

# **Veterans Affairs Canada**

**1999-2000  
Estimates**

Part III - Report on Plans and Priorities

Approved

The Honourable Fred J. Mifflin  
Minister of Veterans Affairs

Canada

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## I Messages

### Minister's Message



I am very pleased to present to Parliament, and the people of Canada, the Report on Plans and Priorities for the Veterans Affairs Portfolio for the year 1999-2000.

The Veterans Affairs Portfolio has been actively transforming itself into a client-centred organization for the past several years. Many different activities are taking place across the Portfolio which illustrate our employees' commitment to meeting the needs of our aging veterans and other clients. In this International Year of Older Persons, we will focus even more on our efforts on improving the services which we provide to these special Canadians.

We are pursuing a number of initiatives to improve service to our aging veterans as well as our younger Canadian Forces clients. The Client-centred Service Approach, the Review of Veterans' Care Needs, and the Veterans Affairs Canada - Canadian Forces Coordination Team, combined with new technology and work processes, are preparing us to meet the challenges of changing client needs. Capitalizing on the opportunities offered by advanced technology, the re-engineering of our delivery systems will continue in 1999-2000 resulting in the full implementation over the next two years of our Client Service Delivery Network. This major project will in turn enable us to more effectively and efficiently integrate service delivery to clients, reflecting the strategy of the Client-centred Service Approach. Continuity of services will be assured by an aggressive Year 2000 project aimed at making our benefit and operational systems year 2000 compliant.

We are using these innovative tools to transform our organization into one that is regarded, by both our clients and others, as a world-class service provider. In the process, we are providing our staff with new skills and training that will prepare us to continue to deliver quality client services. Collectively, the work of our staff in Districts, Regions and Head Office is helping to position the Department as a leader in service excellence.

The Honourable Fred J. Mifflin

## Management Representation Statement

### *MANAGEMENT REPRESENTATION*

#### *Report on Plans and Priorities 1999-2000*

I submit, for tabling in Parliament, the 1999-2000 Report on Plans and Priorities (RPP) for Veterans Affairs Canada.

I submit, for tabling in Parliament, the 1999-2000 Report on Plans and Priorities (RPP) for the Veterans Review and Appeal Board.

To the best of my knowledge (and subject to the qualifications outlined below), the information:

- Accurately portrays the Portfolio's mandate, plans, priorities, strategies and expected key results of the organization.
- Is consistent with Treasury Board policy and instructions and the disclosure principles contained in the *Guidelines for Preparing a Report on Plans and Priorities*.
- Is comprehensive and accurate.
- Is based on sound underlying departmental information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

This document is mainly based on the Planning, Reporting and Accountability Structure which was approved by Treasury Board Ministers in April 1997 and is the basis for accountability for the results achieved with the resources and authorities provided. Recent organizational changes will be reflected in a revised planning and reporting structure to be completed in 1999-2000.

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J.D. Nicholson, Deputy Minister  
Veterans Affairs Canada

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Brian Chambers, Chair  
Veterans Review and Appeal Board

February 8, 1999

February 5, 1999

## II Portfolio Overview

### A. Mandates, Roles and Responsibilities

The Veterans Affairs Portfolio is comprised of Veterans Affairs Canada (the Department) and the Veterans Review and Appeal Board. The Minister of Veterans Affairs is responsible to Parliament for Veterans Affairs Canada. The Chair, Veterans Review and Appeal Board, reports to Parliament through the Minister of Veterans Affairs.

**Veterans Affairs Canada's** mandate is to meet the needs of Canadians who served their country during wartime and peacekeeping and to honour those who gave their lives. The authorities for Veterans Affairs Canada's programs are contained in the *Department of Veterans Affairs Act*, 15 other Acts of Parliament, and 30 published regulations and orders for which the Minister of Veterans Affairs is responsible.

The **Veterans Review and Appeal Board's** mandate is to determine, and deal with, all applications for review and all appeals that may be made to the Board under the *Pension Act*, the *War Veterans Allowance Act* or other acts of Parliament. Matters related to those applications and appeals are authorized under the *Veterans Review and Appeal Board Act*.

A list of legislation and regulations associated with the mandate of the Veterans Affairs Portfolio, as well as a listing of legislative proposals, are presented in the Supplementary Information Section, from pages 60 to 62.

### B. Objectives

The Portfolio's broad-based objectives are captured in its Mission Statement.

#### **Mission Statement**

**To provide veterans, qualified civilians and their families with the benefits and services to which they are entitled; to promote their well-being and self-sufficiency as participating members of their communities; and to keep the memory of their achievements and sacrifices alive for all Canadians.**

During the 1999-2000 fiscal year, the Portfolio will deliver two programs:

**Veterans Affairs Program:** The objective of the Veterans Affairs Program is to contribute to the financial, physical and social health and well-being of veterans and other eligible clients in recognition of the sacrifices they made while serving their country, and to keep the memory of these sacrifices alive for all Canadians.

**Veterans Review and Appeal Board (VRAB) Program:** The objective of the Veterans Review and Appeal Board Program 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.

## C. Operating Environment

### 1. Organization

- ! **Veterans Affairs Program:** The Veterans Affairs Program, which operates under the direction of Veterans Affairs Canada (VAC), consists of two business lines—Benefits and Services, and Corporate Administration—and four service lines: Pensions and Allowances, Pensions Advocacy, Health Care, and Commemoration.

**Business Lines:**  
Benefits and Services  
Corporate Administration

The Program provides a wide range of benefits and services to veterans, qualified civilians and their dependants. Benefits and services are delivered through a decentralized organization consisting of a Head Office located in Charlottetown, the National Capital Office in Ottawa, and a network of regional and field offices across Canada. The Department also operates a hospital in Ste-Anne-de-Bellevue, Quebec.

- ! **Veterans Review and Appeal Board (VRAB) Program:** The Veterans Review and Appeal Board Program, which operates under the direction of the Veterans Review and Appeal Board (VRAB), consists of one business line.

**Business Line:**  
Veterans Review and Appeal Board

The VRAB business line is closely linked to VAC Program's Pensions and Allowances and Pensions Advocacy service lines (within its Benefits and Services business line) and renders decisions in reviews and appeals of disability pension cases and of final appeals of War Veterans Allowance decisions. VRAB services are delivered through a Head Office in Charlottetown, although hearings are held in many sites across the country.

Management of the Portfolio is a coordinated effort through the Offices of the Deputy Minister of Veterans Affairs Canada and the Chair of the Veterans Review and Appeal Board, who collaborate on issues having Portfolio-wide impact. The organization chart on page 46 reflects the accountability structure for the Portfolio.

## 2. Changes in Client Composition

The Department of Veterans Affairs was created in 1944 to develop and manage special programs for veterans and other qualified persons to compensate for death or disabilities incurred in the service of Canada. For over fifty years, most of Veterans Affairs' eligible clients consisted of war service veterans having served in World War I, World War II or the Korean War. In recent years, however, the client composition has been changing. The number of war service veterans has decreased while the number of Canadian Forces clients (including clients having served in a Special Duty Area) has been growing.

The following provides an outline of the estimated Canadian veteran population and Veterans Affairs' client base (including war service veterans and their dependants and Canadian Forces clients and their dependants).

***Estimated Canadian Veteran Population:*** At March 31, 1999, there are expected to be approximately 409,000 Canadian war service veterans. This number is expected to decrease to 383,000 by March 31, 2000. Between March 1999 and March 2008, Canada's estimated veteran population is expected to decline by approximately 55% (see the total row in Figure 1 on page 6). The majority of these veterans live in Ontario (34%) and the Pacific Region (21%), and the remainder are located in the Prairie Region (19%), the Atlantic Provinces (14%) and Quebec (12%).

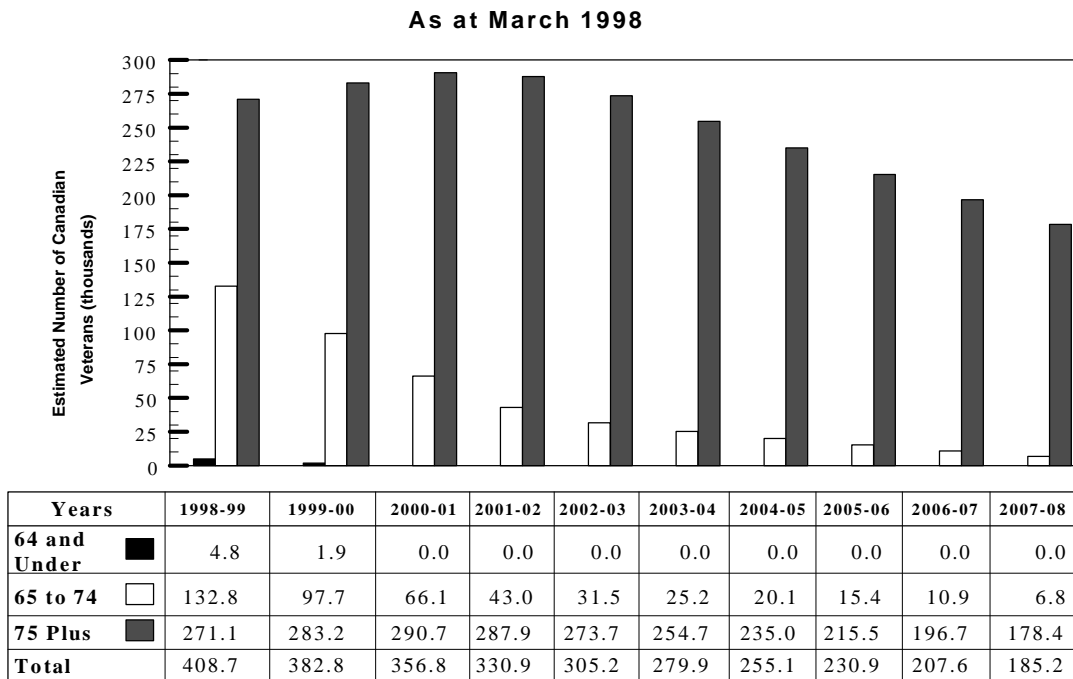
The following table presents the average age of the Canadian war service veteran population, at March 31, 1998, by type of war service.

<b>Type of War Service</b>	<b>Average Age</b>
First World War	98
Second World War	76
Korean War	67
<b>Total - Average Age</b>	<b>76</b>

As of March 1998, approximately 11% of all seniors in Canada were veterans. One in four males over the age of 65 was a veteran. At March 31, 2000, the average age of the Canadian veteran population will be 78.

At March 31, 2000, it is estimated that of Canada's total estimated veteran population (383,000), 73.9% will be 75 years of age or older, 25.6% will be between the ages of 65 to 74 and 0.5% will be under 65 years of age. Figure 1 below presents an overview of the aging trend of the estimated Canadian veteran population, by age category, for the ten-year period covering 1998-99 to 2007-08.

**Figure 1: Aging Trend of Estimated Canadian Veteran Population, by Age Category (1998-99 to 2007-08)**



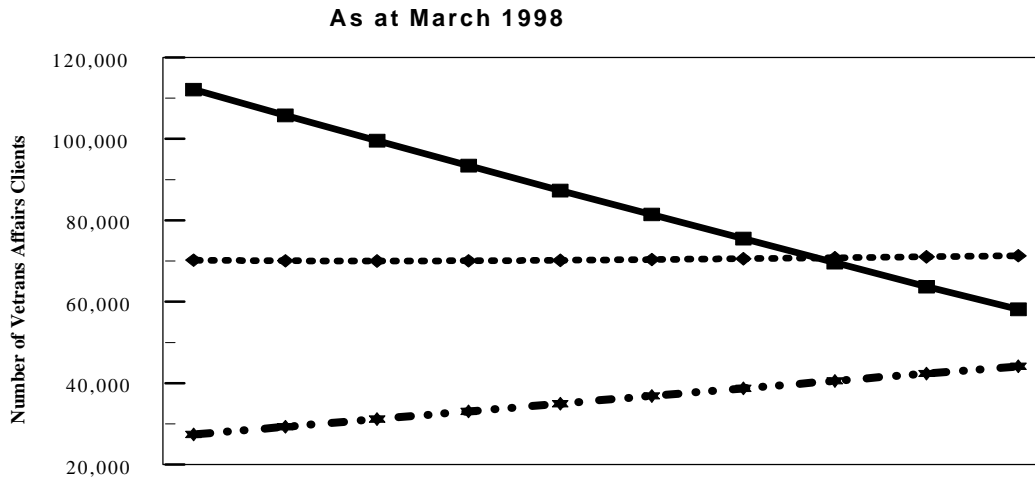
**Veterans Affairs' Clientele:** In 1999-2000, Veterans Affairs will be serving approximately 205,000 clients. About 106,000 war service veteran clients will receive a service or benefit from the Portfolio (this number represents 28% of the total forecast of the Canadian veteran population which is estimated to be 383,000 at March 2000). In addition, a further 70,000 survivors will be in receipt of benefits. Non-wartime groups such as ex-members of the Canadian Forces are estimated to represent an additional 29,000 clients.

Though Veterans Affairs's war service veteran client population is forecast to decrease by approximately 48% between March 1999 and March 2008, the decline will be offset by increases in the number of ex-members of the Canadian Forces (38%) and survivors (approximately 1.5%). As a result, Veterans Affairs' total clientele is forecast to decline by approximately 17% over this period. By March 2001, the proportion of Canadian Forces and survivor clients will exceed 50% of the total client population.



Figure 2 presents a breakdown of the forecast of Veterans Affairs' clients, by client type, for the ten-year period covering 1998-99 to 2007-08.

**Figure 2: Forecast of Veterans Affairs' Clients\* by Client Type (1998-99 to 2007-08)**



Fiscal Years	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
War Service Veterans	112,128	105,758	99,585	93,463	87,329	81,452	75,542	69,616	63,684	58,157
Survivors	70,221	70,067	70,019	70,062	70,189	70,363	70,576	70,809	71,043	71,291
Canadian Forces	27,402	29,274	31,165	33,064	34,961	36,848	38,715	40,554	42,358	44,120
<b>Total Clients</b>	<b>209,751</b>	<b>205,099</b>	<b>200,769</b>	<b>196,589</b>	<b>192,479</b>	<b>188,663</b>	<b>184,833</b>	<b>180,979</b>	<b>177,085</b>	<b>173,568</b>

\* Includes clients receiving disability pensions, War Veterans Allowance, treatment, long-term care, as well as benefits and services under the Veterans Independence Program.

(a) *War Service Veteran Clients*: A war service veteran client refers to: a Veterans Affairs' client who has served in either World War I, World War II or the Korean War and who is receiving a disability pension and/or War Veterans Allowance (or are War Veterans Allowance near recipients<sup>1</sup>); a veteran who has served overseas during the previously mentioned wars and who is in receipt of long-term care; or a veteran who has served in Canada only during these wars and who is in receipt of benefits and services under the Veterans Independence Program and the *Pension Act*.

Traditionally, war service veterans represented the bulk of Veterans Affairs' clientele; however, their numbers are decreasing due to their advancing age. Although the average age of the estimated Canadian war service veteran

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War Veterans Allowance near-recipients are clients who have applied for War Veterans Allowance but, following verification of their income, have been deemed not eligible for economic support. However, they do remain eligible to receive other Portfolio benefits and services such as treatment and Veterans Independence Program.

population was 76 at March 31, 1998, the average age of Veterans Affairs' war service veteran clients was 78. By the year 2008, war service veteran clients will be, on average, 84 years of age. Their needs, mainly associated with problems of aging, will require a short-term increase in health care services and a longer-term increase in institutional care. In March 1998, 18.4% of war service veteran clients had a disability level of 50% or greater.

Approximately 74% of these clients had dependent spouses, but less than 1% had dependent children. The largest populations of war service veterans are in the districts of Vancouver (9.1%), Montreal (7.3%) and Victoria (5.4%). These three districts account for 21.8% of all war service veteran clients.

- (b) Canadian Forces Clients: A Canadian Forces client refers to: a member of the Canadian Forces who served during peacetime, including in a Special Duty Area, who has been released from the Forces, and who is in receipt of a disability pension; or to a member of the Canadian Forces who is still serving in the Forces and who is in receipt of a disability pension related to Special Duty Area service. From March 31, 1995 to March 31, 1998, the number of Canadian Forces clients has increased at an average annual rate of 9%. Over the next five years, their number is projected to increase at an average rate of 6% per year, reaching almost 35,000 by March 2003.

At March 31, 1998, the average age of Veterans Affairs' Canadian Forces clients was 59. However, more than one-third of these clients were 65 and older, and almost 10% of them were 75 and older. Canadian Forces clients tend to be not as severely disabled due to military service as War Service clients. At March 31, 1998, 6.1% of Canadian Forces clients had a disability level of 50% or greater. Also, 71.8% of Canadian Forces clients were married and 17.5% of them had at least one dependent child.

Canadian Forces clients are more likely to live in the Atlantic Provinces, Quebec, and Alberta. The largest populations of Canadian Forces clients are in the districts of Ottawa (11.7%), Halifax (9.4%) and Victoria (9.2%), accounting for 30.3% of all Canadian Forces clients.

- (c) Survivors: Survivors include dependent spouses and children, widows/widowers and/or orphans of war service veterans or Canadian Forces clients who are in receipt of a disability pension or War Veterans Allowance.

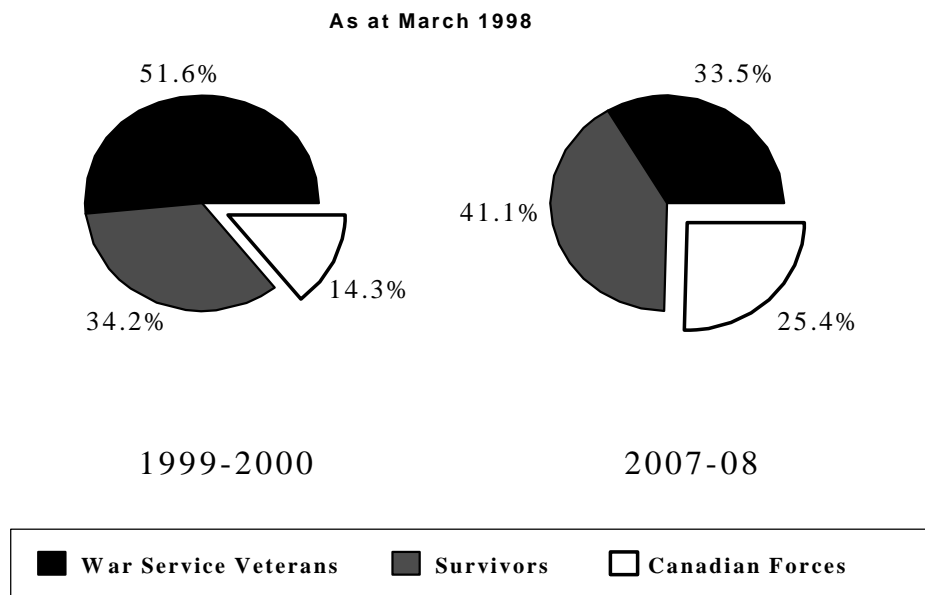
The number of survivors of Canadian Forces clients is increasing faster than the number of survivors of war service veteran clients. As of March 31, 1998, there were 3,465 Canadian Forces survivors, an increase of 6.9% from the 3,240 Canadian Forces survivors as of March 31, 1997. In comparison, survivors of war service veterans increased by less than 1% increase over the same time period, from 54,232 to 54,536.

### 3. Challenges to Program Delivery

Veterans Affairs is accountable to Parliament in fulfilling the government's commitment to veterans while providing the best possible value for tax dollars.

At March 31, 1999, Veterans Affairs' clientele will consist mostly of war service veteran clients (53.5%). This client group will represent 51.6% of the Portfolio's clientele by March 31, 2000, and 33.5% by March 31, 2008. Meanwhile, the number of survivors and Canadian Forces clients is increasing. Figure 3 below presents a graphic display of the change in client composition from March 31, 2000 to March 31, 2008.

**Figure 3: Change in Client Composition - March 31, 1999 to March 31, 2008**



The number of Canadian Forces clients is increasing while the number of war service veteran clients is decreasing; this trend is forecast to continue. How this shift in client composition will affect Departmental programs and services is an increasing concern. The following reviews some of the differences between Veterans Affairs' Canadian Forces clients and war service veteran clients:

1. If unsatisfied with an initial disability pension application decision, Canadian Forces clients are almost twice as likely to go on to a review than war service veterans and almost four times as likely to go on to an appeal. Of all war-service-veteran first applications adjudicated during 1995-96, only 25% went on to the review level, while 49.5% of Canadian Forces first applications that were adjudicated over the same time

period went on to the review level. Similarly, of all war service veteran reviews heard during 1995-96, only 11.3% went on to the appeal level, while 45% of Canadian Forces reviews that were adjudicated over the same time period went on to the appeal level.

2. In March 1998, 464 of 2,122 (21.9%) Canadian Forces clients having served in a Special Duty Area (SDA) were receiving benefits under the Veterans Independence Program (VIP), at an average cost of \$105.70 per month. This compares to 27,971 of 56,792 or 49.2% of war service veterans (not including those who were also income qualified) who were receiving VIP in the same month, at an average cost of \$144.45. This is consistent with the younger age of SDA clients. VIP participation peaks at 51% of pension-only clients at age 80 to 84, and then declines as clients increasingly enter long-term care or move to apartment facilities.
3. During 1997-98, 13,363 of 25,559 (52.2%) Canadian Forces clients received at least one treatment benefit, at an average annual cost of \$914.74. This compares to 61.5% of war service veteran clients (not including those who were also income qualified) who received at least one treatment benefit over the same period, at an average annual cost of \$1,565.65. Again, Canadian Forces clients are, on average, younger than war service veteran clients and are generally less disabled.

Canadian Forces clients have many differences from the war service veterans client group. Effectively meeting the needs of the Portfolio's diverse client groups will require more staff time to handle increasing levels of service, greater knowledge, specialized skill and expertise, and increased efforts directed at the coordination of community resources. Health promotion and wellness initiatives will attempt to contain increasing service demands; this will require staff to function in challenging new directions. The Portfolio has recently embarked on several initiatives such as Review of Veterans' Care Needs (see page 16) and Veterans Affairs Canada - Canadian Forces Coordination (see page 24) to further study the impact of the shift in client composition on program delivery and to develop strategies for effecting change as required.

#### **4. Judicial and Legal Factors**

Veterans Affairs legislation is presently the subject of litigation (including Charter challenges) in a number of cases. The issues involved are major and decisions in favour of the plaintiffs would have significant financial consequence for the Government. In two examples of such cases, one is related to interest on trust accounts; the other is related to remarried widows losing their War Veterans Allowance.

## 5. Government-wide Initiatives and Veterans Affairs' Strategic Priorities

In the spirit of meeting the government-wide priorities of *Rethinking Service for Canadians* and *Investing in Quality Care and Good Health*, Veterans Affairs continues to invest in organizational renewal and other initiatives that will position the Portfolio to improve or enhance services provided to our various clients. These initiatives include the Review of Veterans' Care Needs and our Business Renewal initiatives (Client-centred Service Approach, Benefits Redesign Project and the Corporate Services Infrastructure Review) as well as other initiatives such as Health Promotion and Education, Long-term Care Action Plan, and Quality Services.

Initiatives such as Veterans Affairs Canada - Canadian Forces Coordination and the Transfer of Ste. Anne's Hospital, involve extensive negotiations with various stakeholders. As well, horizontal management and coordination with other federal government departments and agencies will continue in order to implement government-wide initiatives like *La Relève*, the Universal Classification Standard, the Financial Information Strategy, the Health Care Coordination Initiative, the Modernization of Comptrollership and to resolve the Year 2000 problem. Other federal initiatives in which Veterans Affairs will be a committed partner include those related to seniors' issues, such as the National Framework on Aging and the International Year of Older Persons. In addition, partnerships will be established with Health Canada in order to further develop inter-sectoral service delivery solutions.

## D. Financial Spending Plan

The table below presents the Portfolio's financial spending plan, by program, for the period covering 1998-99 to 2001-2002.

(\$ millions)	Planned Spending 1998-99*	Planned Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02
<b>Gross Program Spending</b>				
Veterans Affairs Program	1,988.1	<b>1,961.5</b>	1,928.8	1,908.1
Veterans Review and Appeal Board Program	8.9	<b>8.1</b>	8.1	8.1
	<b>1,997.0</b>	<b>1,969.6</b>	<b>1,936.9</b>	<b>1,916.2</b>
<i>Less: Revenue to the Vote</i>	0.0	<b>0.0</b>	0.0	0.0
<b>Net Program Spending</b>	<b>1,997.0</b>	<b>1,969.6</b>	<b>1,936.9</b>	<b>1,916.2</b>
<i>Less: Revenue Credited to the Consolidated Revenue Fund</i>	36.3	<b>34.8</b>	33.3	31.8
<i>Plus: Non-budgetary</i>	0.0	<b>0.0</b>	0.0	0.0
<i>Plus: Cost of Services Provided by other Departments</i>				
- Veterans Affairs Canada	24.3	<b>22.7</b>	22.3	22.3
- Veterans Review and Appeal Board	0.8	<b>0.7</b>	0.7	0.7
<b>Net Cost of the Portfolio</b>	<b>1,985.8</b>	<b>1,958.2</b>	<b>1,926.6</b>	<b>1,907.4</b>

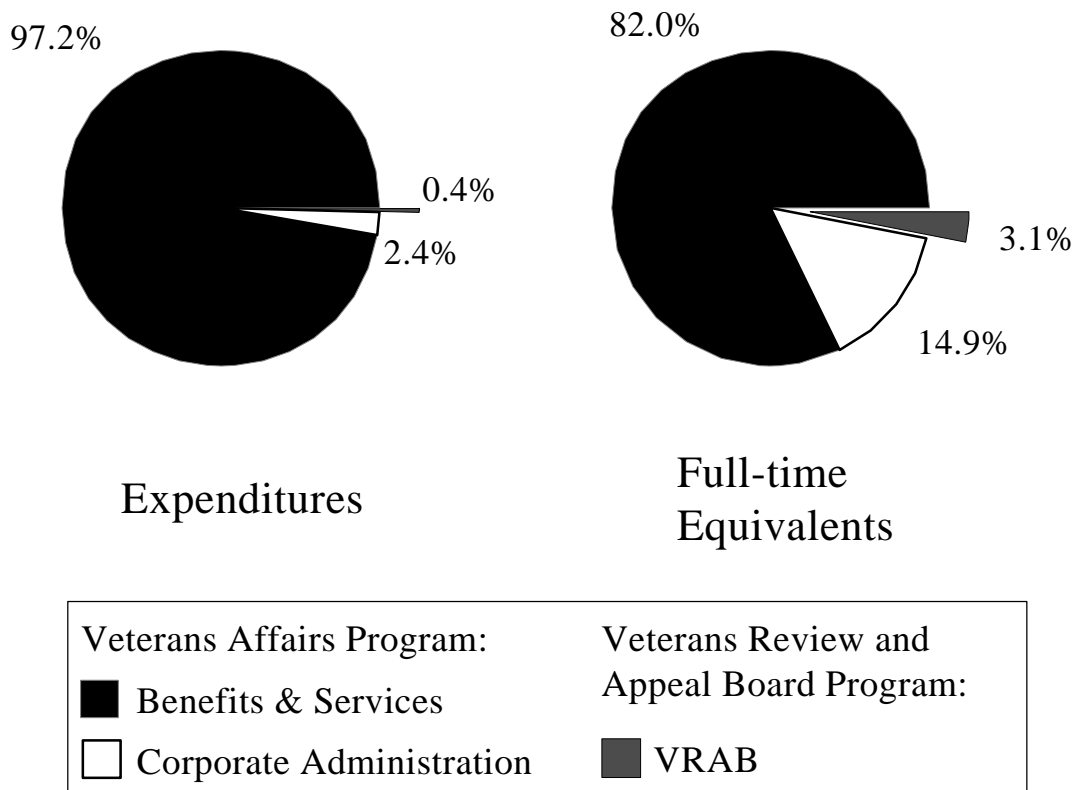
\* Reflects best forecast of total planned spending to the end of the fiscal year.

The Portfolio estimates that approximately \$1.97 billion will be spent in 1999-2000. The Department will use approximately \$1.96 billion, or 99.6% of the total Veterans Affairs budget. Another \$8 million, representing 0.4% of the total Portfolio budget, has been allocated to support the Veterans Review and Appeal Board Program.

In 1999-2000, the Portfolio expects to utilize 3,380 full-time equivalents (FTEs)\*. The Department will use 3,275 FTEs (96.9%), which includes approximately 1,000 FTEs for the operations of Ste. Anne's Hospital. The Veterans Review and Appeal Board will use another 105 FTEs (3.1%).

Figure 4 below shows the distribution of Portfolio resources and full-time equivalents for the Estimate year, by program and business line.

**Figure 4: Planned Distribution of Portfolio Resources - 1999-2000**



\* Full-time Equivalent (FTE) is a measure of human resource consumption based on average levels of employment. FTE factors out the length of time that an employee works during each week by calculating the rate of assigned hours of work over scheduled hours of work.

### III Plans, Priorities, Strategies and Expected Results

#### A. Summary of Key Plans, Priorities, Strategies and Expected Results

The chart of key result commitments below highlights Veterans Affairs' key plans and expected results for the 1999-2000 fiscal year.

##### Chart of Key Result Commitments

<b>Veterans Affairs</b>	
<b>PLANS (to provide Canadians with):</b>	<b>STRATEGIES (to be demonstrated by):</b>
<b>benefits and services to Veterans Affairs' clients that meet their individual needs</b>	<ul style="list-style-type: none"> <li>➤ the development of a holistic and standardized approach to serving veterans (see page 15)</li> <li>➤ the reassessment of some short-term options to ensure the quality of care is maintained at Ste. Anne's Hospital during the negotiations (see page 16)</li> <li>➤ the maintenance of and improvement in the quality of service to our core clients while investigating the potential for additional clients (see pages 16, 17 and 24)</li> <li>➤ the development of a policy objective that supports a continuum of care to veterans (see page 31)</li> </ul>
<b>modernized technical infrastructure and corporate systems and processes that create an innovative and dynamic organization capable of adapting rapidly to accommodate changing program and service delivery needs as well as government-wide priorities</b>	<ul style="list-style-type: none"> <li>➤ the continued provision of quality, efficient and cost-effective service to clients will be assured through the implementation of the Client Service Delivery Network, Year 2000, Universal Classification Standard and La Relève initiatives (see pages 18, 35 to 38, and 48 to 50)</li> <li>➤ The development of an integrated approach to ensure the most efficient use of information technology resources across the organization (see pages 18 and 37)</li> </ul>
<b>the sustainability of services to clients through the exploration of partnerships and alliances</b>	<ul style="list-style-type: none"> <li>➤ the pursuit of opportunities to partner with private and public sector organizations in order to lower costs, provide improved service and take advantage of previous investments (see pages 19 to 21)</li> </ul>

The Portfolio has identified nine (9) strategic initiatives that will assist in meeting the above key commitments while remaining dedicated to providing program and service delivery based on the guiding principles of courtesy, speed and fairness. These initiatives are as follows:



1. Business Renewal: Client-centred Service Approach
2. Transfer of Ste. Anne's Hospital
3. Review of Veterans' Care Needs
4. Veterans' Organizations
5. Business Renewal: Benefits Redesign Project
6. Business Renewal: Corporate Services Infrastructure Review
7. Year 2000 Project
8. Health Care Coordination Initiative
9. Knowledge Economy Partnership

The following will provide information on each strategic initiative, by key commitment, as well as their expected results.

**Key Result Commitment:** The provision of benefits and services to Veterans Affairs' clients that meet their individual needs.

1. **Business Renewal: Client-centred Service Approach (CCSA):** CCSA was adopted in 1996 by Veterans Affairs Canada to better position the organization's structure, staffing and processes to proactively respond to the service challenges presented by a diverse client population whose needs are increasingly complex. The Client-centred Service Approach recognizes clients' rights to informed choices, evidence-based decision-making, and access to a continuum of care. It is based on a problem-solving service delivery model.

Expected Results	Activities
<p>The adoption of a client-centred service delivery model, standards for service which promote positive health outcomes and the promotion of standardized work processes.</p>	<ul style="list-style-type: none"> <li>➤ Implement all components of the model in all seven pilot project sites by August 30, 1999.</li> <li>➤ Evaluate how well processes, support structures and resources have been developed and supported.</li> <li>➤ Use lessons learned to modify national and project site plans and to improve and facilitate the implementation of this approach throughout the Department.</li> <li>➤ Strengthen links with community agencies to enhance service delivery to all clients regardless of program eligibility.</li> </ul>

- 2. Transfer of Ste. Anne’s Hospital:** Ste. Anne’s Hospital, situated in Ste. Anne-de-Bellevue, Quebec, is the last remaining hospital operated exclusively by Veterans Affairs. This long-term care hospital utilizes approximately 1,000 FTE’s and administers approximately 580 active beds.

To achieve a successful transfer, it will be necessary to have effective communication with internal and external stakeholders. Stakeholders will continue to be apprised of the project’s activities and progress through briefings and updates. To that effect, a comprehensive communication strategy has been completed and will be revised as required. During this period of discussion and subsequent negotiations and transfer, there can be no reduction in the level and quality of care provided to veteran clients.

Expected Results	Activities
The successful transfer of Ste. Anne’s Hospital while ensuring that eligible veterans continue to have access to quality long-term care services, consistent with those provided to veterans across Canada.	<ul style="list-style-type: none"> <li>➤ Management and cost of renovations to the facility to meet current federal and provincial standards.</li> <li>➤ Negotiation of monitoring mechanisms to ensure continued quality care and services to veterans following a transfer.</li> <li>➤ Guarantee of long-term care services in the official language of choice of veteran clients; and human resources issues.</li> </ul>

- 3. Review of Veterans’ Care Needs (RVCN):** The Review of Veterans’ Care Needs is identifying changes in needs of aging veterans and how VAC can best add value to their care. The aim of this Review is to provide the direction for developing health and support programs for veterans over the next decade. Some emerging issues which will be addressed by the Review include the VAC mandate for health care programs, eligibility issues, veterans’ needs and expectations, administrative complexities for veterans and VAC staff, and a profile of our Canadian Forces clients.

The Review will be releasing the results of its analysis of long-term care needs of veterans immediately and focusing on two main issues: developing a Client Profile of the care needs of Canadian Forces clients and an analysis of health program structure/eligibility requirements. In addition, the Review will be offering options to strengthen caregiver support.

Expected Results	Activities
<p>Provide the direction for developing health and support program over the next decade by:</p> <p>identifying the future long-term care needs of veterans and examine appropriate ways to meet those needs;</p> <p>addressing the majority of the eligibility anomalies raised by VAC staff and veterans' organizations during the Review's consultation phase;</p> <p>determining options for meeting care needs of Canadian Forces clients; and</p> <p>providing options to strengthen caregiver support.</p>	<ul style="list-style-type: none"> <li>➤ Preparation of a series of planning tools and development of projections of long-term care needs and options to meet the need.</li> <li>➤ Development of a framework which could be used to plan and implement program and eligibility changes.</li> <li>➤ Development of a client profile of the care needs of Canadian Forces clients.</li> <li>➤ Liaison with the VAC-CF Service Improvement Team and ongoing consultation with National Defence.</li> <li>➤ Finalize a demographic profile.</li> <li>➤ Preparation of a research and analysis paper respecting caregiver issues and potential responses.</li> </ul>

**4. Veterans' Organizations:** Maintaining and strengthening the long-standing partnership which has existed with veterans' organizations is a priority for the Portfolio. The Department is committed to the fullest possible consultation on matters of importance to veterans. This approach, which proved instrumental in meeting the Government's commitment to reducing pension turnaround times, has again demonstrated its effectiveness with the introduction of Bill C-61 on December 2, 1998. This legislation incorporates many key priorities of the major veterans organizations, and all amendments benefitted from the advice sought and received from the veterans groups. The Department's commitment to consultation will continue in the future.

Expected Results	Activities
Continued constructive relationships.	<ul style="list-style-type: none"> <li>➤ Ongoing consultation on issues of mutual concern, including long-term care, service delivery, health promotion and education.</li> </ul>

Expected Results	Activities
	<ul style="list-style-type: none"> <li>➤ VAC will be working closely with the Royal Canadian Legion and other veterans' organizations to plan and carry out Millennium Projects such as the Tomb of the Unknown Soldier and the two-minute Wave of Silence.</li> </ul>

**Key Result Commitment:** The modernization of our technical infrastructure and corporate systems and processes to create an innovative and dynamic organization capable of adapting rapidly to accommodate changing program and service delivery needs as well as government-wide priorities.

5. **Business Renewal: Benefits Redesign Project (BRP):** The Benefits Redesign Project is a Veterans Affairs Canada undertaking to implement a cost-effective business solution that will ensure the long-term continuity of service to veterans and prepare the organization for the future. Implementation of the integrated Client Service Delivery Network (CSDN) will support the client-focused delivery of benefits and services to clients. The Project is deemed to be a Major Crown Project; more details are provided in the supplementary Information Section on pages 48 to 50.

Expected Results	Activities
<p>The implementation of a cost-effective business solution that will ensure the long-term continuity of service to veterans and prepare the organization for the future.</p>	<ul style="list-style-type: none"> <li>➤ Implement Release 2 of the CSDN in the second half of 1999-2000.</li> <li>➤ Implement Release 3 of the CSDN in the second half of 1999-2000.</li> </ul>

6. **Business Renewal: Corporate Services Infrastructure Review (CSIR):** In order to provide the best possible service by taking advantage of technological advances and modern systems, the Portfolio will be taking an electronic, automated approach in the introduction of new corporate systems to improve the financial, human resources, material and records management functions. Better quality and embedded performance reporting will result in faster response times and more accessible services focused on client needs and expectations.

The aim of CSIR is to remove as much of the administrative burden as possible from those employees who provide direct client service to citizens. Enhancements to corporate systems and processes are underway to meet changing program and service delivery needs as well as government-wide priorities.

Veterans Affairs is in the process of assessing all corporate systems to determine the appropriateness and functionality of each component, giving special attention to the integration of corporate management components with the Benefit Redesign Project's (BRP) Client Service Delivery Network (CSDN). The replacement of corporate systems recognizes the changes necessary for date conversion to the Year 2000. Current systems covered under this project include common programs for finance, material management, human resources, and electronic document management.

Expected Results	Activities
<p>Modernized corporate services which will provide clients with the choice of how, where and when consistent quality services will be provided.</p> <p>Performance measures which will be embedded in the service processes.</p>	<p>➤ Business renewal initiatives, careful human resource planning and the effective collaboration of our partners to implement these plans.</p>

7. **Year 2000 Project:** Veterans Affairs' Year 2000 Project has been initiated to address the need to convert to Year 2000 automated systems and to ensure all computer software and hardware can handle dates so that the change of the century will not disrupt Portfolio operations. For further details, see the Chart on Year 2000 Initiatives on page 44.

**Key Result Commitment:** The sustainability of services to clients through the exploration of partnerships and alliances.

8. **Health Care Coordination Initiative (HCCI):** The Health Care Coordination Initiative was established in 1994 to develop and implement a strategy to coordinate federal government purchasing of health care products and services for their clients. A partnership of nine departments and agencies was formed to combine their purchasing power and program expertise. The participating federal departments and agencies include: Correctional Service Canada, Canadian International Development Agency, Health Canada, National Defence, Public Works and Government Services Canada, Royal Canadian Mounted Police, Treasury Board of Canada Secretariat, and Veterans Affairs Canada.

In this example of horizontal management by partners in a common field, departments spend approximately \$2 billion annually on health care for their 900,000 clients. The Initiative builds on areas of common interest among the partners while respecting the differences between their mandates and client groups.

Early in 1998-99, HCCI developed a three-year Business Plan which focused the efforts of the Initiative on areas of high return for the partner departments. These are prescription drugs, vision care, dental care, oxygen therapy and audiology. The HCCI partners are also combining their program management information and expertise to improve decision making in program administration and delivery.

Expected Results	Activities
Provision of a satisfactory level of health care products and services for federal clients at the lowest possible cost.	➤ The purchasing priorities for year one are establishing agreements in vision care in Manitoba and Saskatchewan, prescription drugs in Saskatchewan, joint purchasing of dental supplies and services and a common approach to purchasing audiology products.
Improved decision making in program administration and delivery.	➤ The year one priorities in this area are establishment of joint Pharmacology and Therapeutics and Dental Care Advisory Committees, as well as joint policy development in selected program areas.

- 9. Knowledge Economy Partnership (KEP):** Under the auspices of the Knowledge Economy Partnership (KEP), which originated in June 1996, more than 40 separate projects have been launched, the majority of which have information technology as an integral component. The nature and scope of the initiatives are significantly diverse ranging from feasibility studies and implementation plans on integrated service delivery, citizen engagement, youth initiatives, training and development of human resources, delivery of health services to enterprise development and electronic commerce. During the fiscal period 1999-2000, emphasis will be placed on operationalizing government service delivery through integrated approaches.

Expected Results	Activities
<p>Strengthen the relationships between citizens and all levels of government.</p> <p>Improve access to government services.</p> <p>Eliminate red tape, overlap and duplication of services.</p> <p>Stimulate economic growth.</p> <p>Enhance the skills of the local workforce.</p> <p>Create a transportable model for collaborative governance.</p>	<ul style="list-style-type: none"> <li>➤ Continue to identify opportunities for cross-jurisdictional cooperation and horizontal management of strategic initiatives.</li> <li>➤ Establish a strategic alliance between the KEP partners and the Federal Regional Council to advance policy issues germane to: Citizen-centred service delivery, leadership, employee development and youth.</li> <li>➤ Conduct a comprehensive evaluation of the KEP initiatives, focusing on relevance, impact, success and cost-effectiveness.</li> <li>➤ Provide coordination and support for the implementation of initiatives involving all levels of government.</li> </ul>

## B. Programs and Business Lines Plans

The following provides Veterans Affairs' operational framework, highlighting its business and service lines according to the latest Planning, Reporting and Accountability Structure. A recent organizational change resulted in the creation of the new senior executive position of Assistant Deputy Minister, Commemoration and Public Relations and Chief Pensions Advocate. For the purposes of this year's Report on Plans and Priorities, the position of the new Assistant Deputy Minister will be reflected under both the Benefits and Services and the Corporate Administration business lines (within the Veterans Affairs Program). However, the functions for which this position is responsible will be reported under the Benefits and Services business line. Veterans Affairs' Planning, Reporting and Accountability Structure document will be revised in 1999-2000 to reflect the creation of a new Commemoration business line.

### 1. Veterans Affairs Program

The objective of the Veterans Affairs Program is to provide support for the economic, social, mental and physical well-being of veterans, their dependants and other eligible persons. This is done through the use of two business lines: Benefits and Services and Corporate Administration. Within the Benefits and Services business line, there are four distinct service lines: (1) Pensions and Allowances, (2) Pensions Advocacy, (3) Health Care, and (4) Commemoration.

<p><b>Business Lines:</b> Benefits and Services Corporate Administration</p>
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#### 1.1 Benefits and Services Business Line

##### *Planned Spending*

(\$ millions)	Planned Spending 1998-99*	Planned Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02
<b>Gross Expenditures</b>	<b>1,925.5</b>	<b>1,915.2</b>	<b>1,887.4</b>	<b>1,873.5</b>
(Includes: Pensions and Allowances, Pensions Advocacy, Health Care, and Commemoration Service Lines)				
<i>Less:</i> Revenue Credited to the Vote	0.0	0.0	0.0	0.0
<i>Less:</i> Revenue Credited to the Consolidated Revenue Fund	35.9	34.5	33.1	31.6
<b>Total Revenue</b>	<b>35.9</b>	<b>34.5</b>	<b>33.1</b>	<b>31.6</b>
<b>Total Net Expenditures</b>	<b>1,889.6</b>	<b>1,880.7</b>	<b>1,854.3</b>	<b>1,841.9</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.



**Objective**

To contribute to the financial, physical and social health and well-being of veterans and other eligible clients in recognition of the sacrifices they made while serving their country, and to keep the memory of these sacrifices alive for all Canadians.

**Business Line Profile:**

The Benefits and Services business line contributes to Veterans Affairs' strategic objectives through its four constituent service lines: Pensions and Allowances, Pensions Advocacy, Health Care, and Commemoration. The business line's major programs include: disability pensions and related allowances, War Veterans Allowance, Veterans Independence Program, treatment benefits, long-term care, and other health-related services. Added-value and efficiency in the delivery of these programs are ensured through effective program coordination and information and management services. The programs and services of the Benefits and Services business line are administered by the following senior Portfolio officers:

<p><b>Service Lines:</b> Pensions and Allowances Pensions Advocacy Health Care Commemoration</p>
--

<p><b>Benefits and Services Business Line</b></p>	
<p><b>Assistant Deputy Minister, Veterans Services Branch</b></p> <p>Director General, Benefits Director General, Health Care Regional Directors General (5) Executive Director, Ste. Anne's Hospital Director General, Business and Information Management Services Director General, Program Coordination Director General, Universal Classification Standard Champion / Special Projects Director General, Transition Management Project Manager, Veterans Affairs Canada - Canadian Forces Coordination Initiative Project Leader, Review of Veterans' Care Needs</p>	<p><b>Assistant Deputy Minister, Commemoration and Public Relations and Chief Pensions Advocate</b></p> <p>Director General, Commemoration Director General, Communications Senior Area Advocate, Bureau of Pensions Advocates Project Director, Ste. Anne's Hospital Transfer</p>

Further information on the business line's major programs is provided within their respective service lines.

***Strategy and Key Activities***

For 1999-2000 and beyond, the Benefits and Services Business Line will be in a state of transition as it adapts to its changing client composition and the need to develop newer and better ways to deliver benefits and services to its clients. To achieve these goals, the Portfolio will need to effect improvements in quality and enhancements to its services. At the same time, it will continue to modernize its information management capacity and business processes.

These goals will be accomplished through business renewal initiatives such as Client-centred Service Approach (see page 15) and the Benefits Redesign Project (see page 18) and through other initiatives such as Review of Veterans' Care Needs (see page 16), Veterans Affairs Canada-Canadian Forces Coordination (below) and Health Promotion and Education (see page 31).

Veterans Affairs Canada - Canadian Forces Coordination Initiative (VACCFCI): In 1998, the Veterans Affairs Canada (VAC)-Canadian Forces Coordination Team was established to provide a central coordination point within Veterans Affairs for all matters concerning VA and National Defence (ND), to identify issues of mutual concern, to facilitate action and to monitor progress on improvement initiatives between the two departments. Working with the staff from the ND as well as with VAC staff at Head Office and in the field, the team will identify issues and create and maintain an inventory of issues concerning VAC and ND. The team will coordinate these items between VAC and ND to monitor and report to the ND-VAC Steering Committee on progress made on initiatives between the two departments. The ND-VAC Steering Committee is co-chaired by the Assistant Deputy Minister, Veterans Services Branch, and the National Defence Assistant Deputy Minister, Human Resources (Military).

Expected Results	Activities
Advice to Government on Response to the report of the Standing Committee on National Defence and Veterans Affairs on Quality of Life of Canadian Forces (CF) members.	<ul style="list-style-type: none"> <li>➤ Memorandum to Cabinet.</li> <li>➤ Implementation of government-endorsed response.</li> </ul>
Establish a strong network between the two Departments which encourages commitment to improvement of services for CF members.	<ul style="list-style-type: none"> <li>➤ Exchange Officers in place.</li> <li>➤ Joint Steering Committee established.</li> <li>➤ Working parties on transfer of records, electronic records, medical reports.</li> </ul>
Raise VAC staff awareness of CF members' needs.	<ul style="list-style-type: none"> <li>➤ Communications program.</li> <li>➤ Familiarisation program.</li> </ul>
Raise CF members' awareness of VAC entitlements and benefits.	<ul style="list-style-type: none"> <li>➤ VAC staff providing pre- and post-deployment briefings, training course sessions, second career network briefings.</li> </ul>

***Long-term Expected Results of the Benefits and Services Business Line:***

- Consistent, timely and cost-effective delivery of compensation and financial assistance.
- Delivery of health and social programs.
- Provision of legal assistance.
- Recognition and honouring of wartime achievements.

In addition to the key strategic initiatives identified on pages 15 to 21, other strategies have been initiated to assist in achieving the goals for the Benefits and Services business line. Details on those initiatives are provided within their respective service lines.

◆ **Pensions and Allowances Service Line**

***Objective***

To compensate veterans and other eligible clients in a timely and equitable manner for death or disabilities related to military service, or provide economic support and assistance where there is a need.

The Pensions and Allowance service line provides veterans and other eligible clients with disability pensions, prisoner-of-war compensation, special awards, War Veterans Allowance and other economic benefits, and survivor and dependant

benefits. In providing these benefits, the following services are included: counselling, assisting in the preparation of applications, medical exams, assessment of need, adjudication, payment, account maintenance and responding to queries.

**Major Service Line Outputs:**

Disability Pensions  
War Veterans Allowance

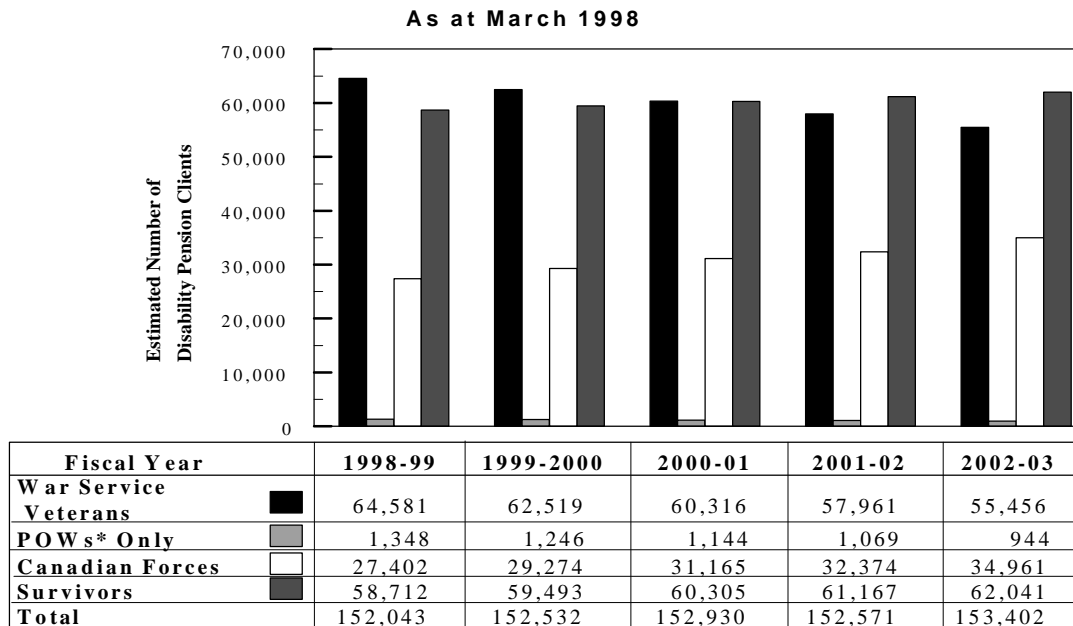
***Operating Context***

As illustrated in Figure 5 on page 26, the number of clients for the disability pension program is expected to remain relatively constant, largely because of the claims submitted by members of the Canadian Forces. The War Veterans Allowance program, however, is experiencing a sharp decrease in recipients (see Figure 6) due to the aging of the veteran population.

Veterans Affairs remains committed to continuous improvement and continues to look for new ways to improve the pension application and adjudication process.

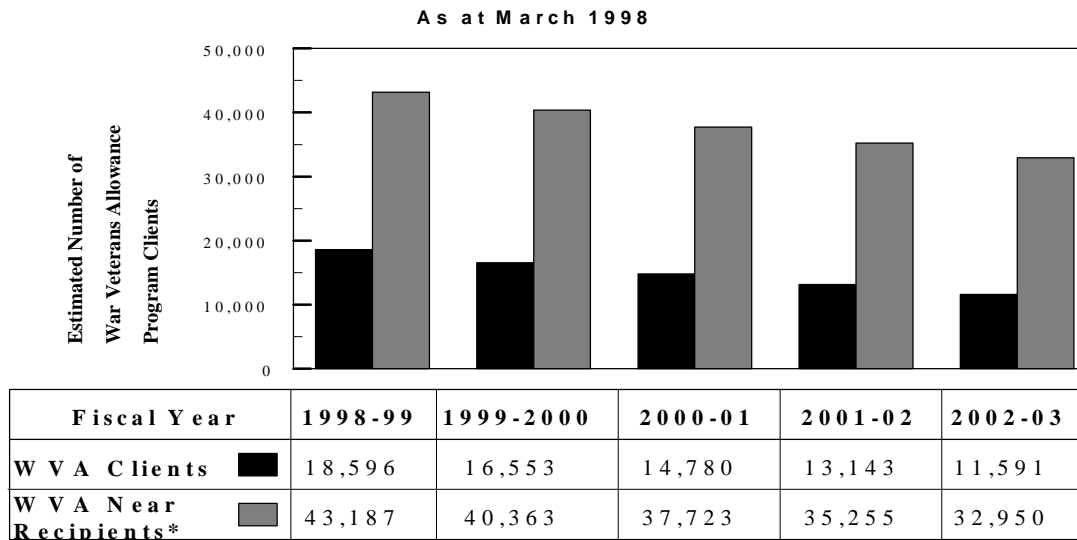
Figures 5 and 6 on page 26 present the estimated trends in client participation for the two major programs delivered within the Pensions and Allowance service line: Disability Pensions and War Veterans Allowance.

**Figure 5: Estimated Trend in Client Participation - Disability Pensions Program**



\* POWs: Prisoners of War

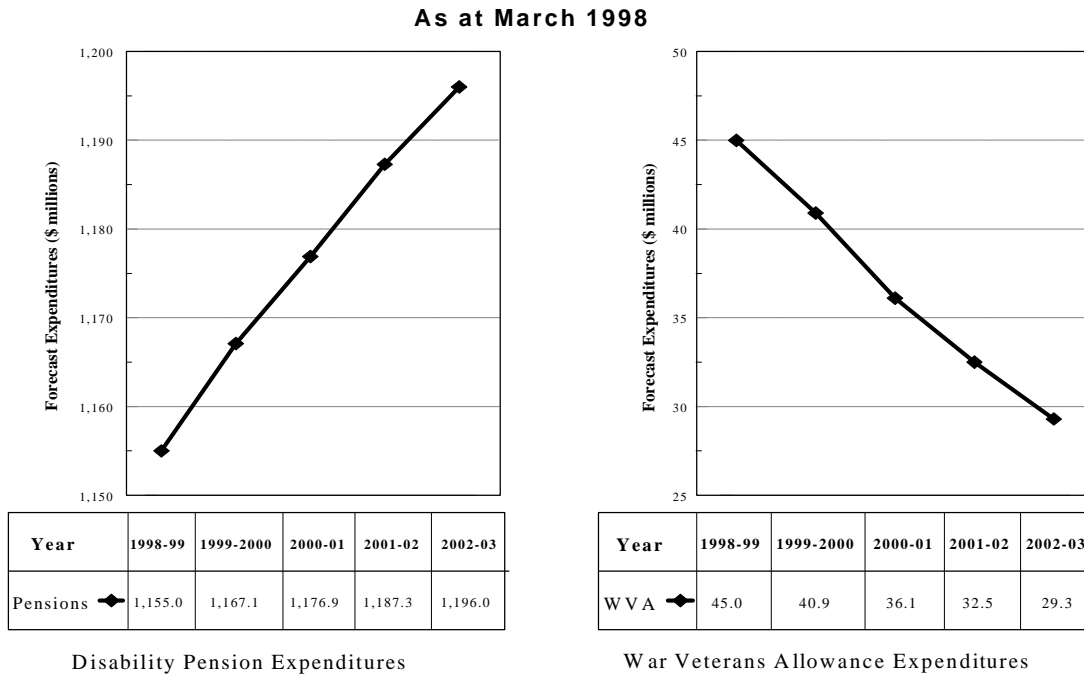
**Figure 6: Estimated Trend in Client Participation - War Veterans Allowance Program**



\* Near recipients are clients who have applied for War Veterans Allowance but, following verification of their income, have been deemed not eligible for economic support. However, they do remain eligible to receive other Portfolio benefits and services such as treatment and Veterans Independence Program.

Figure 7 below presents the estimated trends in expenditures from 1998-99 to 2002-03 for the Disability Pensions and War Veterans Allowance programs.

**Figure 7: Estimated Trend in Program Expenditures - Disability Pensions and War Veterans Allowance**



***Long-term Expected Results of the Pensions and Allowances Service Line:***

Clients who are eligible receive pension awards and/or economic benefits through:

- consistent and equitable adjudication, and
- a fair and timely delivery process.

**◆ Pensions Advocacy Service Line**

**Service Line Output:**  
 Legal advice and representation for clients seeking review or appeal.

***Objective***

To represent veterans and other eligible clients who are seeking a review or appeal of a pension or allowance decision before the Veterans Review and Appeal Board.

The Pensions Advocacy service line provides veterans and other eligible clients with legal advice and representation for reviews and appeals of unfavourable or partially favourable entitlement or assessment pension decisions rendered at the first level of adjudication, or for final appeals of War Veterans Allowance decisions.

### *Operating Context*

The Bureau of Pensions Advocates, alone or in conjunction with other organizations, represents approximately 95% of veterans and other eligible clients appearing before the Veterans Review and Appeal Board. The number of clients represented from year to year is affected by the outcome of decisions at the first application level. As these clients age and their level of disability increases, there will be a need for more innovative strategies to bring VRAB hearings to veterans rather than bringing veterans to VRAB hearings (e.g. video conferences).

### *Long-term Expected Results of the Pensions Advocacy Service Line:*

The provision of professional legal services to those clients who are dissatisfied with their eligibility, entitlement or assessment decisions with a view to ensuring that clients receive the benefits to which they are entitled.

## ◆ **Health Care Service Line**

### *Objective*

To promote the independence, self-sufficiency, health and well-being of veterans and other qualified clients.

Health Care Division designs and implements innovative health and social

### **Major Service Line Programs:**

Treatment and Other Health- related Benefits  
Veterans Independence Program  
Long-term Care

programs that anticipate and adapt to the evolving needs of eligible clients, including their smooth transition into the appropriate institutional environment if this becomes necessary. At the other end of the spectrum, health promotion and wellness initiatives attempt to

assist both eligible and non-eligible clients in maintaining independence for as long as possible. These programs provide funding for health and social services in the form of the Veterans Independence Program, Health Care Benefits, and Long-term Care. The services provided include: home care; hospital and long-term care; assessment and counselling; health promotion; and fourteen (14) treatment programs to address health needs such as medical, dental, prosthetic services, vision, audio, oxygen, pharmacy, etc.

### *Operating Context*

At March 1998, over 65% of Veterans Affairs' war service veterans and Canadian Forces clientele were over 75 years of age (77.9% of war service veterans and 8.6% of Canadian Forces clients). Compared to March 1997, the number of war service veterans and Canadian Forces clientele who are over 75 years of age has increased by almost 7%. Their needs have shifted to problems associated with aging, such as chronic ill-health, frailty and loss of mobility.

A high proportion of veteran clients are disabled. As they age, many veterans experience increased vulnerability and dependence on others, such as family members, friends, community organizations or public institutions. The impact of providing services to an aging clientele will be felt in a number of ways:

- The demand for care services will increase as the predominantly home-based veteran client will need additional services due to complex and diverse needs;
- The demand for institutional care will increase in the long term, as veterans move from home care to nursing home and chronic care in community and contract institutions; and
- The reorganization of the delivery of health services provided by other jurisdictions will create additional challenges for Veterans Affairs.

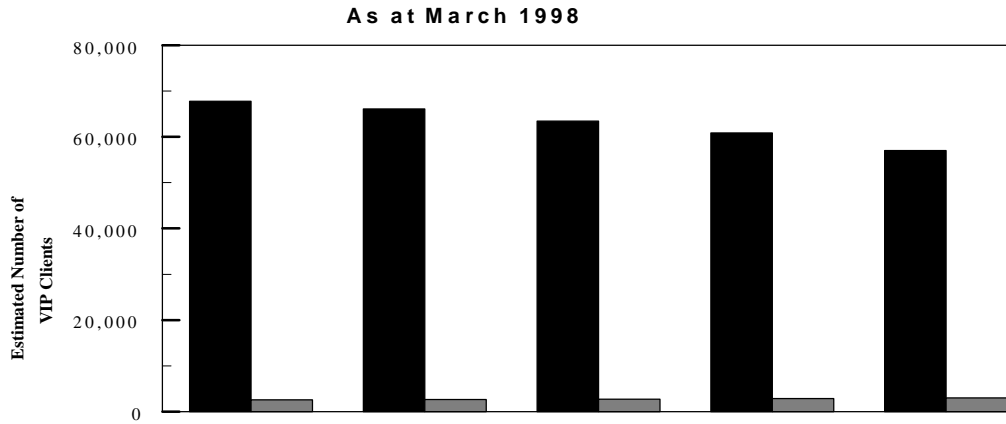
The revised Prescription Drug Program resulting from an extensive review that was conducted over the past two years will have been implemented nationally before April 1, 1999. The revised program establishes a medical basis for both accepting drugs into the VAC formulary and for approving payment for an individual client. The revised benefit criteria and "Point -of-Service" technology ensures clients are provided appropriate pharmacy benefits in a timely cost effective manner.

In Long-Term Care, an action plan has been developed to address an outline of actions required to ensure the effective provision of institutional long-term care for veterans across Canada and to address the health care conclusions contained in the May 1996 Report of the Auditor General. The initiative is also designed to develop the future direction for institutional long-term care as an integrated component of the VAC continuum of health care services.

Through its participation in the Health Care Coordination Initiative, a partnership of nine federal government departments and agencies (see page 19), VAC minimizes inefficiencies and duplication and is able to purchase health care products and services at an acceptable standard at the best possible cost.

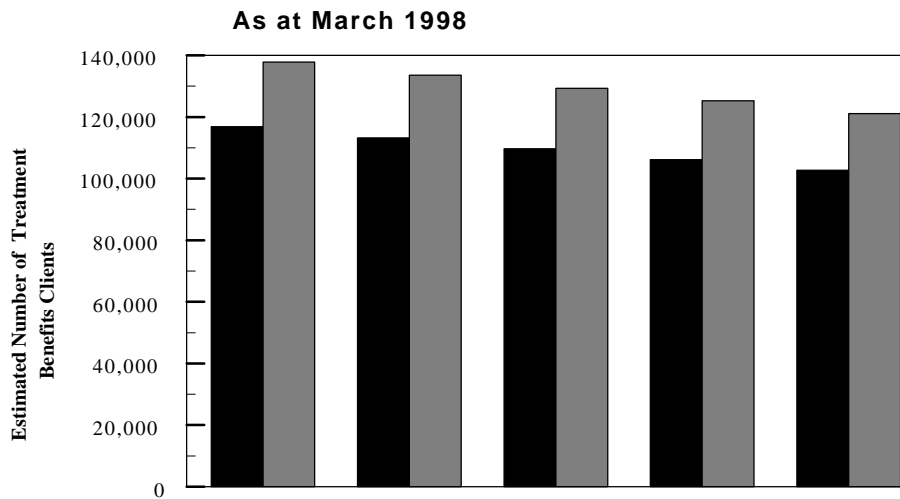
Figures 8 and 9 on page 30 provide the forecasted trend in client participation in two of the major programs delivered by the Health Care Service Line: Veterans Independence Program and Treatment Benefits.

**Figure 8: Estimated Trend in Client Participation - Veterans Independence Program (VIP)**



Fiscal Year	1998-99	1999-2000	2000-01	2001-02	2002-03
<b>Veterans</b>	67,766	66,067	63,458	60,822	57,040
<b>Spouses</b>	2,584	2,654	2,757	2,891	3,058
<b>Total</b>	70,350	68,721	66,215	63,713	60,098

**Figure 9: Estimated Trend in Client Participation - Treatment Benefits Program**

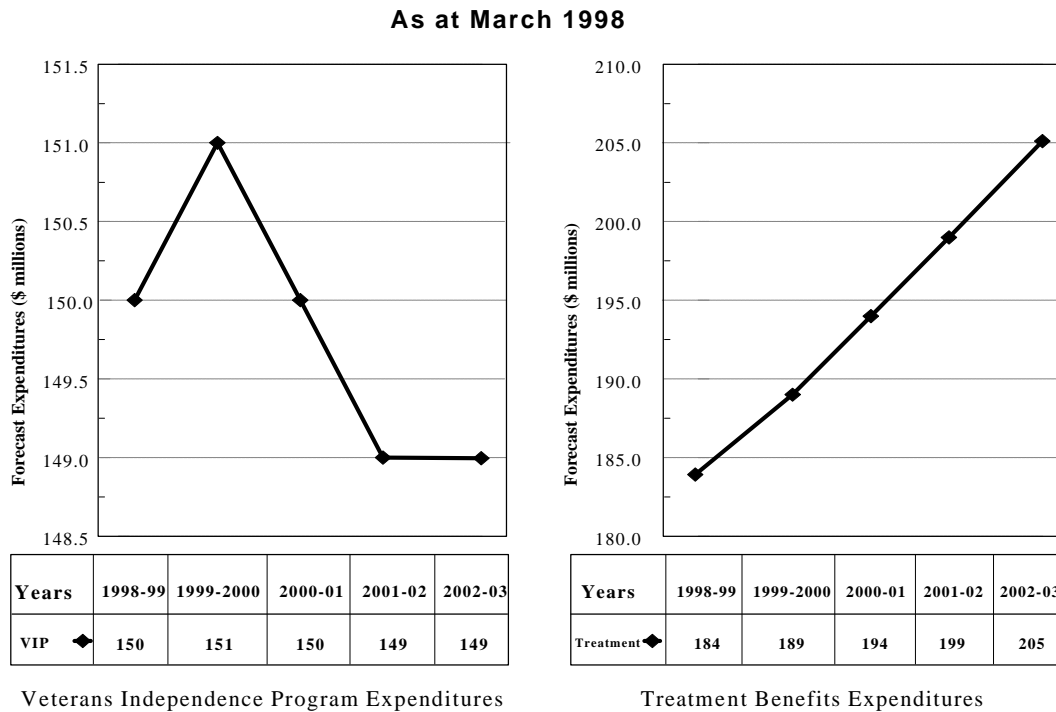


Fiscal Year	1998-99	1999-2000	2000-01	2001-02	2002-03
<b>Clients Receiving Benefits</b>	116,894	113,187	109,663	106,187	102,698
<b>Treatment Eligible Clients</b>	137,889	133,517	129,359	125,259	121,144



Figure 10 below presents the estimated trend in expenditures from 1998-1999 to 2002-03 for the Veterans Independence and the Treatment Benefits programs.

**Figure 10: Estimated Trend in Program Expenditures - Veterans Independence and Treatment Benefits Programs**



**Strategy and Key Activities**

Integration of Health Promotion and Education Component: It is recognized that health promotion can play a significant part in improving the quality of life of members of the veteran community and help in maintaining their independence. With the aging of the veteran population, health promotion has been identified as a key priority area. In partnership with other levels of government and non-government organizations, Veterans Affairs has developed a National Health Promotion strategy based on experience from pilot projects conducted across Canada in 1997-98. The national approach will emphasize maintaining independence, preventing illness and improving health and quality of life.

Expected Results	Activities
The implementation of a national approach to health promotion which will emphasize maintaining independence, preventing illness and improving health and quality of life	<ul style="list-style-type: none"> <li>➤ Establish a strategic alliance with Health Canada to advance program delivery capacity.</li> <li>➤ Integrate the health promotion approach into health care policies and processes.</li> </ul>

Expected Results	Activities
	<ul style="list-style-type: none"> <li>➤ Conduct pilot projects with selected Legion branches to use technology to facilitate access to and disseminate health information with the client group.</li> <li>➤ Conduct a review of funded projects focusing on rationale, outcomes, impacts and best practices.</li> </ul>

***Long-term Expected Results of the Health Care Service Line:***

- Improve or stabilize health, or minimize the rate of deterioration.
- Ensure appropriate levels of care in the most logical location.
- Independent and healthy lifestyles.

◆ **Commemoration Service Line**

***Objective***

Recognize and keep alive the memory of the achievements and sacrifices of Canadian citizens who have served in the defence of freedom and have so contributed to the development of Canada as a nation.

***Service Line Profile***

The Commemoration service line promotes an awareness and understanding of the achievements and sacrifices of Canadian citizens during periods of armed conflict through: education and public programming; the development, protection and showcasing of battlefield and other memorials including the Books of Remembrance; the maintenance of grave sites and cemeteries; assistance with funerals and burials in conjunction with the Last Post Fund Corporation; honours and awards programming; the conduct of ceremonies and pilgrimages worldwide; the gathering and preservation of archival material; the conduct of research; and other related commemorative activities that enhance Canada's commemorative efforts.

**Major Service Line Outputs:**

Public Education and Awareness  
 Ceremonies and Pilgrimages  
 Funerals and Burials  
 Battlefield Memorials  
 Honours and Awards

***Operational Context***

Unlike other departmental programs devoted to veterans and others in receipt of a benefit or service, the Commemoration Program, while respectful of its traditional veteran client base, serves a wider audience—the Canadian public and world community—through public education and outreach programming, pilgrimages and overseas memorials.

At one time, Canadians grew up surrounded by people who took part in war. Their relatives and neighbours had been overseas, worked in the munitions factories and built the ships, tanks and planes that won the war. Our wartime history was taught on the streets. There was no need for formal education programs. The collective memory was created on the front verandas and in kitchens across the country.

But now, the veteran population is diminishing and there is a need to ensure the history of Canada's wartime endeavours is taught and remembered. Many young people, new Canadians, and the general Canadian public are losing touch with this aspect of Canada's heritage. Our country cannot afford this loss.

Public education and awareness programming will anchor the Department's commemorative efforts. Recognition will not only extend to important historic events, war and liberation but to Canadian accomplishments at home and on the world stage during the war years. It will describe how our wartime experiences contributed to the nation's development as a modern industrial state and the positive contribution of the Canadian Forces during peacetime.

***Strategy and Key Activities***

**Public Education and Outreach:** In order to maximize the Commemoration Program's reach, the Department will further pursue partnership opportunities with other government organizations (e.g. Canadian War Museum, Canadian Heritage, National Defence, Public Works and Government Services), the private sector, volunteer groups and other associations and organizations throughout Canada and overseas.

Expected Results	Activities
<p>Canadians are aware of and honour the wartime sacrifices and achievements of Canadian citizens and understand their contribution to the development of Canada as a nation.</p> <p>Veteran recognition.</p>	<ul style="list-style-type: none"> <li>➤ Significant Commemoration efforts will be directed to Education and Public Outreach/Awareness within Canada. These include preparation of an Education Strategy and a National Public Outreach/Awareness Strategy.</li> <li>➤ Development of a Korean Education Kit and associated multi-media products.</li> <li>➤ The Department will undertake the following pilgrimages and conduct associated ceremonies in 1999-2000 to commemorate:               <ul style="list-style-type: none"> <li>- the 55<sup>th</sup> Anniversary of the Italian Campaign;</li> <li>- the 55<sup>th</sup> Anniversary of the D-Day Landings; and</li> <li>- the 55<sup>th</sup> Anniversary of the Battle of the Scheldt.</li> </ul> </li> </ul>

Expected Results	Activities
Commemorative resources are protected, developed and showcased.	➤ Other priorities for the Program include the development of a Visitor Centre for Beaumont-Hamel and a Canadian Cemetery Maintenance Strategy.

***Long-term Expected Results of the Commemoration Service Line:***

- Canadians are aware of and honour the wartime sacrifices and achievements of Canadian citizens and understand their contribution to the development of Canada as a nation.
- Veteran recognition.
- Commemorative resources are protected, developed and showcased.

## 1.2 Corporate Administration Business Line

### *Planned Spending*

(\$ millions)	Planned Spending	<b>Planned Spending</b>	Planned Spending	Planned Spending
	1998-99*	<b>1999-2000</b>	2000-01	2001-02
<b>Gross Expenditures</b>	<b>62.6</b>	<b>46.3</b>	41.4	34.6
<i>Less: Revenue Credited to the Vote</i>	0.0	<b>0.0</b>	0.0	0.0
<i>Less: Revenue Credited to the</i>				
Consolidated Revenue Fund	0.4	<b>0.3</b>	0.2	0.2
<b>Total Revenue</b>	<b>0.4</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
<b>Total Net Expenditures</b>	<b>62.2</b>	<b>46.0</b>	<b>41.2</b>	<b>34.4</b>

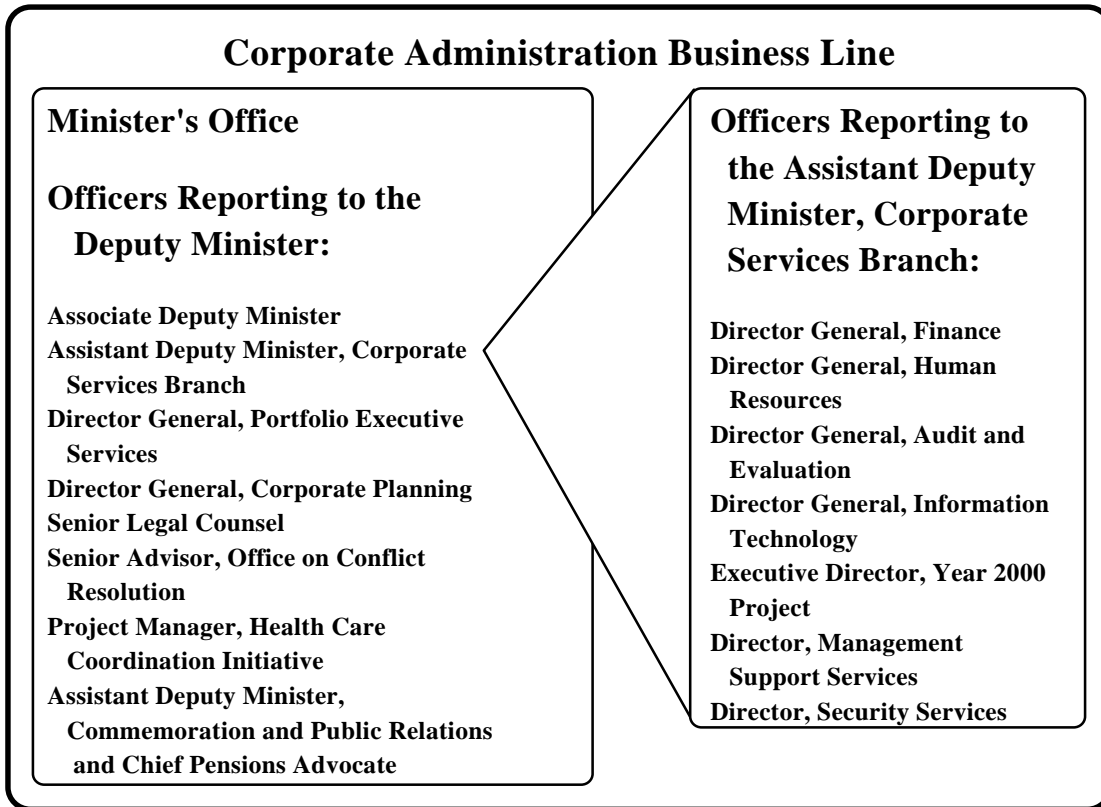
\* Reflects best forecast of total planned spending to the end of the fiscal year.

### *Objective*

To provide corporate direction and operational support services that meet the specific needs of Portfolio program delivery as well as the Minister's and the Chair's (VRAB) priorities, the requirements of Parliament and those of Central Agencies.

### *Business Line Profile*

The functions of the Corporate Administration business line provide the corporate management and administrative support which enables the organization to set direction, manage change and assess performance. These functions include: communications, corporate planning, finance (including Property Management functions), human resources, information technology, audit and evaluation, security services, conflict resolution, information services, support services, access to information, and executive secretariat services (including legislation and regulation). The corporate functions are administered by the following senior Portfolio officers:



***Operating Environment***

Corporate Services will continue to practice restraint, involving all operations. This will impact on the resources that can be applied to both management priorities and operational needs.

In support of horizontal policy agendas, a move toward integrated technological environments would greatly improve integration for both VAC and the Knowledge Economy Partnership.

***Strategy and Key Activities***

Some of the key plans and initiatives for the Corporate Administration business line include:

<b>Expected Results</b>	<b>Activities</b>
Portfolio resources meet corporate and program and service delivery needs in a cost-effective manner	<p><b><u>Finance:</u></b></p> <ul style="list-style-type: none"> <li>➤ Ensure that the Portfolio will be compliant with the government-wide Financial Information Strategy (in the early stages of implementation).</li> </ul>

Expected Results	Activities
	<ul style="list-style-type: none"> <li>➤ Support the implementation of the Client Service Delivery Network, through internal control procedures.</li> </ul> <p><b><u>Human Resources:</u></b></p> <ul style="list-style-type: none"> <li>➤ Implement the Peoplesoft Information System, in collaboration with the Knowledge Economy Partnership and the Province of PEI, to provide the Portfolio's Year 2000 (Y2K) solution to current practice.</li> <li>➤ Improve employee support and development opportunities through implementation of La Relève initiatives.</li> </ul> <p><b><u>Information Technology:</u></b></p> <ul style="list-style-type: none"> <li>➤ Implement and maintain the Client Service Delivery Network (CSDN).</li> <li>➤ Analyze and evaluate the results of the Corporate IT Review to develop a plan to implement the recommendations and strive to accomplish several short-term objectives to ensure fully integrated information systems that meet the transaction and decision needs of corporate and program functions.</li> <li>➤ Improve IT services through sharing initiatives including; The Knowledge Economy Partnership, Public Key Infrastructure (PKI) and the Peoplesoft implementation.</li> </ul> <p><b><u>Corporate Planning:</u></b></p> <ul style="list-style-type: none"> <li>➤ Ensure the Portfolio's commitments are met with respect to Expenditure Management System reports, Sustainable Development, and Service Standards.</li> <li>➤ Coordinate and manage the Portfolio's strategic planning process.</li> <li>➤ Manage the Portfolio's statistical/information assets.</li> </ul> <p><b><u>Management Support Services:</u></b></p> <ul style="list-style-type: none"> <li>➤ Explore automated solutions to improve records management for the Portfolio.</li> </ul>

Expected Results	Activities
	<p><b><u>Audit and Evaluation:</u></b></p> <ul style="list-style-type: none"> <li>➤ Conduct studies, evaluations and audits as directed by the Portfolio Audit and Evaluation Committee.</li> </ul>

***Long-term Expected Result of the Corporate Administration Business Line:***

- Portfolio resources meet corporate and program and service delivery needs in a cost-effective manner.



## 2. Veterans Review and Appeal Board Program

### 2.1 Veterans Review and Appeal Board Business Line

#### *Planned Spending*

(\$ millions)	Planned Spending	Planned Spending	Planned Spending	Planned Spending
	1998-99*	1999-2000	2000-01	2000-02
<b>Gross Expenditures</b>	8.9	<b>8.1</b>	8.1	8.1
<i>Less:</i> Revenue Credited to the Vote	0.0	<b>0.0</b>	0.0	0.0
<i>Less:</i> Revenue Credited to the Consolidated Revenue Fund	0.0	<b>0.0</b>	0.0	0.0
<b>Total Revenue</b>	0.0	<b>0.0</b>	0.0	0.0
<b>Total Net Expenditures</b>	<b>8.9</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

#### *Objective*

To provide clients with full opportunity to request review and appeal hearings to ensure a fair adjudicative process for disability pension and War Veteran Allowance claims.

The Veterans Review and Appeal Board (VRAB) is an independent quasi-judicial agency adjudicating reviews and appeals of pensions as well as final level appeals of War Veterans Allowance cases.

#### *Expected Results of the Veterans Review and Appeal Board Business Line:*

- Clients receive a consistent, timely and independent review and appeal process.
- Clients attain the benefits to which they are entitled.

Key results will be measured on an annual basis for the service delivery aspect of timeliness, and by periodic reviews including client feedback, case review and expert opinion for the assessment of consistency, independence and entitlement.

## C. Consolidated Reporting

### Chart on Legislative and Regulatory Initiatives

<i>Legislation and/or Regulations</i>	<i>Expected Results</i>
<p>“Omnibus” - miscellaneous amendments to veterans’ legislation.</p>	<p>Improved efficiency in program delivery; consistency with current jurisprudence and government policy; correction of anomalies and inconsistencies; clarification of definitions and provisions; removal of no-longer-used provisions; conversion to gender-neutral language.</p>

### Chart on Sustainable Development Strategies

<i>Sustainable Development Strategies</i>	<i>Expected Results</i>
<p><b>Benefits and Services Business Line:</b></p> <p><i>Health Care Service Line:</i> To sustain and improve the health status and resulting quality of life and well-being for Portfolio clients and their families.</p> <p><i>Commemoration Service Line:</i> To contribute to the cultural aspects of sustainable development through the conduct of commemorative activities that expand the awareness of the nation’s heritage and assist in defining the legacy of the veteran community.</p>	<p>Establish a systematic research program at Departmental, national, and international levels to contribute to knowledge about aging.</p> <p>Publish/promote research, advice and information on programs and service models to meet veterans’ specific needs.</p> <p>To seek to shape social values relating to global conflict toward more sustainable ones.</p> <p>Seize the opportunities to enhance promotion through use of emerging information technologies.</p>

<i>Sustainable Development Strategies</i>	<i>Expected Results</i>
<p><b>Corporate Administration Business Line:</b></p> <p>To improve the delivery of benefits and services using clean technologies in providing client services, as a means to eliminate waste, reduce energy consumption and improve service effectiveness and efficiency.</p> <p>Integrate sustainable development into decision-making processes and the organizational culture of the Veterans Affairs Portfolio.</p>	<p>Undertake a review of the department's environmental assessment procedures and performance to ensure compliance to the <i>Canadian Environmental Assessment Act</i> and to promote environmental assessment as a broadly applied, legitimate decision-making tool.</p> <p>Establish mechanisms to measure more accurately environmental impacts of VAC operations.</p> <p>Include a sustainable development clause in all contracts, including packaging reduction where appropriate.</p> <p>Undertake a review of the Portfolio's training programs to ensure that staff are adequately equipped for the shift to sustainable operations, particularly in the areas of facility management, procurement and policy development.</p> <p>Establish a Sustainable Development Audit and Evaluation Program and build internal capacity to ensure proactive management and due diligence.</p>
<p><b>All Business Lines:</b></p>	<p>Develop a Portfolio environmental management system, based upon the ISO 14001 model.</p> <p>Promulgate a sustainable development policy, which includes an accountability framework for its implementation.</p>

## Chart on Quality Services Initiatives

Veterans Affairs' programs reflect Canada's commitment to the well-being of its veterans, qualified civilians and their dependants. The Portfolio remains steadfast in its dedication to program and service delivery based on the guiding principles of courtesy, speed and fairness.

The following table reflects our employees' commitment to providing quality services. It also provides key standards of service our clients can expect to receive.

<i>Quality Services Initiatives</i>	<i>Service Standards / Activities</i>
<p><b>Benefit &amp; Services Business Line:</b></p> <p><i>Pensions and Allowances Service Line:</i> The efficient and equitable processing of pension and allowance claims.</p> <p><i>Health Care Service Line:</i> The efficient and equitable processing of claims for health benefits.</p> <p><i>Commemoration Service Line:</i> The efficient and equitable processing applications for funeral and burial assistance.</p> <p><i>Pension Advocacy Service Line:</i> Professional assistance to clients in the presentation of appeals and reviews of disability pensions claims.</p>	<p>Clients can expect to receive decisions on:</p> <ul style="list-style-type: none"> <li>Disability pension applications within 18 weeks;</li> <li>Reassessment decision within 15 weeks;</li> <li>Attendance Allowance, Exceptional Incapacity Allowance and Clothing Allowance within 8 weeks;</li> <li>A departmental review decision within 4 weeks;</li> <li>War Veterans Allowance applications within 7 weeks;</li> <li>Assistance Fund Applications within one week.</li> </ul> <p>Clients can expect to receive a decision on a application for health care or a health benefit within 4 weeks.</p> <p>Survivors of veterans can expect to receive a decision for funeral and burial assistance within 5 weeks of the date of application.</p> <p>Clients requiring advocacy services can expect to have an appeal hearing within 3 months and a review hearing within 4 months of the date of their request for a review or appeal.</p>

<i>Quality Services Initiatives</i>	<i>Service Standards / Activities</i>
<p><b>Veterans Review And Appeal Board Business Line:</b></p> <p>The efficient and equitable adjudication of reviews and appeals of disability pension decisions.</p>	<p>Clients will receive a decision on their review or appeal hearing within one month of the date of the hearing.</p>
<p><b>All Business Lines:</b></p> <p>To incorporate the vision of continuous improvement in service delivery into the organizational culture of the Portfolio.</p>	<p>To increase the awareness of the quality service initiative and develop quality service programs and activities.</p>
<p><b>Corporate Administration Business Line:</b></p> <p>Meet the objectives outlined in Veterans Affairs Quality Service Strategy (<i>Quest For Quality</i>).</p>	<p>Continue to support and coordinate the achievement of service line objectives stated in the Portfolio service standards.</p> <p>Continuous improvement: assess and prepare the organization for improvements in existing standards.</p> <p>Evaluate, promote and support the use of quality management tools and methodologies.</p> <p>Measure client satisfaction and bench mark against historical results.</p> <p>Provide leadership in quality management and strengthen the role of regional/divisional quality coordinators.</p>

## Chart on Year 2000 Initiatives

<i>Expected Results</i>	<i>Year 2000 Initiatives</i>
Ensure that all VAC Government-wide mission critical systems are Year 2000 compliant.	<p>Increase the level of Veterans Affairs' Year 2000 compliance.</p> <p>Implement the required contingency plans.</p> <p>Ensure the CSDN Releases 1 and 2 operate as Year 2000 target implementations for Allowances and Pensions.</p> <p>Ensure that VAC embedded systems will be Year 2000 compliant by the end of June 1999.</p> <p>VAC will conduct a Y2K compliancy audit in 1999, on all requirements.</p>

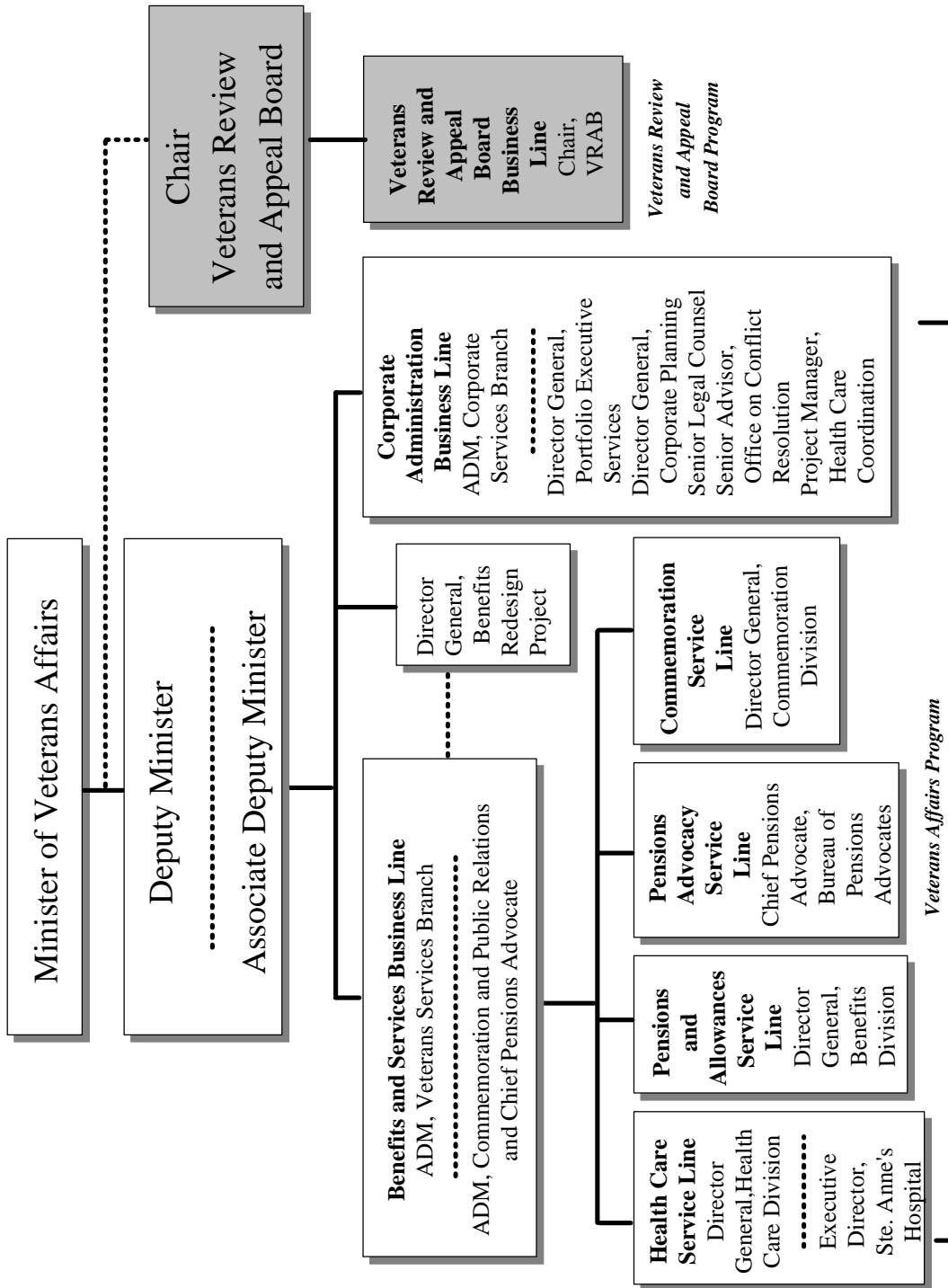
## IV Supplementary Information

**Table 1: Spending Authorities - Ministry Summary Part II of the Estimates**

Vote	(thousands of dollars)	1999-2000	1998-1999
		Main Estimates	Main Estimates
<b>Veterans Affairs</b>			
<i>Veterans Affairs Program</i>			
1	Operating expenditures	543,659	540,525
5	Grants and contributions	1,389,426	1,386,937
(S)	Minister of Veterans Affairs - Salary and motor car allowance	49	49
(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>	12	12
(S)	Returned Soldiers Insurance Actuarial Liability Adjustment	10	10
(S)	Veterans Insurance Actuarial Liability Adjustment	175	175
(S)	Contributions to employee benefit plans	28,217	28,829
<i>Total Program</i>		<b>1,961,548</b>	<b>1,956,537</b>
<i>Veterans Review and Appeal Board</i>			
10	Program expenditures	6,844	6,696
(S)	Contributions to employee benefit plans	1,226	1,257
<i>Total Program</i>		<b>8,070</b>	<b>7,953</b>
<b>Total Department</b>		<b>1,969,618</b>	<b>1,964,490</b>

# Personnel Information

Table 2.1: Organization Structure





**Table 2.2: Planned Full Time Equivalents (FTEs) by Program and Business Line**

	Planned 1998-99	<b>Planned 1999-2000</b>	Planned 2000-01	Planned 2000-02
<i>Veterans Affairs Program</i>				
<b>Benefits and Services Business Line</b>	2,571	<b>2,773</b>	2,748	2,588
(Includes: Pensions and Allowances, Pensions Advocacy, Health Care and Commemoration Service Lines)				
<b>Corporate Administration Business Line</b>	470	<b>502</b>	497	462
<b>Total Program</b>	<b>3,041</b>	<b>3,275</b>	<b>3,245</b>	<b>3,050</b>
<b>Veterans Review and Appeal Board Program</b>				
Veterans Review and Appeal Board Business Line	99	<b>105</b>	105	105
<b>Total Portfolio</b>	<b>3,140</b>	<b>3,380</b>	<b>3,350</b>	<b>3,155</b>

## Capital Projects Information

**Table 3.1: Capital Spending by Program and Business Line**

(\$ millions)	Planned 1998-99*	Planned 1999-2000	Planned 2000-01	Planned 2000-02
<b>Veterans Affairs Program</b>				
<i>Benefits and Services Business Line</i>	31.0	27.8	2.7	---
<b>Total Portfolio</b>	<b>31.0</b>	<b>27.8</b>	<b>2.7</b>	<b>---</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

**Table 3.2: Major Crown Projects by Program and Business Line**

(\$ millions)	Current Estimated Total Cost	Forecast		Planned Spending 2000-01	Planned Spending 2001-02	Future Year Spending Requirement
		Spending to March 31, 1999	Planned Spending 1999-2000			
<b>Veterans Affairs Program</b>						
<i>Benefits and Services Business Line</i>						
Benefits Redesign Project*	95.2	64.7	27.8	2.7	---	---
<b>Total Portfolio</b>	<b>95.2</b>	<b>64.7</b>	<b>27.8</b>	<b>2.7</b>	<b>---</b>	<b>---</b>

\* Treasury Board has approved funding, to a total of \$60 million, on a repayable loan basis. Repayment is scheduled to begin in the 2001-02 fiscal year.

**Table 3.3: Status of Major Crown Project: Benefits Redesign Project**

### 1. Overview

The Benefits Redesign Project (BRP) is developing and implementing a new, integrated Client Service Delivery Network (CSDN) to support the delivery of benefits and services associated with the Disability Pensions, Economic Support and Health Care program areas of the Department. The CSDN will be introduced in four stages, or Releases, beginning in December 1998, with full implementation expected to be completed by June 2000.



Funding is shared between the Department and Treasury Board. Treasury Board's contribution is an interest-bearing loan of \$60 million.

In accordance with Major Crown Project policy and the *Enhanced Framework for the Management of Information Technology Projects*, gates have been established by Treasury Board. Funding will be released in stages when the requirements of a gate have been met.

Releases 1 and 2 of the CSDN will replace VAC's benefit delivery systems in a time frame that will address Year 2000 problems. Although delays in the project schedule have impacted the Release implementation dates, there has been no impact on the overall estimated cost of the project. Changes to the CSDN implementation schedule do not compromise the Department's plan to address Year 2000 problems. As a contingency measure, legacy systems that will be replaced by the CSDN are now or will soon be Year 2000 compliant.

The requirements for the first project gate have been substantially delivered and Treasury Board has released the frozen allotment of funds required to proceed to the second project gate. A contract submission prepared by Public Works and Government Services Canada has been approved by Treasury Board for authority to contract with EDS Canada Ltd. for the provision of professional services in support of the CSDN.

## **6. Benefits to Clients**

Implementation of the CSDN will result in improved client service and improved operational efficiency through:

- ▶ integrated client service at point of contact;
- ▶ faster, high-quality decision-making;
- ▶ faster, more accurate payment of benefits and case processing;
- ▶ more comprehensive services;
- ▶ more resources at the local level to focus on the face-to-face service that is a trademark of this Department.

VAC will have a contingency plan in place to ensure no disruption in the delivery of benefits and services to clients as a result of CSDN implementation.

## Additional Financial Information

**Table 4.1: Portfolio Summary of Standard Objects of Expenditure**

(\$ millions)	Planned Spending 1998-99*	Planned Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02
<b>Personnel</b>				
Salaries and wages	146.3	147.2	145.6	137.4
Contributions to employee benefit plans	30.1	29.4	29.1	27.5
	<b>176.4</b>	<b>176.6</b>	<b>174.7</b>	<b>164.9</b>
<b>Goods and Services</b>				
Transportation and communications**	22.4	20.6	18.6	16.6
Information	1.6	1.0	1.0	1.0
Professional and special services**	242.1	217.7	193.5	182.2
Rentals	10.1	10.0	8.0	8.0
Purchased repairs and upkeep	6.4	5.1	5.1	5.1
Utilities, materials and supplies**	135.1	143.5	140.1	138.1
Other subsidies and payments	20.5	1.0	1.0	1.0
Minor capital	2.6	4.5	2.5	2.5
	<b>440.8</b>	<b>403.4</b>	<b>369.8</b>	<b>354.5</b>
<b>Total operating</b>	<b>617.2</b>	<b>580.0</b>	<b>544.5</b>	<b>519.4</b>
<b>Capital</b>				
Controlled capital	0.0	0.0	0.0	0.0
Revolving Fund	0.0	0.0	0.0	0.0
<b>Transfer payments</b>				
Voted	1,379.6	1,389.4	1,392.2	1,396.6
Statutory	0.2	0.2	0.2	0.2
	<b>1,379.8</b>	<b>1,389.6</b>	<b>1,392.4</b>	<b>1,396.8</b>
<b>Gross budgetary expenditures</b>	<b>1,997.0</b>	<b>1,969.6</b>	<b>1,936.9</b>	<b>1,916.2</b>
<b>Less:</b> Revenues Credited to the Vote	0.0	0.0	0.0	0.0
Revenues Credited to the Consolidated Revenue Fund	36.3	34.8	33.3	31.8
<b>Net budgetary expenditures</b>	<b>1,960.7</b>	<b>1,934.8</b>	<b>1,903.6</b>	<b>1,884.4</b>
<b>Non-budgetary (Loans, Investments and Advances)</b>	0.0	0.0	0.0	0.0
<b>Total</b>	<b>1,960.7</b>	<b>1,934.8</b>	<b>1,903.6</b>	<b>1,884.4</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

\*\* Includes health-related expenditures on behalf of clients.

**Table 4.2: Summary of Standard Objects of Expenditure - Veterans Affairs Program**

(\$ millions)	Planned Spending 1998-99*	Planned Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02
<b>Personnel</b>				
Salaries and wages	140.7	141.1	139.5	131.3
Contributions to employee benefit plans	28.8	28.2	27.9	26.3
	<b>169.5</b>	<b>169.3</b>	<b>167.4</b>	<b>157.6</b>
<b>Goods and Services</b>				
Transportation and communications**	21.0	20.0	18.0	16.0
Information	1.5	1.0	1.0	1.0
Professional and special services**	242.0	217.7	193.5	182.2
Rentals	10.0	10.0	8.0	8.0
Purchased repairs and upkeep	6.3	5.0	5.0	5.0
Utilities, materials and supplies**	135.0	143.4	140.0	138.0
Other subsidies and payments	20.5	1.0	1.0	1.0
Minor capital	2.5	4.5	2.5	2.5
	<b>438.8</b>	<b>402.6</b>	<b>369.0</b>	<b>353.7</b>
<b>Total operating</b>	<b>608.3</b>	<b>571.9</b>	<b>536.4</b>	<b>511.3</b>
<b>Capital</b>				
Controlled capital	0.0	0.0	0.0	0.0
Revolving Fund	0.0	0.0	0.0	0.0
<b>Transfer payments</b>				
Voted	1,379.6	1,389.4	1,392.2	1,396.6
Statutory	0.2	0.2	0.2	0.2
	<b>1,379.8</b>	<b>1,389.6</b>	<b>1,392.4</b>	<b>1,396.8</b>
<b>Gross budgetary expenditures</b>	<b>1,988.1</b>	<b>1,961.5</b>	<b>1,928.8</b>	<b>1,908.1</b>
Less: Revenues Credited to the Vote	0.0	0.0	0.0	0.0
Revenues Credited to the Consolidated Revenue Fund	36.3	34.8	33.3	31.8
<b>Net budgetary expenditures</b>	<b>1,951.8</b>	<b>1,926.7</b>	<b>1,895.5</b>	<b>1,876.3</b>
<b>Non-budgetary (Loans, Investments and Advances)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>1,951.8</b>	<b>1,926.7</b>	<b>1,895.5</b>	<b>1,876.3</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

\*\* Includes health-related expenditures on behalf of clients.

**Table 4.2: Summary of Standard Objects of Expenditure - Veterans Review and Appeal Board Program**

(\$ millions)	Planned Spending 1998-99*	Planned Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02
<b>Personnel</b>				
Salaries and wages	5.6	6.1	6.1	6.1
Contributions to employee benefit plans	1.3	1.2	1.2	1.2
	<b>6.9</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>
<b>Goods and Services</b>				
Transportation and communications	1.4	0.6	0.6	0.6
Information	0.1	0.0	0.0	0.0
Professional and special services	0.1	0.0	0.0	0.0
Rentals	0.1	0.0	0.0	0.0
Purchased repairs and upkeep	0.1	0.1	0.1	0.1
Utilities, materials and supplies	0.1	0.1	0.1	0.1
Other subsidies and payments	0.0	0.0	0.0	0.0
Minor capital	0.1	0.0	0.0	0.0
	<b>2.0</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>
<b>Total operating</b>	<b>8.9</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>
<b>Capital</b>				
Controlled capital	0.0	0.0	0.0	0.0
Revolving Fund	0.0	0.0	0.0	0.0
<b>Transfer payments</b>				
Voted	0.0	0.0	0.0	0.0
Statutory	0.0	0.0	0.0	0.0
<b>Gross budgetary expenditures</b>	<b>8.9</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>
<b>Less:</b> Revenues Credited to the Vote	0.0	0.0	0.0	0.0
Revenues Credited to the Consolidated Revenue Fund	0.0	0.0	0.0	0.0
<b>Net budgetary expenditures</b>	<b>8.9</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>
<b>Non-budgetary (Loans, Investments and Advances)</b>	0.0	0.0	0.0	0.0
<b>Total</b>	<b>8.9</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

**Table 5: Program Resources by Programs and Business Lines for the Estimates Year**

(\$millions)	Budgetary					Non-Budgetary		Less: Revenue Credited to the Vote	Net Planned Spending
	FTE	Operating	Capital	Transfer Payments	Planned Spending	Plus: LIAs	Gross Planned Spending		
<b><i>Veterans Affairs Program</i></b>									
Benefits and Services (Includes: Pensions and Allowances, Pensions Advocacy, Health Care, and Commemoration service lines)	2,773	525.6	0.0	1,389.6	1,915.2	0.0	1,915.2	0.0	<b>1,915.2</b>
Corporate Administration	502	46.3	0.0	0.0	46.3	0.0	46.3	0.0	<b>46.3</b>
<b>Total Program</b>	<b>3,275</b>	<b>571.9</b>	<b>0.0</b>	<b>1,389.6</b>	<b>1,961.5</b>	<b>0.0</b>	<b>1,961.5</b>	<b>0.0</b>	<b>1,961.5</b>
<b><i>Veterans Review and Appeal Board Program</i></b>									
Veterans Review and Appeal Board	105	8.1	0.0	0.0	8.1	0.0	8.1	0.0	<b>8.1</b>
<b>Total Program</b>	<b>105</b>	<b>8.1</b>	<b>0.0</b>	<b>0.0</b>	<b>8.1</b>	<b>0.0</b>	<b>8.1</b>	<b>0.0</b>	<b>8.1</b>
<b>Total Portfolio</b>	<b>3,380</b>	<b>580.0</b>	<b>0.0</b>	<b>1,389.6</b>	<b>1,969.6</b>	<b>0.0</b>	<b>1,969.6</b>	<b>0.0</b>	<b>1,969.6</b>



**Table 6: Transfer Payments by Programs and Business Lines**

	Planned Spending 1998-99*	<b>Planned Spending 1999-2000</b>	Planned Spending 2000-01	Planned Spending 2001-02
(\$ thousands)				
<b>Grants</b>				
<b>Veterans Affairs Program</b>				
<i>Benefits and Services</i>				
Grants to veterans and other eligible persons to compensate for death or disabilities related to military service, or to provide for economic and other assistance where there is a need:				
Disability pensions	1,155,000	<b>1,167,137</b>	1,176,939	1,187,343
Payments under the <i>Flying Accidents</i>				
<i>Compensation Regulations</i>	600	<b>750</b>	750	750
Gallantry Awards	15	<b>71</b>	71	71
War Veterans Allowances	45,000	<b>40,900</b>	36,100	32,500
<i>Assistance Fund Regulations</i> payments	1,000	<b>2,000</b>	2,000	2,000
Children of Deceased Veterans				
- Education Assistance	15	<b>50</b>	25	0
Canadian Veterans Association of the United Kingdom				
	1	<b>1</b>	1	1
Repayment under Subsection (3) of Section 10 of the <i>Veterans Rehabilitation Act</i> (R.S.C. 1970, c.V-5)				
	0	<b>2</b>	2	2
University and Vocational Training	30	<b>50</b>	25	0
Assistance to Canadian Veterans - Overseas District				
	350	<b>390</b>	390	390
(S) Returned Soldiers Insurance				
Actuarial Liability Adjustment	10	<b>10</b>	10	10
(S) Veterans Insurance Actuarial Liability Adjustment				
	175	<b>175</b>	175	175
Grants to veterans and other eligible persons and to institutions for treatment and allowance payments for disease and disability related to military service				
	1,100	<b>1,500</b>	1,500	1,500
Grants to non-profit organizations and institutions to commemorate the achievements and sacrifices of Canada's veterans:				
Last Post Fund	14,000	<b>16,319</b>	16,319	16,319
Commonwealth War Graves Commission	6,848	<b>6,648</b>	6,648	6,648
United Nations Memorial Cemetery in Korea	50	<b>70</b>	70	70

\* Reflects best forecast of total planned spending to the end of the fiscal year.

**Table 6: Transfer Payments by Programs and Business Lines (continued)**

	Planned Spending 1998-99*	Planned Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02
(\$ thousands)				
<b>Grants (continued)</b>				
<b>Veterans Affairs Program (continued)</b>				
<i>Corporate Administration</i>				
Grants to veterans or their survivors paid under the <i>War Service Grants Act</i> (R.S.C. 1970, c.W-4)				
(S) Re-Establishment Credits under Section 8	2	2	2	2
(S) Repayments under Section 15 for compensating adjustments made in accordance with the terms of the <i>Veterans' Land Act</i> .	10	10	10	10
<b>Total Grants</b>	<b>1,224,206</b>	<b>1,236,085</b>	<b>1,241,037</b>	<b>1,247,791</b>
<b>Contributions</b>				
<b>Veterans Affairs Program</b>				
<i>Benefits and Services</i>				
Contributions to veterans, under the VIP, to assist in defraying costs of extended health care not covered by provincial health programs	150,000	151,000	150,000	149,000
Contributions to the respective provinces in accordance with the agreements of transfer of departmental hospitals	5,616	2,538	1,379	17
<b>Total Contributions</b>	<b>155,616</b>	<b>153,538</b>	<b>151,379</b>	<b>149,017</b>
<b>Total Grants and Contributions</b>	<b>1,379,822</b>	<b>1,389,623</b>	<b>1,392,416</b>	<b>1,396,808</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

**Table 7: Revenue by Program**

Veterans Affairs has no Revenue Credited to the Vote.

<b>Revenue credited to the Consolidated</b>	Planned	<b>Planned</b>	Planned	Planned
<b>Revenue Fund (CRF)</b>	Revenue	<b>Revenue</b>	Revenue	Revenue
(\$ millions)	1998-99	<b>1999-2000</b>	2000-01	2001-02
<b>Veterans Affairs Program</b>				
Provincial hospital and medical insurance plans	21.5	<b>21.5</b>	21.5	21.5
Other in-patient hospital services	7.4	<b>6.0</b>	4.6	3.1
Recovery of pensions from foreign governments and services to foreign veterans	2.0	<b>2.0</b>	2.0	2.0
Interest on <i>Veterans' Land Act</i> loans	0.4	<b>0.3</b>	0.2	0.2
Refunds of previous year's expenditures	4.5	<b>4.5</b>	4.5	4.5
Other	0.5	<b>0.5</b>	0.5	0.5
	<b>36.3</b>	<b>34.8</b>	<b>33.3</b>	<b>31.8</b>
<b>Veterans Review and Appeal</b>				
<b>Board Program</b>	0.0	<b>0.0</b>	0.0	0.0
<b>Total Credited to the CRF</b>	<b>36.3</b>	<b>34.8</b>	<b>33.3</b>	<b>31.8</b>
<b>Total Revenues</b>	<b>36.3</b>	<b>34.8</b>	<b>33.3</b>	<b>31.8</b>

**Table 8: Net Cost of Programs for the Estimates Year**

(\$ millions)	Veterans Affairs Program	Veterans Review and Appeal Board Program	<b>Total</b>
<b>Gross Planned Spending</b>	<b>1,961.5</b>	<b>8.1</b>	<b>1,969.6</b>
Plus:			
<i>Services Received without Charge:</i>			
Accommodation provided by Public Works and Government Services Canada (PWGSC)	12.9	0.4	<b>13.3</b>
Accounting and cheque issue services provided by PWGSC	0.4	0.0	<b>0.4</b>
Contributions covering employees' share of insurance premiums and costs paid by TBS	8.1	0.3	<b>8.4</b>
Employee compensation payments provided by Human Resources Canada	1.0	0.0	<b>1.0</b>
Salary and associated costs of legal services provided by Justice Canada	0.3	0.0	<b>0.3</b>
	<b>22.7</b>	<b>0.7</b>	<b>23.4</b>
<b>Total Cost of Programs</b>	<b>1,984.2</b>	<b>8.8</b>	<b>1,993.0</b>
Less:			
Revenue Credited to the Vote	0.0	0.0	<b>0.0</b>
Revenue Credited to the CRF	34.8	0.0	<b>34.8</b>
	<b>34.8</b>	<b>0.0</b>	<b>34.8</b>
<b>Net Cost of Programs</b>	<b>1,949.4</b>	<b>8.8</b>	<b>1,958.2</b>
<b>1998-99 Estimated Net Program Cost*</b>	<b>1,976.1</b>	<b>9.7</b>	<b>1,985.8</b>

\* Reflects best forecast of total planned spending to the end of the fiscal year.

**Table 9: Revolving Fund**

Veterans Affairs has no Revolving Fund.

**Table 10: Loans, Investments and Advances by Program and Business Line**

Veterans Affairs will not be issuing any new loans in 1999-2000.

**Table 11: Tax Expenditures**

Veterans Affairs has no tax expenditures.

## Other Information

**Table 12: Listing of Statutes and Regulations**

### **Statutes and Regulations currently in Force**

<i>Army Benevolent Fund Act</i>	R.S.C. 1970, c. A-16, as amended
<i>Children of Deceased Veterans Education Assistance Act</i>	R.S.C. 1985, c. C-28, as amended
<i>Department of Veterans Affairs Act</i>	R.S.C. 1985, c. V-1, as amended
<i>Merchant Navy Veteran and Civilian War-related Benefits Act</i>	R.S.C. 1985, c. C-31, as amended
<i>Pension Act</i>	R.S.C. 1985, c. P-6, as amended
<i>Returned Soldiers' Insurance Act, The</i>	S.C. 1920, c. 54, as amended
<i>Soldier Settlement Act</i>	R.S.C. 1927, c. 188, as amended
<i>Special Operators War Service Benefits Act</i>	R.S.C. 1952, c. 256
<i>Supervisors War Service Benefits Act</i>	R.S.C. 1952, c. 258
<i>Veterans Benefit Act</i>	R.S.C. 1970, c. V-2, as amended
<i>Veterans Insurance Act</i>	R.S.C. 1970, c. V-3, as amended
<i>Veterans' Land Act</i>	R.S.C. 1970, c. V-4, as amended
<i>Veterans Review and Appeal Board Act</i>	S.C. 1994-95, c. 18, as amended
<i>War Service Grants Act</i>	R.S.C. 1970, c. W-4, as amended
<i>War Veterans Allowance Act</i>	R.S.C. 1985, c. W-3, as amended
<i>Women's Royal Naval Services and the South African Military Nursing Service (Benefits) Act</i>	R.S.C. 1952, c. 297
<b>The Minister shares responsibility to Parliament for the following Acts:</b>	
<i>Aeronautics Act</i> , section 9	R.S.C. 1985, c. A-2, s. 9, as amended (Minister of Transport)
<i>Appropriation Act No. 10, 1964</i> , National Defence vote 58a	S.C. 1964, c. 34, Sch. B, National Defence vote 58a (Minister of National Defence)
<i>Halifax Relief Commission Pension Continuation Act</i>	S.C. 1974-75-76, c. 88, as amended (Minister of Finance)
<i>Indian (Soldier Settlement) Act</i>	R.S.C. 1927, c. 98, as amended (Minister of Indian Affairs and Northern Development)
<i>Royal Canadian Mounted Police Pension Continuation Act</i> , section 5	R.S.C. 1970, c. R-10, s. 5, (Solicitor General)
<i>Royal Canadian Mounted Police Superannuation Act</i> , sections 32 to 34	R.S.C. 1985, c. R-11, s. 32-34 (Solicitor General)

**Table 12: Listing of Statutes and Regulations (continued)****Statutes and Regulations currently in Force (continued)**

<i>Army Benevolent Fund Regulations</i>	C.R.C. 1978, c. 358
<i>Assistance Fund (W.V.A. and C.W.A.) Regulations</i>	C.R.C. 1978, c. 1578, as amended
<i>Award Regulations</i>	SOR/96-66
<i>Canadian Volunteer Service Medal Order</i>	SI/94-62, as amended
<i>Charlottetown, Prince Edward Island as Head Office of the Veterans Review and Appeal Board, Order Designating</i>	SI/96-66
<i>Children of Deceased Veterans Education Assistance Regulations</i>	C.R.C. 1978, c. 399, as amended
<i>Civilian Government Employees (War) Compensation Order</i>	P.C. 1944-45/8848
<i>Deceased or Former Members Dependents Payment Order</i>	C.R.C. 1978, c. 1599
<i>Delegation of Powers (VLA) Regulations</i>	C.R.C. 1978, c. 1588, as amended
<i>Execution of Purchase of Property Documents Regulations</i>	C.R.C. 1978, c. 1590
<i>Gallantry Awards Order</i>	SI/90-95, as amended
<i>Guardianship of Veterans' Property Regulations</i>	C.R.C. 1978, c. 1579
<i>Infant or Person of Unsound Mind Payment Order</i>	C.R.C. 1978, c. 1600
<i>Last Post Fund Regulations, 1995</i>	SOR/95-468
<i>Memorial Cross Order (World War I)</i>	C.R.C. 1978, c. 1622, as amended
<i>Memorial Cross Order (World War II)</i>	C.R.C. 1978, c. 1623, as amended
<i>Merchant Seaman Vocational Training Order, The</i>	SOR/49-533
<i>Pension and Allowance Adjustment Regulations</i>	SOR/91-620, as amended
<i>Pensioners Training Regulations</i>	C.R.C. 1978, c. 1581, as amended
<i>Prescribed Persons and Organizations Regulations</i>	DORS/96-68
<i>Returned Soldiers' Insurance Regulations</i>	C.R.C. 1978, c. 1390
<i>Vetcraft Shops Regulations</i>	C.R.C. 1978, c. 1582
<i>Veterans Allowance Regulations</i>	C.R.C. 1978, c. 1602, as amended
<i>Veterans Burial Regulations, 1995</i>	SOR/95-467
<i>Veterans Health Care Regulations</i>	SOR/90-594, as amended
<i>Veterans Insurance Regulations</i>	C.R.C. 1978, c. 1587
<i>Veterans Review and Appeal Board Regulations</i>	SOR/96-67
<i>Veterans Treatment Regulations</i>	C.R.C. 1978, c. 1585, as amended
<i>Veterans' Land Regulations</i>	C.R.C. 1978, c. 1594, as amended
<i>War Service Grants Regulations</i>	C.R.C. 1978, c. 1601
<b>The Minister shares responsibility to Parliament for the following regulations and orders:</b>	
<i>Flying Accidents Compensation Regulations</i>	C.R.C. 1978, c. 10, as amended (the Minister of Transport)
<i>Special Duty Area Pension Order</i>	C.R.C. 1978, c. 350, as amended (the Minister of National Defence)
<i>Special Force Superannuation Regulations</i>	C.R.C. 1978, c. 1586 (the President of the Treasury Board)

**Table 12: Listing of Statutes and Regulations (continued)**

**Proposed Regulatory Initiatives**

<b>Current:</b>	
<i>Assistance Fund (W.V.A. and C.W.A.) Regulations</i> , revision	Updating of obsolete provisions, to be initiated in 1999
<i>Canadian Forces Attachés Spouses Indemnity Plan</i> , revision	Follow-up to Pension Reform, to be initiated in 1999
<i>Deceased or Former Members Dependents Payment Order</i> , repeal	Removal of obsolete regulation, to be initiated in 1999
<i>Execution of Purchase of Property Documents Regulations</i> , repeal	Removal of obsolete regulation, to be initiated in 1999
<i>Flying Accidents Compensation Regulations</i> , amendments	Follow-up to Pension Reform, to be initiated in 1999
<i>Infant or Person of Unsound Mind Payment Order</i> , repeal	Removal of obsolete regulation, to be initiated in 1999
<i>Vetcraft Shops Regulations</i> , repeal	Follow-up to closure of Vetcraft pursuant to Budget of February 27, 1995, to be initiated in 1999
<i>Veterans Allowance Regulations</i> , amendments	Update of blindness definition and welfare reimbursement provision, to be initiated in 1999
<i>Veterans Health Care Regulations</i> , amendments	Revised provisions concerning seriously-disabled veterans, annual recalculation of income-based entitlements, observations made by Scrutiny Committee, removal of obsolete provisions, and other house-keeping, to be initiated in 1999
<b>Future:</b>	
<i>Civilian Government Employees (War) Compensation Order</i> , revision	Follow-up to Pension Reform, to be done on passage of enabling amendment to the <i>Department of Veterans Affairs Act</i>
<i>Delegation of Powers (VLA) Regulations</i> , repeal	Removal of unnecessary regulation, to be done on passage of enabling amendment to the <i>Veterans' Land Act</i>
<i>Pensioners Training Regulations</i> , repeal	Follow-up to termination of pensioners' training program pursuant to Budget of February 27, 1995
<i>Veterans Burial Regulations, 1995 and Last Post Fund Regulations, 1995</i> , merger and revision	Transfer of administration of burial programs to the Last Post Fund, and addressing observations made by the Scrutiny Committee, to be initiated on passage of the enabling amendment to the <i>Department of Veterans Affairs Act</i>
<i>Veterans' Land Regulations</i> , amendments	Follow-up to Bill C-44, to be initiated on its passage

Further details on these regulatory proposals may be obtained by writing Richard Brunton, Director, Portfolio Legislation, Portfolio Executive Services at Veterans Affairs Canada, 66 Slater Street, Ottawa, Ontario K1A 0P4. He may also be contacted through the Internet at <http://rabrunto@ncr.vac-acc.gc.ca>, by telephone at 613-996-4173 or by facsimile at 613-941-5431.



### **Table 13: References**

Corporate Planning Division, of the Corporate Administration business line, is responsible for coordinating the development of both the Report on Plans and Priorities (RPP) and the associated Departmental Performance Report (DPR). For more information about these reports, please contact:

Michel Garneau, Acting Director General  
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The Director General can also be reached via electronic mail at: [plan@vs.vac-acc.gc.ca](mailto:plan@vs.vac-acc.gc.ca)

For Internet access, the Veterans affairs Canada Web Page Address is:

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

This Web site has been designated as one of the top sites of governments and organizations. It contains information about the health and welfare of Canada's war veterans and multimedia material that will help to educate younger generations about Canada's wartime experience and the sacrifices that helped to build the nation.

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