 2002-2003: \$36.6 million ◆ 41 Full-Time Equivalents**

The Canada Remembers Program Strategic Outcome keeps alive, for all Canadians, the achievements and sacrifices made by those who served Canada in times of war, conflict and peace. At Veterans Affairs, we seek to ensure that these achievements and sacrifices are recognized and appreciated by all Canadians, particularly our youth who will carry on this legacy of Remembrance.

The Canada Remembers Program Strategic Outcome is also linked to the Strength and Safety of Canadian Communities theme of the *Canada's Performance Report* ([http://www.tbs-sct.gc.ca/report\\_e.asp](http://www.tbs-sct.gc.ca/report_e.asp)) through one societal indicator (cultural participation) and two horizontal areas (Canadian culture and heritage are preserved and internationally recognized; and a visible presence in the international community). Participation in cultural activities unites Canadians by establishing a common ground between generations and cultures.

***Performance Accomplishments:***

Veterans Affairs meets its Remembrance mandate through three components: **COMMUNITY ENGAGEMENT, PUBLIC INFORMATION AND RESEARCH, and NATIONAL AND INTERNATIONAL MEMORIALS.** The following activities from this fiscal year provide evidence of the progress we have made toward achieving this strategic outcome.



Through **COMMUNITY ENGAGEMENT**, our goal is to have Canadians participate in and lead events that recognize Canada's role in conflict and how this role has contributed to the nation's development. A number of activities support this outcome, including local Remembrance ceremonies, overseas pilgrimages, learning events, all activities associated with Veterans' Week, and the national presentation of Remembrance messages.

The 85<sup>th</sup> Anniversary of the Battle of Vimy Ridge was recognized on April 9, 2002 by a special Remembrance ceremony at the National War Memorial in Ottawa. In addition to this ceremony, a partnership with the Live Learning Network had been established to bring attention to this significant anniversary, not only overseas but also in Canada, to as many Canadians as possible, by conducting a "virtual field tour" of the Vimy Memorial. This interactive learning experience linked approximately 15,000 students from across Canada to a VAC-sponsored youth learning delegation of thirteen students at Vimy Ridge. Across the country, numerous community events and ceremonies also took place, and many of these thirteen students continued to support Remembrance by sharing their experiences by participating in Remembrance events and speaking to service and school groups.

The Minister of Veterans Affairs Commendation Award, approved by Her Majesty the Queen in April 2001, is awarded annually to exceptional Veterans and others who have contributed in an exemplary manner to the care and well-being of Veterans and/or to the Remembrance of the contributions, sacrifices and achievements of Veterans. Of the 700 nominations received for consideration for this commendation in the 2002-2003 fiscal year, 43 individuals were awarded the Minister of Veterans Affairs Commendation. The very first medal was awarded in Ottawa to Mr. Paul Métivier, a 102-year-old First World War Veteran, on the 85<sup>th</sup> Anniversary of the Battle of Vimy Ridge.



Also in April 2002, the Government of Canada approved a new Remembrance Policy – "*Canada Remembers: Canadians Service in Wartime and Peace Actions*". The primary objective of this new policy is to reaffirm that Canada will always remember the contributions and sacrifices of the fallen, the Veterans, those who served our country on the home front, and those who served and will continue to serve our nation in the cause of peace throughout the world. This policy led to the creation of a Federal Advisory Council on Remembrance. Chaired by the Deputy Minister of Veterans Affairs Canada, with senior level representatives from more than ten government departments, this Advisory Council held its first meeting in February 2003. The Advisory Council was established to set strategic direction for Remembrance, promote consultation and collaboration, and foster mutual goals among federal departments with a commemorative mandate.

To mark the 60<sup>th</sup> Anniversary of the Dieppe Raid, ceremonies and activities at the National War Memorial in Ottawa as well as in each Veterans Affairs Canada region took place during the week of August 16 to 22, 2002. Internationally, an overseas pilgrimage comprising a delegation of 124 people including Dieppe Veterans,



parliamentarians, representatives from various Veterans' organizations, and youth Cadets, took part in ceremonies in Dieppe and surrounding areas.

Veterans' Week is a time of Remembrance designed to honour all those who served Canada in the causes of war and peace. The theme for 2002, "*Remembering Our Past, Preserving Our Future*" was chosen, with the primary focus being Canadian youth. To promote this focus on youth, VAC worked in partnership with a number of organizations to deliver various activities and events. A partnership with Encounters With Canada during Veterans' Week 2002, resulted in a week of learning activities developed around a "*Canada Remembers*" theme for approximately 138 students from across Canada. The "*We Will Always Remember*" project with the Political Science Association of Concordia University was another such partnership which involved 64 secondary and post-secondary institutions across Canada. Students from these institutions were encouraged to thank Veterans by expressing their feelings in writing on a section of fabric which, when collected during an official ceremony on Parliament Hill during Veterans' Week 2002, created an image of the Canadian flag. Additional activities, to mark this special and significant week, included candlelight services, poster unveilings, and wreath laying ceremonies that were held at the community and regional levels throughout Canada, with national events taking place in Ottawa.

In December 2002, the development of a Canada Remembers Youth Strategy was initiated to identify opportunities for learning initiatives, events, and materials that encourage and stimulate the engagement of Canada's youth in Remembrance activities. It is anticipated that this strategy will be further developed in 2003-2004.

During 2002-2003, VAC contributed \$900,000 to the Juno Beach Centre which opened on June 6, 2003. The Juno Beach Centre Association, a non-profit organization formed by Second World War Veterans, was responsible for the construction of this centre in Normandy, France. It will serve as a dynamic interpretive educational facility to ensure that the memory of Canada's contributions to the Second World War will be preserved.



The **PUBLIC INFORMATION AND RESEARCH** component is responsible for the development and distribution of national learning materials and publications to Canadians, as well as the updating of commemorative information on our web site. The result (increased awareness of our Veterans and others who have served in war and peace), supports our strategic outcome by making Canadians more knowledgeable about Remembrance.

In March of 2003, VAC (in partnership with the Royal Canadian Legion, Canadian Heritage, Dominion Institute, Cadets Canada, Canadian War Museum and Encounters with Canada) concluded a seven-month "*Meaning of Remembrance*" project. The goal of this project was to develop one set of key messages, targeted at youth aged twelve to seventeen, which will enable the partners involved to use a common approach in conveying key Remembrance messages to all Canadians.



Also in March 2003, an assessment of VAC's educational research, public information and learning materials was completed. This assessment included a comparative analysis of other major countries' Remembrance educational programming, including the United Kingdom, United States and Australia. As well, an analysis of the current learning approach followed by VAC was undertaken. Findings confirmed that VAC is playing a strong leadership role in promoting Remembrance amongst our youth as was evidenced through VAC's production of superior learning kits for use by teachers and students. To further promote these learning materials, VAC plans to take steps to improve access to Remembrance material by teachers and youth in the classroom setting.

During the fiscal year, VAC received over 1,000 requests for learning kits. These were distributed to various groups and organizations, including participants of educational conferences. Learning materials were also prepared for the 60<sup>th</sup> Anniversary of the Battle of the Atlantic and the 85<sup>th</sup> Anniversary of the Battle of Vimy Ridge.

The VAC web site contains the Canadian Virtual War Memorial, a web site containing a registry of information about the graves and memorials of more than 116,000 Canadians and Newfoundlanders who gave their lives for their country. In 2002-2003, more than 112,000 visits were made to this web site. This site has the capability to digitally preserve a copy of photos and memorabilia submitted by the public. These can be submitted by e-mail or by using an electronic submission form located on the Canadian Virtual War Memorial web site. VAC is continually updating and adding to this database as new information becomes available.

**The public is invited to visit the Canadian Virtual War Memorial web site to add digital images of photos and personal memorabilia to the collection.**

Also available for viewing on the VAC web site are the Six Books of Remembrance which are physically located in the Memorial Chamber in the Peace Tower on Parliament Hill. In November 2002, the Minister of Veterans Affairs announced in the House of Commons that a Seventh Book of Remembrance would be created. Tentatively titled "*In the Service of Peace*," this Book is intended to recognize those (other than First World War, Second World War, and the Korean War Veterans) who died as a result of their military service. This Book will be a tangible emblem, for serving and former members of the Canadian Forces that they may be recognized in the same manner as those who died in times of war. This will increase awareness of our "new" Veteran – those who served after the Korean War. This Book is being created by VAC, in partnership with the DND, and with the support of many Veterans' organizations. It is anticipated that this Seventh Book will be installed in November 2004.

Our **NATIONAL AND INTERNATIONAL MEMORIALS** component involves the provision of funeral and burial assistance, burials, grave and cemetery maintenance, and preservation and presentation of Canada's international battlefield sites and monuments, including the Canadian National Vimy Memorial and the Newfoundland Beaumont-Hamel Memorial.

Funeral and burial services are provided through grants to the Last Post Fund. In





2002-2003, these grants totalled \$12.1 million. In 2002, 3,017 funeral and burial applications were approved. Work related to the transfer of the administration of the Department's funeral and burial services to the Last Post Fund continued through 2002-2003, and is expected to be completed in 2003-2004. In November 2002, VAC arranged for family members of three Second World War Canadian Soldiers, whose remains were recently discovered, to attend their burial and to participate in ceremonies of Remembrance in the Netherlands.

Through the Canadian Agency of the Commonwealth War Graves Commission (CWGC), VAC continued to carry out its responsibility for grave maintenance for approximately 116,000 Canadian war dead located in 74 countries. We also pay for the care and maintenance of Veterans' grave sites in about 15,000 cemeteries across Canada, including two Government of Canada cemeteries in Halifax, Nova Scotia and Esquimalt, British Columbia. In partnership with the CWGC, a four-year pilot project was launched in Quebec in the Fall of 2002. For this project, VAC will develop an electronic inventory of that province's Veterans' graves. This may eventually grow into a national inventory of all Veterans' graves in Canada which will allow for more efficient management of Veterans' graves.

Our European Operations comprise thirteen First World War Memorials in France and Belgium. The restoration and rehabilitation of these sites are detailed below in the Canadian Battlefield Memorials Restoration Project. These memorials are visited by almost one million people annually – Vimy, the largest, receives approximately 750,000 visitors, and the second most visited site, Beaumont-Hamel, receives approximately 130,000. As in previous years, VAC provided young Canadians (35 people in 2002-2003) with the opportunity to serve as guides at these two memorials. As well, VAC assisted the Canadian Battle of Normandy Foundation with the cost of hiring guides for the Memorial Garden in Caen, Normandy.

In partnership with the Department of Foreign Affairs and International Trade, and Parks Canada, Veterans Affairs completed an assessment of our European Operations in the Fall of 2002. This assessment examined the present status of our European Operations, with primary focus on Beaumont-Hamel and Vimy. Challenges, opportunities, processes and costs associated with the ongoing maintenance of these operations were documented and an action plan will be developed from the recommendations contained in this assessment.

The **CANADIAN BATTLEFIELD MEMORIALS RESTORATION PROJECT** is a five-year \$30 million project that is expected to be completed in July 2006. Our many partners include Public Works and Government Services Canada, Treasury Board Secretariat, Natural Resources Canada, Parks Canada, Commonwealth War Graves Commission, Canadian Forest Services, United States Parks Services, Office Nationale des Forêts de France, and the Canadian Embassies in France, Belgium, and Croatia.

The objective of this project is to repair, restore, and rehabilitate Canada's thirteen First World War battlefield memorial sites in France and Belgium. This project focusses on



four main areas:

- 1) Restoration and rehabilitation of the Vimy Monument;
- 2) Rehabilitation of eleven First World War memorials;
- 3) Conservation of battlefield terrain and forest management at Vimy Ridge and Beaumont-Hamel; and
- 4) Investigation of subterranean features at Vimy Ridge and Beaumont-Hamel

The outcome of this project will be that the dignity and integrity of these sites will be preserved and safeguarded for all visitors to enjoy. This will also ensure the health and safety of both the public and employees.

Veterans Affairs Canada's role, as lead department in this project, is to manage the project itself, provide quality control and monitoring of the project as it progresses, and work with all of the partners and consultants involved with this project to ensure its successful completion. Currently, it is expected that the work will be completed within the five-year time frame although there have been some delays encountered along the way. A project of this magnitude presents a number of challenges including working with a globally diverse group of partners in a variety of time zones, and remaining within our pre-determined budget and time frame when there are occasional delays beyond our control. To compensate for these delays, contingencies were put in place during the planning process so that delays would not adversely impact our time lines.





The following chart summarizes our progress to-date:

**Chart 8: Canadian Battlefield Memorials Restoration Project Progress**

Site	Status
Restoration and rehabilitation of the Vimy Monument	The tender for the prime consultant for the Vimy Rehabilitation was issued in July 2002. The winning bid was substantially over budget so the tender was cancelled, the scope of the project was reduced, and the tender was reissued in October 2002. The contract for prime consultant was then awarded in January 2003. Tender documents for the construction phase are expected in the Fall of 2003 with contract award expected in early 2004. Construction on the Vimy Monument will begin in the Spring of 2004. Despite the nine-month delay in awarding the prime consultant contract, the completion date for the Vimy Monument is still on target for July 2006 as contingencies were put in place during the planning process.
Rehabilitation of eleven First World War memorials	The rehabilitation of Courcellette, Le Quesnel, and Dury were completed in March 2003. Gueudecourt and Masnières, initially scheduled for completion in 2002-2003, will be rescheduled to the Fall of 2003. This is due to a delay in reimbursement of taxes paid to the Government of France which forced an interim realignment of our budget funds. Fives sites [Hill 62 (Sanctuary Wood), Passchendaele, Bourlon Wood, St. Julien, and Courtrai] are slated to begin work in 2004-2005. Lastly, with respect to Monchy-le-Preux, analysis of this site is ongoing.
Conservation of battlefield terrain and forest management at Vimy Ridge and Beaumont-Hamel	At Vimy Ridge, repairs were completed on the paths used by visitors, and the landscape has been repaired to prevent erosion. At Beaumont-Hamel, preliminary work began in the Spring of 2002 on analyzing the best way to proceed in rehabilitation of their major pathways. Both of these sites are being monitored and best practices will be used to rehabilitate other pathways in the future. In partnership with Natural Resources Canada, a forest floor protection plan was initiated and is ongoing.
Investigation of subterranean features at Vimy Ridge and Beaumont-Hamel	In March 2003, a report was finalized on Phase 1 – identification of suitable techniques for the identification of subterranean features in a non-intrusive manner. The recommendations resulting from this report will lead into Phase 2 (surveying) and 3 (borehole validation) of this subterranean features investigation.

An audit of this project, conducted by Veterans Affairs Canada, began in the Spring of 2002. Its objectives are to periodically review project activities to determine the extent to which activities are scheduled, determine whether they remain within established budgets, and assess project and risk management in relation to established frameworks. It is anticipated that an interim report will be prepared by September 2003.

Canadian Battlefield Memorials Restoration Project  
VAC's Portion of Actual Spending for Fiscal Year 2002-2003: \$3.0 million



**Challenges:**

For this strategic outcome, there were a number of challenges in fulfilling our quest for Remembrance by all Canadians. Some of the challenges we faced involved geography, culture, perception, and the passage of time. For many Canadians, our memorials in Europe are a world away and it is difficult for these memorials to be recognized for their significance in the development of Canada as a nation. At home, Remembrance is not perceived as a year-round activity. Instead, it is Veterans' Week and Remembrance Day in November. Another challenge is that as our older Veteran population diminishes, it is more difficult to keep their legacy alive, particularly in the minds of our younger generations. For these young people, the realities of war may be distant or non-existent, and they may be more familiar with the roles of our current peacekeepers in conflict situations throughout the world. Another difficulty is that some Canadians do not think of former peacekeepers as Veterans. Lastly, as we achieve success in increasing awareness amongst Canadians, the Department is receiving more and more requests for financial support from communities and other organizations and, like all government departments, we face the challenge of allocating our limited resources to where they are needed most.

For more information, please visit the following web sites:

Canadian Battlefield Memorials Restoration Project:

<http://www.vac-acc.gc.ca/general/sub.cfm/Memorials/cbmr>

Canadian Virtual War Memorial:

<http://www.virtualmemorial.gc.ca>

Juno Beach Centre:

<http://www.junobeach.org>

Memorials to Canada's War Dead:

<http://www.vac-acc.gc.ca/general/sub.cfm?source=memorials>

Minister of Veterans Affairs Commendation:

<http://www.vac-acc.gc.ca/general/sub.cfm?source=department/mincom>

Records and Collections:

<http://www.vac-acc.gc.ca/general/sub.cfm?source=collections>

Youth and Educators:

<http://www.vac-acc.gc.ca/youth/>



### ④ Corporate Administration

<b>Priorities</b>	<p>Enhancing our policy capacity to ensure more effective use of information and analysis in support of evidence-based decision-making and better public accountability</p> <p>Aligning our strategic human resources plan to support the goals of the organization and the aspirations of our people</p> <p>Advancing the development of our information technology capacity in support of service improvement, organizational effectiveness and Government On-Line</p>
<b>Planned Results</b>	Portfolio resources meet corporate and program delivery needs in a cost-effective manner ▲
	Portfolio programs, strategic initiatives, activities and projects are assessed and performance reported ▲
	Stakeholder consultation on major Portfolio change initiatives ▲
	<b>Activities focus on service improvement and organizational effectiveness through the strategic management of our staff, improved communications, expanded use of technologies and a greater contribution to national policy development in areas that are directly related to the well-being and recognition of our Veterans and other clients.</b>

**Self-Assessment of Performance Achievement**

⊕ Exceeded Expectation   
■ Met Expectation   
▲ Progress Achieved   
■ No Progress Achieved

**Actual spending for fiscal year 2002-2003: \$68.7 million ♦ 687 Full-Time Equivalents**

Corporate Administration is important because innovation and efficiency are crucial in order for Veterans Affairs to provide Canadians with the benefits and service they require in a timely fashion.

***Performance Accomplishments:***

Over the year, a number of steps were taken in our efforts to increase our contribution to national policy development. Action taken on a number of fronts and from different parts of the organization helped to strengthen VAC’s policy and analytical capacities, increased our voice in national policy discussions, and moved our policy agenda forward. Partnerships with external stakeholders have been expanded as have internal mechanisms for sharing information, identifying policy challenges and seizing opportunities for collaboration. Throughout the year, VAC has continued to actively participate in interdepartmental policy discussions and national policy development in areas where we



are well-positioned to share our experience and expertise. Our contributions extend from support for persons with disabilities, seniors and aging, health promotion, home care and telehospice services, long-term care, palliative/end-of-life care, to broader health care reform and renewal initiatives. The annual review of the *VAC Five-Year Strategic Plan 2001-2006* resulted in a re-focussing of our priorities and strategic direction to reflect current realities, emerging issues and new challenges.

In July 2002, the *VAC Human Resources Five-Year Strategic Plan (2002-2007)* was released. This Human Resources Strategic Plan has been structured so that it is closely aligned with the strategic objectives and direction of the Department, as outlined in the *VAC Five-Year Strategic Plan 2001-2006*. The initiatives and issues that were addressed in this plan deal with the important human resource issues that are facing Veterans Affairs Canada, such as staff retention and recruitment; learning and development opportunities; the need for greater diversity in the workplace; and assistance for employees in managing stress and balancing workloads. Over the fiscal year, we have made progress in leadership training by offering workshops to middle management on the importance of leadership. As well, in promoting VAC as a learning organization, training is regularly offered to all staff to assist them in their day-to-day operations. It should be noted that a commitment to continuous education within the Veterans Review and Appeal Board led to the establishment of “VRAB College” where short courses covering a wide variety of both work-related and developmental subjects were offered in spring and fall sessions. This was so successful that further sessions are planned and this concept may be adopted more broadly across the Portfolio. The challenges we face with human resource planning involve the adaptation to changes within the Portfolio, whether they are program changes or staff changes. As we integrate human resource planning with the Portfolio’s strategic planning, we must constantly monitor present and potential future activity within the Portfolio so that we will always have the right people in the right place or we risk a decline in the quality of service we provide to our Veterans and other clients.

Information technology is critical for the Portfolio in serving our Veterans and other clients efficiently and cost-effectively. Where needed, our computer hardware and software are upgraded to serve our clients better. This fiscal year, a VAC Information Technology Strategic Directions paper was developed which will help us to better integrate and coordinate information technology, information management, human resources, strategic business, and sustainable development planning. The challenges we face involve the rapidly changing world of information technology. This results in increased demand for new technology but at an increased cost. We address this by being flexible and adaptable to the changes in information technology as well as the changing requirements of VAC when our programs or initiatives take on a new direction.

Service improvement plays a key role in all initiatives or projects that we undertake at Veterans Affairs. Further information on what we have accomplished this year is available under our Service Improvement Initiative in the Annexes section of this report.



Assessment of the work we do ensures that Canadians are getting good value for the taxes they pay. To ensure that Veterans Affairs' numerous activities and projects are meeting their objectives and are within budget and on time, we conduct a number of audits and evaluations across the Portfolio. The following chart shows the status of some of our audits and evaluations during this fiscal year.

**Chart 9: Progress of Audits and Evaluations**

Audit or Evaluation	Completion Date
Computer Assisted Audit Tools and Techniques - Phase III	February 2003
Risk Assessment of Health Care Program Control Framework	February 2003
Post-Implementation of Client Services Delivery Network - Release 2	February 2003
Pension Program Compliance Audit	August 2002
Modernization of Comptrollership - Modern Management Practices Awareness Sessions	July 2002
Criteria and Approach Framework for Rating VAC Partnerships	July 2002
Computer Assisted Audit Tools and Techniques - Phase II	May 2002
Disability Pension Program Evaluation	Ongoing
VAC Transition Coordinator Pilot Project	Ongoing
Occupational Health and Safety Audit	Ongoing
Treasury Board Internal Audit and Evaluation Policies	Ongoing

Many of the above audits and evaluations are placed on the Veterans Affairs Canada web site upon completion.

For more information, please visit the following web site:

- VAC Departmental Audit and Evaluation Reports
- VAC Five-Year Strategic Plan 2001-2006
- VAC Human Resources Strategic Plan 2002-2007
- VAC Service Improvement Initiative
- VA Sustainable Development Strategy

<http://www.vac-acc.gc.ca/general/sub.cfm?source=department/reports>



## ⑤ Veterans Review and Appeal Board Program

<b>Planned Results</b>	Independent review and appeal process	▣
	Consistent and timely adjudication of claims	▲
	Clients informed of their rights	▣
<b>Strategic Outcome</b>	<b>Fairness in the Disability Pension and War Veterans Allowance Program.</b>	

<b>Self-Assessment of Performance Achievement</b>			
⊕ Exceeded Expectation	▣ Met Expectation	▲ Progress Achieved	■ No Progress Achieved

**Actual spending for fiscal year 2002-2003: \$11.5 million ◆ 107 Full-Time Equivalents**

The review and appeal process is an important mechanism for all Canadians to allow them to dispute a decision made by the Government of Canada. Under the Veterans Review and Appeal Board Program Strategic Outcome, we seek to ensure that Veterans and other clients are treated fairly throughout the review and appeal process. The Veterans Review and Appeal Board (the Board) is a quasi-judicial tribunal, independent of Veterans Affairs Canada, that provides avenues of redress to Canadians who are dissatisfied with a disability pension decision made by Veterans Affairs Canada, the Board’s predecessors, or a Departmental Review decision regarding a War Veterans Allowance (WVA) claim previously rendered by the Department. Each eligible applicant is provided a full and fair hearing and a written decision outlining the reasons supporting the outcome. Approximately 95% of these applicants are represented by the Bureau of Pensions Advocates. The remaining 5% may be represented by a Service Officer of a Royal Canadian Legion or Veterans’ organization, a private solicitor, or they may choose to represent themselves. The accomplishments presented below for this strategic outcome show the efforts that we have made over the fiscal year to ensure applicants receive the benefits to which they are entitled.

### *Performance Accomplishments:*

Independent review and appeal hearings of applications for disability pensions and allowances are adjudicated by Governor-in-Council appointed Members who interpret the legislation passed by Parliament and apply the laws to the particular circumstances of each claim. Adjudicators reach decisions through processes that are fair, transparent and understood by the parties involved. They render fair and timely decisions by being well prepared for the hearings, fairly considering the evidence and the submissions of the representatives, identifying relevant facts and applying appropriate legislation. Members are supported by legal and professional advisors as well as skilled staff who are knowledgeable and committed to quality client service.

Subsequent to the final level of appeal to the Board, clients may request a judicial review



by the Federal Court of Canada. While the Board is not a party to the judicial review process and rarely seeks intervenor status, it is required to analyse Federal Court decisions and ensure that the guidance given is reflected in its decisions, policies and operations. In 2002-2003, fifteen Notices of Application were received by the Board. Of the seven decisions rendered by the Federal Court of Canada during this fiscal year, four applications for judicial review were allowed and the Board was ordered to rehear these claims. Three of these applications were dismissed and one was discontinued.

Consistent and well-reasoned decisions continue to be the Board's major focus as it fulfills its mandate. As trained and knowledgeable adjudicators are key to ensuring fair consideration of the relevant facts and evidence, professional development is concentrated on the consistent interpretation and application of the legislation associated with reviews and appeals. Comprehensive learning programs are in place for new Members and all Members receive extensive ongoing training. Mentoring and sharing of expertise among Members, legal and professional advisors and skilled staff is valued and encouraged. In addition to the annual Members' Conference, the Board implemented various strategies to broaden its knowledge base, held a mid-winter conference and initiated weekly discussion forums for Members.

The use of technology is essential in ensuring timely communications and information sharing as Members are deployed across Canada and review hearings are held in forty locations. Providing laptop computers and training is fundamental to these exchanges. Innovative voice-activated software, introduced late in the fiscal year, will be evaluated following a trial period with a view to offering it to all Members.

During this fiscal year, 10,710 new applications were registered with VRAB. This represents an increase of 30% over 2001-2002 and is consistent with the forecast of 11,551 adjudications. However, as 3,958 applications were counselled out or referred for Departmental Review, the number of decisions issued was 6,752.

The priority of the Board is to improve client service by adjudicating claims in a timely and effective manner. Implementing a new client information computer system in 2001-2002 caused delays in the processing and hearing of claims. To address this delay, the Board invested significant effort in processing the pending claims to eliminate the backlog by substantially increasing the number of hearings held and decisions rendered to clients in 2002-2003.





The following chart shows our progress over the last three years:

**Chart 10: VRAB Decisions Finalized**

	2000-2001	2001-2002	2002-2003	Pending
<b>Review Applications</b>	4,281	4,056	5,213	2,767
<b>Appeal Applications</b>	1,758	1,316	1,363	933
<b>Reconsiderations</b>	281	223	120	156
<b>War Veterans Allowance</b>	84	185	56	27
<b>Total</b>	6,404	5,780	6,752	3,883

A commitment to pursue alternative methods of review hearings led to collaboration with the Bureau of Pensions Advocates in the development of a teleconference pilot project. This pilot involved clients who were unable to travel due to illness, infirmity, remote location or residing permanently outside of Canada. The teleconferences reduced scheduling delays and allowed applicants to be fully involved by telephone. During this period, hearings were held from Vancouver to Halifax and included three clients living in the United States. This project is being evaluated and expansions considered.

Videoconference technology accelerated appeal hearing scheduling as Advocates across Canada made their submissions to Members convened in Charlottetown. In this fiscal year approximately 20% of the 1,363 appeal claims were heard by videoconference.

The Board focussed on improving its service delivery commitment to render fully reasoned decisions to clients within thirty days from the hearing date. In spite of an increased workload, the Board decreased its turnaround time by increasing productivity, reallocating resources and streamlining processes. On average, the Board achieved its desired outcome as 90% of the review decisions were rendered in 28.6 days and 99% of the appeal decisions were rendered in 28.7 days. This is a marked improvement over the previous year when new computer software created delays to the extent that 70% of review decisions and 90% of appeal decisions were issued within forty days of the hearings.

Communicating with clients and providing information regarding their right to appeal and representation is a primary consideration and an area where the Board strives to continue to improve. Additional contact is now made with appellants to acknowledge a request for reconsideration or a Federal Court Order to rehear a decision received by the Board.

The Board provides toll-free telephone access to applicants throughout Canada. Client inquiries staff responded to approximately 3,000 telephone contacts in both official languages this fiscal year. Increasingly, individuals use electronic means to obtain information through the VRAB web site and e-mail. The Board identified the need to





extend its contact with clients, Veterans' organizations and the public, and initiated the development of a communication strategy to address these concerns.

As an independent tribunal, the Board does not enter into partnerships. However, consultations with primary representative groups and Veterans' organizations resolve operational issues and improve client service. The Board and the Bureau of Pensions Advocates collaborated to provide uniformity and coordination of hearings to ensure the best interests of the clients are served. Regular meetings with officials of the Royal Canadian Legion, the Korea War Veterans Association and the War Amps provide avenues to discuss issues and explore recommendations.

In October 2002, a risk assessment exercise was completed for VRAB. This involved preparation of an initial listing of risk areas followed by a risk assessment workshop for twelve VRAB participants. The identified risks related to security, resources, complexity of medical and legal arguments, and external rapid change in policies and processes. The Board will use the analysis provided as an internal management tool and a benchmark for future assessments. The Board plans to increase its risk management practices by providing training in identifying and assessing risk, and by integrating risk management practices in strategic and operational decision-making.

***Challenges:***

In recent years, streamlining within the Department impacted the workload in the Board. As VAC adjudicators do not retain all documents reviewed for an entitlement claim on the head office file, the Board is required to order the service documents for these claims in order to prepare a comprehensive Statement of Case for the Review Panel. This service improvement has resulted in more information being provided to assist the Members in rendering their decisions. However, this additional effort has also adversely affected the number of documents completed each week. Of concern to the Board are the number of claims which, for various reasons, are withdrawn by the clients and representatives after the Statement of Case has been prepared. The focus for the next fiscal year will be to work with representatives to reduce the number of claims registered which do not proceed to hearings. Another impact on the Board's caseload is the increased number of favourable decisions at the first level of adjudication, resulting in fewer claims being forwarded for a review hearing. However, the claims before the Board are increasing in complexity of medical conditions and interrelationships between diseases. The Board addressed these challenges by ensuring that medical and legal expertise, extensive training and specialized materials were provided to Members who interpret and apply the legislation, relating the claimed disabilities to the applicant's service and render decisions.

The Board is committed to continuing to render well-reasoned decisions fairly and efficiently, while adhering to the principles of professionalism, continuous learning and communications, to serve Canadians with excellence and integrity.



For more information, please visit the following web site:

The Veterans Review and Appeal Board:

<http://www.vrab-tacra.gc.ca>



## Our Partners

In the federal government, partnerships are vital in providing quality service to all Canadians. Below are some of Veterans Affairs' partners who work with us to serve Canadians:

Atlantic Blue Cross Care

<http://www.atl.bluecross.ca>

Justice Canada

<http://canada.justice.gc.ca>

Canada Customs and Revenue Agency

<http://www.ccr-aadrc.gc.ca>

Last Post Fund

<http://www.lastpostfund.ca>

Canadian Heritage

<http://www.canadianheritage.gc.ca>

National Archives of Canada

<http://www.archives.ca>

Canadian Human Rights Commission

<http://www.chrc-ccdp.ca>

National Capital Commission

<http://www.canadacapital.gc.ca>

Canadian War Museum

<http://www.civilization.ca/cwm>

National Defence

<http://www.forces.gc.ca>

Communication Canada

<http://www.communication.gc.ca>

Natural Resources Canada

<http://www.nrcan-rncan.gc.ca>

Commonwealth War Graves Commission

<http://www.cwgc.org>

Privy Council Office

<http://www.pco-bcp.gc.ca>

Finance Canada

<http://www.fin.gc.ca>

Public Works and Government Services Canada

<http://www.pwgsc.gc.ca>

Foreign Affairs and International Trade

<http://www.dfait-maeci.gc.ca>

Royal Canadian Legion

<http://www.legion.ca>

Health Canada

<http://www.hc-sc.gc.ca>

Royal Canadian Mounted Police

<http://www.rcmp-grc.gc.ca>

Human Resources and Development Canada

<http://www.hrdc-drhc.gc.ca>

Statistics Canada

<http://www.statcan.ca>

Indian and Northern Affairs Canada

<http://www.ainc-inac.gc.ca>

Treasury Board Secretariat

<http://www.tbs-sct.gc.ca>

Industry Canada

<http://www.ic.gc.ca>

War Amps

<http://www.waramps.ca>



# Annexes

## External Charging Information

Veterans Affairs Canada charges a variety of fees at Ste. Anne's Hospital and for replacement of war medals. During the 2002-2003 fiscal year, total fees collected by Veterans Affairs amounted to \$24.1 million. All revenues generated are non-respendable and are credited to the Consolidated Revenue Funds. Below are details of VAC's fee activities.

R - Regulatory Service	R & P - Right and Privilege	O - Other Goods and Services	
Fee Type*	Fee Setting Authority	2002-2003 Actual Revenue (\$000)	Estimated Full Cost to Provide Good or Service (\$000)
<b>War Medal Replacement</b>			
<b>R &amp; P</b>	Order-in-Council P.C. 811 February 27, 1948	\$79	\$350
<p>VAC provides the first issue of medals free of charge (5,406 were issued in 2002-2003) to eligible Veterans or their next of kin. Replacement medals are available at cost (3,129 were issued in 2002-2003).</p> <p><b>Consultation and Analysis:</b> None during 2002-2003.</p> <p><b>Service Standard:</b> Medals are issued within 5 to 7 days once all required information and payment have been received.</p> <p><b>Performance Results:</b> Turnaround times are achieved 85% of the time.</p> <p><b>Contact Information for Medals and Decorations:</b>  <a href="http://www.vac-acc.gc.ca/clients/sub.cfm?source=medals/infomedals">http://www.vac-acc.gc.ca/clients/sub.cfm?source=medals/infomedals</a></p>			
<b>Ste. Anne's Hospital: In-Patient Charges to the Quebec Provincial Plan</b>			
<b>O</b>	Letter received from Quebec's Department of Health and Social Services which specifies the amount that will be paid.	\$18,283	\$50,892
<p>When a patient is admitted to Ste. Anne's Hospital for a condition that is related to his pensioned condition, VAC assumes all costs and, therefore, no costs are charged to the Government of Quebec. On the other hand, when a patient is admitted for a non-pensioned condition, the Hospital charges a daily rate to the Government of Quebec for the type of care (chronic or acute care) that the patient received. VAC charged the Government of Quebec for these type of patients for a total of 155,272 patient-days in chronic care and 937 patient-days in acute care.</p> <p><b>Consultation and Analysis:</b> Daily rates are set by Quebec's Department of Health and Social Services at \$115 for chronic care and \$198 for acute care.</p> <p><b>Service Standard:</b> Medical, professional, nursing and support services are delivered according to the standards and practices that prevail in the health care field.</p> <p><b>Performance Results:</b> In December 2002, the Canadian Council on Health Services Accreditation awarded Ste. Anne's Hospital the highest type of accreditation (three-year) that can be awarded to a health institution.</p> <p><b>Dispute Management Process:</b> As appropriate, conflicts are dealt with by telephone, correspondence and/or meetings.</p>			



R - Regulatory Service	R & P - Right and Privilege	O - Other Goods and Services	
Fee Type*	Fee Setting Authority	2002-2003 Actual Revenue (\$000)	Estimated Full Cost to Provide Good or Service (\$000)
<b>Ste. Anne's Hospital: Rental of Space</b>			
R	Federal Real Property Regulations P.C. 1992-1837 August 27, 1992	\$66	--
<p>VAC charges fees to telecommunication companies who have antennas on the roof of the main building of Ste. Anne's Hospital for telecommunication purposes. Also, a provincial local services community centre pays some fees related to the occupation of space at the hospital.</p> <p><b>Consultation and Analysis:</b> Licences and leases are drafted by Justice Canada, based on information received from Public Works and Government Services Canada, and are signed by the parties.</p> <p><b>Service Standard:</b> Compliance with licence and lease conditions.</p> <p><b>Dispute Management Process:</b> As appropriate, conflicts are dealt with by telephone, correspondence and/or meetings. Also, if applicable, legal proceedings may be taken to arrive at a settlement.</p>			
<b>Ste. Anne's Hospital: Dietary Meals</b>			
O	In accordance with current practices in the Quebec Health and Social Services network.	\$337	\$1,119
<p>VAC charges fees to employees and visitors who use the cafeteria at the hospital to take their meals.</p> <p><b>Consultation and Analysis:</b> The cost for employees is based on the rate established in Quebec provincial hospitals and mainly covers the cost of the ingredients included in the meal. As for the cost for visitors, it is based on the cost for employees, plus an increase (ratio) of between 1.10 and 1.75.</p> <p><b>Service Standard:</b> Service standards are based on the Sanitation Code for Canada's Food Service Industry and the Food Retail and Food Services Code, among others. Users' suggestions are assessed and implemented whenever possible.</p> <p><b>Performance Results:</b> Cafeteria users (employees and visitors) are asked to fill out periodic and ad-hoc surveys. A suggestion box is also available for users' comments.</p> <p><b>Dispute Management Process:</b> Disputes about food are evaluated on a case-by-case basis. Further to the evaluation, if the user's request has merit, corrective measures are taken.</p>			



R - Regulatory Service	R & P - Right and Privilege	O - Other Goods and Services	
Fee Type*	Fee Setting Authority	2002-2003 Actual Revenue (\$000)	Estimated Full Cost to Provide Good or Service (\$000)
<b>Ste. Anne's Hospital: Domiciliary Care</b>			
R	Veterans Health Care Regulations P.C. 1990-1825 August 28, 1990	\$5,255	\$17,531
<p>Accommodation and meal fees are not charged to patients admitted for a pensioned condition. However, when a patient is admitted for a non-pensioned condition, charges are levied to a maximum monthly fee of \$755.12 based on the patient's revenues and other considerations. In 2002-2003, approximately 484 beds were occupied by these type of patients.</p> <p><b>Consultation and Analysis:</b> The maximum monthly rate for accommodation and meal expenses is set by VAC to match the lower of the following two amounts: 1) the lowest monthly provincial user fee for accommodations and meals in effect on the previous July 1<sup>st</sup>; or 2) the maximum monthly rate applicable for accommodations immediately before October 1<sup>st</sup>, multiplied by the percentage representing the WVA rate for married persons in effect on July 1<sup>st</sup> of the current year compared to the WVA rate for married persons in effect on July 1<sup>st</sup> of the previous year. Residents are advised by letter of the new monthly rate they will be charged.</p> <p><b>Service Standard:</b> Medical, professional, nursing and support services are delivered according to the standards and practices that prevail in the health care field.</p> <p><b>Performance Results:</b> In December 2002, the Canadian Council on Health Services Accreditation awarded Ste. Anne's Hospital the highest type of accreditation (three-year) that can be awarded to a health institution.</p> <p><b>Dispute Management Process:</b> As appropriate, conflicts are dealt with by telephone, correspondence and/or meetings with residents or their representatives. Also, compensatory measures with regard to pensions may be taken and, if applicable, legal proceedings may be taken to arrive at a settlement.</p>			



## **Government On-Line**

Similar to other departments, Veterans Affairs has been increasing its Internet presence to better serve Canadians. Veterans Affairs' Government On-Line Initiative has three "Key Services," two of which relate to the Benefits and Services Programs Strategic Outcome: 1) Pensions and Allowances, Health Care Key Service; and 2) Seniors Cluster Key Service. Veterans Affairs Canada has the lead role for both key services.

In regard to the Pensions and Allowances, Health Care Key Service, progress was made with respect to the Veterans Affairs Benefits and Health Services On-Line Project. This project aims to permit applicants to apply on-line for disability pension benefits or to request a review of existing pension entitlements. During this fiscal year, Volume 1 of the Veterans Program Policy Manual was made available on-line. In partnership with Public Works and Government Service Canada, Veterans Affairs implemented the on-line submission of Nursing Assessments signed and secured through the Government of Canada Public Key Infrastructure. The next step will be to implement the medical and occupational therapy assessments. Our partners for this project are Treasury Board Secretariat, Public Works and Government Services Canada, and the Secure Channel Project.

For the Seniors Cluster Key Service, the Seniors Canada On-line web site provides one location for federal, provincial and territorial information that has been organized to make it easier for seniors, their families, caregivers and those who provide services, to find programs and services. Over the year, a number of enhancements were made to this web site. Two "*Life Events*" features (life care transition, and death and bereavement) were added. Through the use of a questionnaire, visitors are able to receive a list of web sites specifically geared to their situation as identified in the questionnaire. Information is provided for the relevant government and some non-government programs and services. The life event feature is geared to specific provinces and can serve as a checklist and planning tool. The search capability on this web site was improved. An audio-visual aid was added to the help feature to assist visitors in acquainting themselves with the special features the Seniors Canada On-line site has to offer. In addition to work on the web site, the Seniors Cluster Key Service is also responsible for facilitating service improvement projects through the efforts of the Canadian Seniors Partnership (CSP) and a Citizen Advisory Panel. During this fiscal year, a presentation about the vision and objectives of the CSP was made at the Federal, Provincial and Territorial Ministers Responsible for Seniors meeting held in June 2002. Although VAC leads the work underway as part of the Seniors Cluster Key Service, much effort and collaboration is provided from a number of organizations federally – Canada Customs and Revenue Agency, Health Canada, Human Resources Development Canada, Treasury Board Secretariat, and Communication Canada; and provincially – the Ministry of Citizenship, Ontario Seniors Secretariat, Ministry of Health and Social Services, and the Governments of Prince Edward Island, Alberta, Manitoba and British Columbia.

The third key service, also led by Veterans Affairs, is the Canada Remembers Key Service, which contributes to our Remembrance mandate under the Canada Remembers



Program Strategic Outcome. As of March 31, 2003, Veterans Affairs had more than 8,000 items of on-line memorabilia of Canada's War Dead linked to their entries on the Canadian Virtual War Memorial web site. During this fiscal year, this key service enhanced and extended its links to War Grave information. Over half of our Internet users access the Veterans Affairs Canada web site to view Canada Remembers material. Our partners for this cluster are the National Archives of Canada and Industry Canada.

This year, VAC web site usage has increased by 27%, while electronic mail has increased by 22%. The Canadian Virtual War Memorial web site saw a 95% increase in submissions of memorabilia over the previous year. Seniors Canada On-Line experienced a 12% increase in visitors, and a 61% increase in repeat visits demonstrating that visitors found it valuable.

The challenges faced by VAC in meeting Government On-Line commitments include meeting strict time lines at the same time that resources are fully committed to operational requirements.

For more information, please visit the following web sites:

Canadian Virtual War Memorial:

<http://www.virtualmemorial.gc.ca>

Seniors Canada On-line:

<http://www.seniors.gc.ca/index.jsp>

Veterans Affairs' Government On-Line:

<http://www.vac-acc.gc.ca/general/sub.cfm?source=department/golrep>

Veterans Program Policy Manual:

<http://www.vac-acc.gc.ca/providers/sub.cfm?source=vppm>





## Horizontal Initiatives

Horizontal initiatives are defined as significant initiatives in which partners from two or more organizations have received program funding and have formally agreed to work together to achieve shared outcomes. The following are VAC's two horizontal initiatives, for which we are the lead department.

### HEALTH CARE COORDINATION INITIATIVE

The Health Care Coordination Initiative (HCCI) was established in 1994 to develop and implement a strategy to coordinate federal government purchasing of health care services and products for federal government clients at the lowest possible cost through coordination of effort among departments and agencies. These clients (over one million), include Veterans, Canadian Forces, RCMP, First Nations living on reserve, the Inuit, inmates of federal institutions, immigrants and landed refugees. Ten departments and agencies with common interests formed a partnership to minimize inefficiency and duplication in their delivery of health care programs, while maintaining or improving the quality of the services they provide. Veterans Affairs Canada has the lead role and hosts the HCCI Secretariat which supports the overall initiative by coordinating joint activities; providing analysis, planning and project management expertise; and representing the federal health delivery departments on a number of Federal/Provincial/Territorial committees. The HCCI's reporting requirements, resources, planned activities, and performance results are documented in their Business Plan, Accountability and Reporting Framework, and Annual Reports to the Treasury Board Secretariat of Canada.

**In 2002-2003, jointly negotiated fees, bulk purchases and collaborative policy development, collectively resulted in improved quality of services to clients and \$11.6 million in cost savings.**

In its role as host of the HCCI, VAC contributed to this initiative in a number of ways. Operational costs for the HCCI Secretariat were funded by VAC. Our Associate Deputy Minister serves as Chair of the HCCI Executive Committee. VAC also actively participated in HCCI activities such as joint policy development among the federal departments, and joint negotiations with providers of health care goods and services. The outcomes of these activities are improved program management, monetary savings for all Canadians, and a better quality of life for federal clients, including our Veterans and other clients – a direct link to our Benefits and Services Programs Strategic Outcome.

As the HCCI deals with a variety of health care providers across Canada, there are a number of challenges including differing legal bases for programs, varying operational and policy requirements, technology differences, differing client demographics, scarce resources, diverse organizational structures and political pressures. For the HCCI partners, this means that more time, effort and innovation are necessary to overcome these challenges, however, the improved outcomes justify the time required.



The HCCI is profiled in the *Canada's Performance 2003 Report* ([http://www.tbs-sct.gc.ca/report\\_e.asp](http://www.tbs-sct.gc.ca/report_e.asp)).

Health Care Coordination Initiative  
VAC's Portion of Actual Spending for Fiscal Year 2002-2003: \$1.0 million

### FEDERAL HEALTH CLAIMS PROCESSING SYSTEM

The development phase of our Federal Health Claims Processing System (FHCPS) began in January of 2002. Veterans Affairs Canada, in partnership with the RCMP and the Department of National Defence, entered into a multi-year contract (2002 to 2008) with Atlantic Blue Cross Care (ABCC). This contract allows ABCC to process health claims on behalf of all three departments.

The implementation of this contract is divided into four releases. Two releases were successfully implemented in 2002-2003. Release 1 included the ability for the RCMP to submit dental claims electronically and some technical positioning initiatives for VAC.

Release 2 included the assimilation of Foreign Countries and Health Related Travel business processes for VAC. For the DND, it included Out of Canada Emergency Care for CF members and the development of a National CF Base pharmacy system which was completed in March 2003. This system links all CF Pharmacies to the ABCC

On-Line Pharmacy System currently used by retail pharmacies, providing the CF with comprehensive pharmacy records for all members. For the RCMP, this release included an integration of their dental and travel programs.

**This system development phase alone will save the federal government approximately \$20 million since the one system will serve all three departments (VAC, the RCMP, and the DND).**

There were a number of challenges involved with the implementation of these two releases, including a change in the scope of work, availability of human resources to support ongoing operations and development of this new system, and coordination of system upgrades with ABCC. To obtain a successful completion, risk management was crucial in maintaining a stable operational environment while phasing in this new system.

This initiative is a successful example of a national horizontal governmental initiative that partners with the private sector. It is also a successful example of a Government On-Line initiative.

Federal Health Claims Processing System  
VAC's Portion of Actual Spending for Fiscal Year 2002-2003: \$0.3 million

More information, including contact information, on these and other federal government departments' horizontal initiatives is available on Treasury Board Secretariat's Horizontal Results Database at [http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hr-rh\\_e.asp](http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hr-rh_e.asp).



## **Modern Comptrollership**

For Modern Comptrollership, commitments were made under the 2002-2003 *Report on Plans and Priorities* under the following three themes: Values and Ethics, Enhanced Modern Management Practices, and Integrated Risk Management.

Following an assessment and a review of best practices, a Values and Ethics Program Plan for 2003-2004 was developed and approved. This Plan involves a series of Departmental Values and Ethics Dialogue Sessions which will foster an environment within VAC where ethical risks and issues are identified and also, provide managers and employees with the tools they need to mitigate and deal with ethical issues. The Values and Ethics Program will contribute to the Modern Comptrollership objectives set by the Department by “operationalizing” values-based decision making into the day-to-day business activities.

With respect to Enhanced Modern Management Practices, modern comptrollership is intended to provide managers with integrated financial and non-financial performance information, a sound approach to risk management, and appropriate control systems. These principles were incorporated into our approach to the operational business planning process, expenditure monitoring process and operationalization of the integrated management of risk. During the operational business planning process, senior level budget allocations were framed in a format that identified impact, risk and unfunded pressures. Final budget allocations for the fiscal year were then established using an approach that considered cross-impacts and affordability in the context of departmental priorities, while at the same time incorporating a risk mitigation strategy. Throughout the fiscal year, an expenditure and commitment analysis was conducted to refine and control the current fiscal year outlook and to support risk planning for the coming year.

Integrated risk management involves management of risks in a corporate and systematic fashion to support strategic decisions in achieving organizational objectives. During the reporting period, the department undertook to operationalize its approach to integrated risk management. In striving to make integrated risk management visible at the operational level, an approach to identifying and assessing corporate risk was piloted in the Corporate Services Branch. This led to an increased awareness of integrated risk management as well as an understanding of the components of an operational risk profile. An informal evaluation of the pilot was conducted and based on lessons learned, a proposed implementation approach for the remainder of the Department was developed.

During this fiscal year, VRAB’s senior managers assessed the Board’s current capacities and the detailed report can be accessed on the VRAB web site. In the current reality of limited resources available for change initiatives, a strategic plan was developed which identified four issues: communications, improved service delivery, management capabilities and transition planning. Modern management principles are being integrated in all areas of the Board including processes which identify and assess the impacts and risks associated with initiatives.



## Regulatory Initiatives

With respect to regulatory initiatives, Veterans Affairs' commitments in the 2002-2003 Report on Plans and Priorities involved the *Veterans Burial Regulations*, *Veterans Allowance Regulations*, and *Veterans Health Care Regulations*. Below is a summary of our expected results and what was accomplished.

Initiative and Expected Results	Results Achieved
<p>Amalgamation of the two burial programs administered by the Department, by consolidation of the <i>Veterans Burial Regulations</i>, 1995 and the <i>Last Post Fund Regulations</i>, 1995, including the transfer of the administration of burial programs to the Last Post Fund, equal treatment under the law for all common-law partners and resolution of observations made by the House of Commons and Senate Standing Joint Committee for the Scrutiny of Regulations.</p>	<p>During 2002-2003, the Department of Justice continued its review of the proposed amendments, as required by the statutory examination process. The complexity of these amendments, and other associated factors, have contributed to the lengthy time line. Additionally, particular attention is paid to provincial jurisdiction and harmonized compatibility with common law and civil code systems used in the different provinces. It is now anticipated that these amendments should be completed during 2003-2004.</p>
<p><i>Veterans Allowance Regulations</i> to harmonize definitions related to blindness, facilitate recovery of overpayments, improve the accounting for client absences from Canada, provide for equal treatment under the law for all common-law partners and ensure gender-neutral terminology and make other technical changes.</p>	<p>Completion of the "statutory examination" of these amendments is anticipated for May 2003. When this phase is complete, and with the recommendation of the Minister of Veterans Affairs, the regulations will be submitted for approval-in-principle. The regulatory proposal will then be submitted for pre-publication in the Canada Gazette. After pre-publication, the regulations will be considered for final approval, and published in final form. Coming into force is anticipated for late 2003-2004.</p>
<p>Enhancement of the <i>Veterans Health Care Regulations</i> to include the health services and benefits for former RCMP members pensioned for special duty area service-related disabilities.</p>	<p>A partnership has been established between the RCMP and VAC to identify the short, medium and long term needs of discharging or discharged RCMP members and to develop appropriate VAC services and benefits to meet these needs. Within the context of the work to be undertaken through this partnership, modifications to existing VAC and RCMP legislation, including the <i>Veterans Health Care Regulations</i>, will be considered.</p>

More information on Veterans Affairs' legislation is available at <http://www.vac-acc.gc.ca/general/sub.cfm?source=department/Legislation>.



## Service Improvement Initiative

As part of VAC's Service Improvement Initiative, a National Client Satisfaction Survey was conducted in June 2001, to establish reliable baseline data on the level of clients' satisfaction with VAC's programs and services. These survey results formed the basis upon which the 2002-2005 Departmental Service Improvement Plan was developed, thus setting the stage for continuous service improvement.

In April and May 2003, VAC conducted a subsequent National Client Satisfaction Survey to benchmark against the 2001 results and measure the progress achieved toward clearly defined Primary and Secondary Opportunities for Service Improvement that were identified through the 2001 survey. A total of 1,447 clients were surveyed, including War Veterans, Survivors and Canadian Forces Veterans and Clients from all provinces across Canada.

**The results of the 2003 survey reveal an overall increase in the level of client satisfaction with our programs and services, moving from 85% in 2001, to 87% in 2003.**

### Initiatives Formally Covered by VAC's Service Improvement Plan

VAC's Service Improvement Plan contains initiatives which support four of the Portfolio's long-term strategic outcomes: Benefits and Services Programs; Pensions Advocacy Program; Canada Remembers Program; and Corporate Administration. This Service Improvement Plan is a road map for continuous service improvement and guides the Department in its efforts to address and effectively respond to the complex needs of our diverse client groups. The Service Improvement Plan and Compendium of Action Plans contain initiatives from all branches, divisions and operational units within the Department and, as such, address both front-line and internal corporate services which support the delivery of programs and services to all client groups. To measure our progress against service improvement targets and to ensure that the initiatives identified in the Service Improvement Plan continue to address priorities from a client-centred perspective, VAC will continue to conduct national surveys every two years. By employing the Common Measurements Tool as part of our survey methodology, VAC will be able to measure not only clients' satisfaction with specific service elements, but also the level of importance, or priority, that our clients place on each aspect of our service. In addition, we will be able to benchmark VAC's performance relative to other public sector organizations.

### Main Achievements in Improving Service from a Citizen-Centred Perspective

The 2003 survey results reflect an overall improvement in the level of client satisfaction with the programs and services offered by VAC for all client groups, with the Canadian Forces Veterans and Clients experiencing the greatest increase.



The following chart provides a summary of our survey results:

**Chart 11: Client Satisfaction Rating**

Client Group	Satisfaction Rating		Improvement
	2001	2003	
War Service Veterans	89%	90%	+1%
Canadian Forces Veterans and Clients	72%	80%	+8%
Survivors	84%	86%	+2%
<b>Overall Satisfaction Rating</b>	<b>85%</b>	<b>87%</b>	<b>+2%</b>

Data from VAC's 2003 National Client Satisfaction Survey demonstrate that progress was realized on six of the eight Primary Opportunities for Service Improvement identified in the 2001 survey, with Time to Wait for a Written Decision remaining constant at 70%, and Waiting Time for an Appointment dropping by two percentage points from 85% in 2001 to 83% in 2003.

Progress also was realized on three of the five Secondary Opportunities for Service Improvement, with Respect and Dignity Given remaining constant at 96%, and Clear Written Communications dropping by three percentage points from 92% in 2001 to 89% in 2003. The categories, Communications and Services Offered by Staff, have experienced overall increases in satisfaction levels, thus reflecting the Department's commitment to focus our efforts on service areas that are deemed to be priorities from our clients' perspective.

**Chart 12: Service Satisfaction Rating**

Service Categories	Satisfaction Rating		Improvement
	2001	2003	
Timeliness	70.0%	70.0%	0%
Access to Services *	85.5%	83.1%	-2.4%
Communications	88.1%	88.7%	+0.6%
Services Offered by Staff	90.4%	91.9%	+1.5%
Staff Knowledge (competence)	83.0%	89.0%	+6.0%
Fair Treatment	89.0%	90.0%	+1.0%
Helpfulness and Willingness to go the Extra Mile	90.0%	91.0%	+1.0%
<b>Outcome: In the end, did you get what you needed?</b>	(Not Available)	<b>Yes: 85%</b>	

\* Although “Access to Services” experienced an overall decline of 2.4 percentage points, the service elements in this category were afforded lower than average levels of importance (79.3%) by clients.

The percentage of clients who indicated that VAC’s benefits and services met their needs either “entirely” or “for the most part” increased from 72% in 2001, to 77% in 2003, with 28% of clients stating that the services offered by the Department have improved over the past twelve-month period.

While it is recognized that positive progress has been achieved, there are still areas which require improvement. As part of our commitment to continuous service improvement, VAC will focus further attention on the following areas:

- ▶ Time to wait for a written decision;
- ▶ Time to wait for an appointment;
- ▶ Information on applying for or accessing benefits and services;
- ▶ Questions being answered; and
- ▶ Better understanding of the issues facing Canadian Forces Veterans and clients.

### Improvements in Client Satisfaction and Progress Toward Satisfaction Targets





Given our positive client satisfaction rating, VAC will endeavour to sustain the current level of client satisfaction on the service elements that were afforded a 90% rating or above and focus attention on the elements of our service where the reported level of satisfaction was lower than the level of importance stated by our clients.

### **Service Standards**

VAC is in the process of updating its Service Standards through extensive consultation with clients, internal management teams and employee groups. A revised publication of VAC's Service Standards, including electronic service delivery components, will be completed in the 2003-2004 fiscal year.

### **Service Improvement is Everyone's Responsibility!**

A critical component of VAC's Service Improvement Plan is clear accountability for the achievement of results. The engagement of staff, at all levels in the organization, is fundamental to the successful implementation of our Service Improvement Plan. As a pilot for the 2003-2004 review period, service improvement objectives will be incorporated into the performance contracts of departmental managers and the performance appraisals of staff members. This results-based approach to continuous service improvement is intended to bring together accountability for results and recognition of accomplishments.

More information on VAC's Service Improvement Initiative is available at <http://www.vac-acc.gc.ca/general/sub.cfm?source=department/reports/sij>.





## Status of Fuel Storage Tanks on Veterans Affairs Owned Land

Thousands of storage tank systems for petroleum and allied petroleum products have been installed on federal lands – many of these storage tank systems were fabricated from carbon steel without corrosion protection. As these systems age, they are more likely to fail due to corrosion, and leaks from storage tank systems can have devastating environmental and economic impacts. Therefore, federal government departments must register their in-use and abandoned tanks and report annually on their status as follows:

### Annual Report for April 30, 2003

As required under the Canadian Environmental Protection Act, Part IV, *Federal Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands or Aboriginal Lands Regulations*, this report provides the information set out in Schedule II of the aforementioned regulation, updated to December 31, 2002.

#### The following number of aboveground storage tank systems:

Are registered with Veterans Affairs: **6**

Comply with the *Federal Aboveground Storage Tank Technical Guidelines*: **6**

#### The following number of underground storage tanks systems:

Are registered with Veterans Affairs: **0**

Comply with the *Federal Underground Storage Tank Technical Guidelines*: **0**

More information on the Federal Storage Tank Systems for Petroleum and Allied Petroleum Products is available at <http://www.ec.gc.ca/st-rs>.



## Sustainable Development Strategy

For the benefit of all Canadians, the Government of Canada is committed to doing its part in being environmentally, socially and economically responsible. We too must meet the needs of the present without compromising the needs of future generations through sustainable development. At Veterans Affairs, our commitments in this regard are publicized in our Sustainable Development Strategy. Veterans Affairs' second Sustainable Development Strategy, covering the period 2001-2004, was tabled in Parliament in February 2001. Our progress in meeting our targets is reported on a regular basis on Veterans Affairs Canada's web site.

Veterans Affairs identified several concrete objectives, targets and milestones to integrate the concept of sustainable development into our activities, decision-making processes, and organizational culture. These are grouped under the following four themes:

***Sustaining our government operations*** – Our focus under this theme is primarily on developing and fostering partnerships to improve the services we provide, and the preservation and presentation of our physical commemorative resources.

***Sustaining knowledge and information*** – Developing and sharing knowledge and information through our commitment to integrate sustainable development into our policy and decision-making processes, allows us the opportunity to influence the social values of the Canadian public.

***Sustaining the health of our clients*** – Our programs and services are tailored to sustain the health and well-being of our family of clients.

***Sustaining the health of our staff*** – Our focus under this theme is primarily on establishing support programs that help to balance the work and family lives of our employees.

These four themes contribute to each of our strategic outcomes through activities that relate to clients, staff, and how we conduct our day-to-day operations. As we reach our targets, we improve or maintain the quality of life for our Veterans and other clients, as well as our staff. We also enhance our Remembrance mandate by preserving our memorial sites through environmentally responsible practices. As a result, incorporating sustainable development practices and awareness in everything we do, moves us closer to serving our Veterans and other clients with greater efficiency while at the same time, preserving the environment for the use of future generations.

During this fiscal year, some progress was made in the incorporation of sustainable development practices and awareness into our day-to-day operations. Although the status for a number of our milestones is ongoing, we have reached some milestones, including the completion of arrangements to share our government vehicles with other federal government departments, and implementation of a policy promoting the procurement of



environmentally preferred goods and services. The challenges that we faced involved increasing awareness among staff regarding sustainable development, limited resources to manage this project, and difficulty with the monitoring of our milestones.

It is anticipated that our next Sustainable Development Strategy (2004-2010) will be tabled in Parliament in December 2003. For this next strategy, adjustments have been made in that we will focus on outcomes that can be measured and monitored over a longer period of time. As well, progress toward targets in our next strategy will be measured, on a semi-annual basis, more definitively as follows:

- ▶ Target has been achieved
- ▶ Progress toward target is on schedule
- ▶ Target has not been met or progress toward target has been delayed
- ▶ Target has been revised
- ▶ Target is no longer valid

Where targets have not been achieved, an explanation will be provided.

More information on Veterans Affairs' Sustainable Development Strategy is available at <http://www.vac-acc.gc.ca/general/sub.cfm?source=department/reports>.



## Financial Performance Tables

### *Veterans Affairs Canada*

Total spending authority for the Veterans Affairs Program in 2002-2003 was \$2,514.5 million, or \$244.7 million higher than the planned spending reported in the *2002-2003 Report on Plans and Priorities*. The increased authority was obtained through Supplementary Estimates and access to the Treasury Board Votes 5 and 10 for centrally funded programs, and is comprised mainly of additional funding the following items:

- ▶ \$101.6 million for disability pension payments;
- ▶ \$55.8 million for the purchase of goods and services under the Other Health Purchased Services Program;
- ▶ \$38.6 million for one-time payments to First Nations Veterans;
- ▶ \$13 million as compensation for signed collective bargaining agreements;
- ▶ \$8.3 million for contributions under the Veterans Independence Program;
- ▶ \$7.7 million for costs associated with the Authorson litigation case;
- ▶ \$6 million operating budget carry forward from 2001-2002; and
- ▶ \$13.7 million for other initiatives, including adjustments to statutory authorities.

In addition to the above, \$6 million was re-allocated from the Other Health Purchased Services allotment to cover shortfalls in the Department's operating budget.

Actual expenditures for 2002-2003 in the Veterans Affairs Program were \$50.6 million less than the total authorized funding, for a lapse of 2% of the total authorized. Of this amount, \$23.4 million consisted of lapses spread across various Grants and Contributions, and there was a lapse of \$17.3 million in the Other Health Purchased Services allotment. The remaining \$9.9 million lapse related to various projects under the Department's operating budget.

### *Veterans Review and Appeal Board*

Total spending authority for the Veterans Review and Appeal Board in 2002-2003 was \$11.5 million, or \$0.5 million higher than the planned spending reported in the *2002-2003 Report on Plans and Priorities*. The increased authority was obtained through Supplementary Estimates and access to Treasury Board Votes 5 and 10 for centrally funded programs, and related primarily to a carry forward from 2001-2002, and funding to compensate for signed collective bargaining agreements.

**Table 1: Summary of Voted Appropriations**

<b>2002-2003 Financial Requirements by Authority (\$ millions)</b>			
<b>Vote</b>		<b>Total</b>	
		<b>Planned Spending</b>	<b>Actual Spending</b>
<b>Veterans Affairs Program</b>			
1	Operating expenditures	607.0	717.4
5	Capital expenditures	7.6	4.8
10	Grants and contributions	1,624.9	1,703.4
(S)	Minister of Veterans Affairs - Salary and motor car allowance	0.1	0.1
(S)	Re-establishment credits under Section 8 and repayments under Section 15 of the <i>War Service Grants Act</i> of compensating adjustments made in accordance with the terms of the <i>Veterans Land Act</i>	--	--
(S)	Returned soldiers insurance actuarial liability adjustment	--	--
(S)	Veterans insurance actuarial liability adjustment	0.2	0.2
(S)	Spending of proceeds from the disposal of surplus Crown assets	--	0.1
(S)	Refunds of amounts credited to revenues in previous years	--	0.1
(S)	Court awards	--	1.1
(S)	Contributions to employee benefit plans	30.0	36.4
<b>Total Veterans Affairs Program</b>		<b>2,269.8</b>	<b>2,463.6</b>
<b>Veterans Review and Appeal Board Program</b>			
15	Program expenditures	9.3	9.4
(S)	Contributions to employee benefit plans	1.7	2.1
<b>Total Veterans Review and Appeal Board Program</b>		<b>11.0</b>	<b>11.5</b>
<b>Total Portfolio</b>		<b>2,280.8</b>	<b>2,475.1</b>

- Note: 1. Operating includes minor capital and other health purchased services.  
2. Total authorities are main estimates plus supplementary estimates plus other authorities.  
3. Due to rounding, figures may not add to totals shown.

**Table 2: Comparison of Total Planned Spending to Actual Spending**

Portfolio Planned Versus Actual Spending by Business Line (\$ millions)							
Business Line	FTEs	Operating	Capital	Grants and Contributions	Total Gross Expenditures	Less: Respendable Revenues*	Total Net Expenditures
Benefits and Services Planned Spending	2,689	590.6	6.6	1,625.1	2,222.3	--	2,222.3
<i>(Total Authorities)</i>	2,813	675.0	5.1	1,727.1	2,407.2	--	2,407.2
<b>(Total Actual Spending)</b>	<b>2,707</b>	<b>652.4</b>	<b>4.8</b>	<b>1,703.7</b>	<b>2,360.9</b>	--	<b>2,360.9</b>
Corporate Administration Planned Spending	462	46.5	1.0	--	47.5	--	47.5
<i>(Total Authorities)</i>	632	107.4	--	--	107.4	--	107.4
<b>(Total Actual Spending)</b>	<b>687</b>	<b>102.7</b>	--	--	<b>102.7</b>	--	<b>102.7</b>
Veterans Review and Appeal Board Planned Spending	135	11.0	--	--	11.0	--	11.0
<i>(Total Authorities)</i>	124	11.5	--	--	11.5	--	11.5
<b>(Total Actual Spending)</b>	<b>107</b>	<b>11.5</b>	--	--	<b>11.5</b>	--	<b>11.5</b>
Total Portfolio Planned Spending	3,286	648.1	7.6	1,625.1	2,280.8	--	2,280.8
<i>(Total Authorities)</i>	3,569	793.9	5.1	1,727.1	2,526.1	--	2,526.1
<b>(Total Actual Spending)</b>	<b>3,501</b>	<b>766.6</b>	<b>4.8</b>	<b>1,703.7</b>	<b>2,475.1</b>	--	<b>2,475.1</b>
Other Revenues and Expenditures							--
Non-respendable Revenues **							25.0
<i>(Total Authorities)</i>							25.0
<i>(Actuals)</i>							29.4
Cost of services provided by other departments							28.6
<i>(Total Authorities)</i>							28.6
<i>(Actuals)</i>							25.5
Net Cost of Program							2,284.4
<i>(Total Authorities)</i>							2,529.7
<i>(Actuals)</i>							2,471.2

\* Formerly "Revenues Credited to the Vote"

\*\* Formerly "Revenues Credited to the General Government Revenues (GGR)"

- Note:
1. Operating includes minor capital, other health purchase services, and the following statutory items: Contributions to employee benefit plans, Minister of Veterans Affairs - Salary and motorcar allowance, Spending of proceeds from the disposal of surplus Crown assets, Refunds of amounts credited to revenues in previous years, and Court awards.
  2. Grants and Contributions include both Voted and Statutory items.
  3. Actual and Total Authorities for Corporation Administration include the amounts for Information Technology/Information Management and ex-gratia payments to First Nations Veterans, Merchant Navy Veterans, and former Prisoners of War.
  4. Due to rounding, figures may not add to totals shown.

**Table 3: Historical Comparison of Total Planned Spending to Actual Spending**

Business Line	(\$ millions)				
	2000-2001	2001-2002	2002-2003		
	Actual Spending	Actual Spending	Planned Spending	Total Authorities	Actual Spending
Benefits and Services	2,014.9	2,144.9	2,222.3	2,407.2	2,360.9
Corporate Administration	83.7	91.3	47.5	107.4	102.7
Veterans Review and Appeal Board	10.0	10.3	11.0	11.5	11.5
<b>Total Portfolio</b>	<b>2,108.6</b>	<b>2,246.5</b>	<b>2,280.8</b>	<b>2,526.1</b>	<b>2,475.1</b>

Note: Due to rounding, figures may not add to totals shown.



**Table 4: Crosswalk Between Strategic Outcomes and Business Lines  
- Planned Spending**

Business Line	(\$ millions)					
	① Benefits and Services Programs ② Pensions Advocacy Program ③ Canada Remembers Program ④ Corporate Administration ⑤ Veterans Review and Appeal Board Program					Total
	Strategic Outcome					
	①	②	③	④	⑤	
Benefits and Services	2,177.4	7.7	37.2	--	--	2,222.3
Corporate Administration	--	--	--	47.5	--	47.5
<b>Total for Veterans Affairs Canada</b>						<b>2,269.8</b>
Veterans Review and Appeal Board	--	--	--	--	11.0	11.0
<b>Total for the Veterans Affairs Portfolio</b>						<b>2,280.8</b>

**Table 5: Crosswalk Between Strategic Outcomes and Business Lines  
- Actual Spending**

Business Line	(\$ millions)					
	① Benefits and Services Programs ② Pensions Advocacy Program ③ Canada Remembers Program ④ Corporate Administration ⑤ Veterans Review and Appeal Board Program					Total
	Strategic Outcome					
	①	②	③	④	⑤	
Benefits and Services	2,316.1	8.2	36.6	--	--	2,360.9
Corporate Administration	34.0*	--	--	68.7	--	102.7
<b>Total for Veterans Affairs Canada</b>						<b>2,463.6</b>
Veterans Review and Appeal Board	--	--	--	--	11.5	11.5
<b>Total for the Veterans Affairs Portfolio</b>						<b>2,475.1</b>

\* Represents actual amount spent on one-time payments to First Nations Veterans, Merchant Navy Veterans, and former Prisoners of War.



**Table 6: Revenues - Respendable and Non-Respendable**

The majority of VAC's non-respendable revenues comes from in-patient hospital services at Ste. Anne's Hospital covered by provincial hospital insurance plans. Other revenue sources include recovery of disability pension payments from foreign governments and refunds of previous years' expenditures. Only a very minor portion of revenues relates to user fees and cost recovery policies.

<b>Revenues by Business Line (\$ millions)</b>					
	2000-2001	2001-2002	2002-2003		
	Actual Revenues	Actual Revenues	Planned Revenues	Total Authorities	Actual Revenues
<b>Non-Respendable Revenues*</b>					
Benefits and Services	32.5	34.5	24.0	32.6	<b>32.6</b>
Corporate Administration	1.2	1.4	1.0	1.5	<b>1.5</b>
Veterans Review and Appeal Board	--	--	--	--	--
Sub-Total	33.7	35.9	25.0	34.1	<b>34.1</b>
Unplanned	--	--	--	--	--
<b>Total Non-Respendable Revenues</b>	<b>33.7</b>	<b>35.9</b>	<b>25.0</b>	<b>34.1</b>	<b>34.1</b>

\* Respendable Revenues - N/A

**Table 7: Statutory Payments**

<b>Statutory Payments by Business Line (\$ millions)</b>					
<b>Business Line</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>		
	<b>Actual</b>	<b>Actual</b>	<b>Planned Spending</b>	<b>Total Authorities</b>	<b>Actual</b>
Benefits and Services	0.2	0.4	0.2	0.2	0.2
Corporate Administration	--	--	--	--	--
Veterans Review and Appeal Board	--	--	--	--	--
<b>Total Statutory Payments</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>

Note: Statutory payments relate to the War Service Grants Act, the Veterans Land Act, the Returned Soldiers Insurance Act, and the Veterans Insurance Act.

**Table 8: Transfer Payments (Grants and Contributions)**

<b>Transfer Payments by Business Line (\$ millions)</b>					
<b>Business Line</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>		
	<b>Actual</b>	<b>Actual</b>	<b>Planned Spending</b>	<b>Total Authorities</b>	<b>Actual</b>
<b>Grants</b>					
Benefits and Services	1,299.9	1,386.3	1,437.6	1,534.8	<b>1,518.1</b>
Corporate Administration	--	--	--	--	--
Veterans Review and Appeal Board	--	--	--	--	--
<b>Total Grants</b>	<b>1,299.9</b>	<b>1,386.3</b>	<b>1,437.6</b>	<b>1,534.8</b>	<b>1,518.1</b>
<b>Contributions</b>					
Benefits and Services	162.7	171.2	187.5	192.3	<b>185.6</b>
Corporate Administration	--	--	--	--	--
Veterans Review and Appeal Board	--	--	--	--	--
<b>Total Contributions</b>	<b>162.7</b>	<b>171.2</b>	<b>187.5</b>	<b>192.3</b>	<b>185.6</b>
<b>Total Transfer Payments</b>	<b>1,462.6</b>	<b>1,557.5</b>	<b>1,625.1</b>	<b>1,727.1</b>	<b>1,703.7</b>

**Table 9: Resource Requirements by Organization and Business Line**

Comparison of 2002-2003 RPP Planned Spending and Total Authorities to Actual Expenditures by Organization and Business Line (\$ millions)					
Organization	Business Line				
	Benefits and Services	Corporate Administration	Total Veterans Affairs Program	Veterans Review and Appeal Board	Total Portfolio
<b>Veterans Services Branch</b>					
Planned Spending	2,174.6	--	2,174.6	--	2,174.6
<i>(Total Authorities)</i>	2,356.6	--	2,356.6	--	2,356.6
(Total Actual Spending)	2,313.5	--	2,313.5	--	2,313.5
<b>Corporate Services Branch</b>					
Planned Spending	--	38.5	38.5	--	38.5
<i>(Total Authorities)</i>	--	98.4	98.4	--	98.4
(Total Actual Spending)	--	94.0	94.0	--	94.0
<b>Public Affairs Branch</b>					
Planned Spending	37.2	2.7	39.9	--	39.9
<i>(Total Authorities)</i>	39.6	2.7	42.3	--	42.3
(Total Actual Spending)	36.6	2.6	39.2	--	39.2
<b>Bureau of Pensions Advocates</b>					
Planned Spending	7.7	--	7.7	--	7.7
<i>(Total Authorities)</i>	8.2	--	8.2	--	8.2
(Total Actual Spending)	8.2	--	8.2	--	8.2
<b>Policy Coordination and Ottawa Headquarters</b>					
Planned Spending	2.8	2.0	4.8	--	4.8
<i>(Total Authorities)</i>	2.8	2.0	4.8	--	4.8
(Total Actual Spending)	2.6	2.0	4.6	--	4.6
<b>Audit and Evaluation</b>					
Planned Spending	--	2.3	2.3	--	2.3
<i>(Total Authorities)</i>	--	2.3	2.3	--	2.3
(Total Actual Spending)	--	2.3	2.3	--	2.3
<b>Corporate Planning</b>					
Planned Spending	--	2.0	2.0	--	2.0
<i>(Total Authorities)</i>	--	2.0	2.0	--	2.0
(Total Actual Spending)	--	1.8	1.8	--	1.8
<b>Veterans Review and Appeal Board</b>					
Planned Spending	--	--	--	11.0	11.0
<i>(Total Authorities)</i>	--	--	--	11.5	11.5
(Total Actual Spending)	--	--	--	11.5	11.5
<b>Total Portfolio</b>					
Planned Spending	2,222.3	47.5	2,269.8	11.0	2,280.8
<i>(Total Authorities)</i>	2,407.2	107.4	2,514.6	11.5	2,526.1
(Total Actual Spending)	2,360.9	102.7	2,463.6	11.5	2,475.1
<b>Percentage of Total</b>	<b>95.4</b>	<b>4.1</b>	<b>99.5</b>	<b>0.5</b>	<b>100.0</b>

- Note:
1. Corporate Services Branch and Corporate Administration Business Line includes the Minister's Office, the Deputy Minister's Office, Legal Services, Office of Early Conflict Resolution, and the Health Care Coordination Initiative.
  2. Actual expenditures in Corporate Services Branch exceeded planned expenditures primarily due to ex-gratia payments to Merchant Navy Veterans, First Nations Veterans, and former Prisoners of War.
  3. Due to rounding, figures may not add to totals shown.

**Table 10: Projects**

<b>Projects by Business Line (\$ millions)</b>						
<b>Project</b>	<b>Current Estimated Total Cost</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>		
		<b>Actual</b>	<b>Actual</b>	<b>Planned Spending</b>	<b>Total Authorities</b>	<b>Actual</b>
<b>Benefits and Services Business Line</b>						
Ste. Anne's Hospital Renovation Project (Implementation Phase)	67.7	--	0.6	3.6	2.8	<b>2.8</b>
Canadian Battlefield Memorials Restoration Project (Implementation Phase)	30	--	1.7	3.2	3.0	<b>3.0</b>
<b>Total</b>	<b>97.7</b>	<b>--</b>	<b>2.3</b>	<b>6.8</b>	<b>5.8</b>	<b>5.8</b>

**Table 11: Loans, Investments and Advances**

<b>Loans, Investments and Advances (\$ millions)</b>			
<b>Corporate Administration Business Line</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b>Property Contracts (Active Agreements of Sale - Veterans and Clients)</b>			
Number of Accounts	321	222	<b>90</b>
Outstanding Balance	0.7	0.4	<b>0.1</b>
Amounts Collected	0.7	0.3	<b>0.2</b>

**Table 12: Contingent Liabilities**

<b>Contingent Liabilities</b>
There are a number of individual and class action suits against the Government. Because of the complexity of the cases and the uncertainty of their outcomes at this stage, the estimation of contingent liability at this point would be highly speculative and could not be said to be a reasoned evaluation.



# Contact Us

## General Enquiries

If you wish to make a general enquiry about the Department, its programs or services, please contact your nearest Veterans Affairs Canada district or regional office. Locations and telephone numbers can be found in the government pages of your local telephone directory. If you wish to make a general enquiry about the Veterans Review and Appeal Board, please call 1-800-450-8006.

## Portfolio Publications

The Portfolio produces a variety of publications on its programs and services. Copies of these publications can be obtained from your nearest district or regional office.

Our Corporate Planning Division is responsible for coordinating the development of this report, the associated *Report on Plans and Priorities*, as well as a number of other departmental reports. These are available on-line at <http://www.vac-acc.gc.ca/general/sub.cfm?source=department/reports>. For more information, or if you have any questions, please contact:

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