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## **Standing Committee on Veterans Affairs**

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**Chair**

**Mr. Greg Kerr**



## Standing Committee on Veterans Affairs

Tuesday, May 29, 2012

• (1535)

[English]

**The Chair (Mr. Greg Kerr (West Nova, CPC)):** We're in a little different situation today, and I hope you appreciate it. You folks have been through it a lot before. I understand that your combined opening time is about 10 minutes. Is that correct?

The committee has agreed that even if the bells start, we'll finish hearing your opening presentation. We'll stop at that point to go up and vote, and then we'll come back into questions and answers.

I want to welcome you. I'm not going to give your whole titles again. You've all been here before. We have Charlotte, Krista, and Bernard back. It's always nice to have you here.

I'm going to ask whoever is starting to please do so.

**Ms. Charlotte Stewart (Director General, Service Delivery and Program Management, Department of Veterans Affairs):** Thank you very much, Mr. Chair, and good afternoon.

As noted, my name is Charlotte Stewart. I, as well, will not go through our respective titles. I'm pleased to be here with Krista Locke and Bernard Butler.

[Translation]

I am pleased to be here again today to talk about transformation and build on the presentations you have already heard.

Our commitment to serve Canada's veterans is at the forefront of our Transformation Agenda. Our objective continues to be to improve the quality of life for veterans—and to do so by ensuring they receive the benefits and services they so rightly deserve.

[English]

VAC's transformation was formally initiated in May 2010, after a strong record of service since the department's establishment. The department at that time, though, was at a critical juncture, characterized by a dramatic shift in veterans' demographics. This called for fundamental changes to VAC's programs, service delivery, and organizational structure so as to better respond to the needs of veterans.

The transformation agenda is therefore set in the context of demographic change. The group of Canadians that VAC has traditionally served—veterans of the Second World War and the Korean War—are declining in number. At the same time, the number of Canadian Forces veterans is climbing. Although the latter group will be smaller than the traditional veteran population, its members

have more complex needs and higher expectations. This challenges the department to serve these clients differently.

As you heard in David Robinson's opening remarks for this study on transformation, this is a five-year plan. We will continue to see improvement as each component is implemented and becomes fully operational. Each year of progress builds on the progress of the previous year.

Our vision for 2015 is that Veterans Affairs Canada will be a responsive and efficient department capable of providing services and benefits to veterans in the method of their choice. The department will be smaller, but service to veterans will be improved.

I'd like to talk about the department's commitment to the transformation priority of reducing the complexity of policies, processes, and practices. The policy renewal project, since inception, has helped to provide a simpler and more responsive policy environment to assist departmental staff in delivering benefits and services in a less complex manner while providing a more effective service to clients.

The project includes a standardized format for all policies, revised and simplified policies, quality assurance, a formal policy review cycle, and online access. By March 2013, more than 400 policies will have been revised, some will be consolidated, and outdated ones eliminated.

Revised policies are now in a user-friendly format, with built-in links to legislation, business processes, and other related information, all searchable by program area using the internal VAC website. This gives staff the resources they need to confidently make decisions for veterans.

Now I would like to explain how we have embraced the challenge of transformation from a veteran's perspective. I will also describe the changes we are making, which will benefit them over the next five years. The handout you have been provided today provides more details on our five-year transformation plan.

In year one, we laid the foundation for change. Veterans and their families are already seeing a commitment to change and the results of progress to streamline processes to improve turnaround times.

The following are a few examples. Veterans are getting payments quicker, as we introduced direct deposit for VIP and treatment benefits—a decision that has already positively impacted almost 50,000 veterans. Veterans are getting decisions faster, as we increased decision-making authority for front-line staff. Veterans are also noticing less red tape, as we eliminated the requirements for subsequent pre-authorizations for 77% of our treatment benefits. Furthermore, most veterans' calls are being answered in two minutes.

By the end of year two, veterans will see further improvements in turnaround times and communications with the department through the use of more modern technology. For example, they will have online access to policies and they will receive decision letters that are easier to understand.

• (1540)

For the next couple of years, the focus will be on enhancing our new technological capabilities, enabling veterans to contact the department with a call, click, or visit. More information will be available online to help veterans understand our policies and track their claims. Veterans will be able to connect with Veterans Affairs Canada through multiple communication channels. Veterans will know that the department will identify their needs as they release from service so they can experience a smooth transition; and veterans will be able to apply online, receive decisions in a timely manner, and access treatments without delay and from preferred and approved providers. They will have electronic access to details on treatment benefits. They will only have to complete one application for benefits and services, and will deal with staff who are empowered to make decisions. Veterans will receive professional service from employees who understand the military culture.

[*Translation*]

Before I close, I would like to say that it is important to remember that this type of fundamental change will take time. The progress the department is making is steady. We will know that we have succeeded when veterans tell us we have.

[*English*]

I will now ask Krista to speak about how these changes are being implemented and viewed at the regional level by those employees who work mostly closely with the veterans.

**Ms. Krista Locke (Regional Director General, Atlantic Regional Office, Department of Veterans Affairs):** Thank you, Charlotte.

I would just like to pick up on a few points that my colleague made and demonstrate the effect these initiatives are having in the field from a client service point of view.

As part of our transformation initiatives, we have been cutting red tape for our veterans, and they are getting decisions more quickly. One of the contributing elements of our success to date has been our investments in strengthening our case management services.

Case managers and other front-line staff work closely with veterans on a daily basis. They are very much the face of the department for many of our clients. Case management has been strengthened through the introduction of an enhanced case management tool. This newly enhanced tool encourages a holistic approach

to case planning, eliminates unnecessary duplication of information, and is overall much more navigable and user-friendly, resulting in better case planning. And better case planning means better care for our clients.

In addition to better tools, front-line staff have also been delegated more authority. Case managers now have the ability to approve more benefits for veterans, resulting in more timely access to rehabilitation, health, and treatment benefits. This means many decisions no longer have to flow through the regional office or head office levels for approval.

As well, workload intensity tools have been developed to help front-line staff balance fair and equitable caseloads. The roles and responsibilities of case managers and client service agents are being more clearly defined so that each group can effectively focus on their designated tasks.

Looking to the future, the changes we are making will continue to eliminate unnecessary red tape as we strive to deliver better and faster service to veterans and their families. These changes will also allow our department to continue to meet or exceed our service standard of one case manager for every 40 case-managed veterans.

Reducing complexity is another way our department is transforming. As indicated by Charlotte, we have completely re-engineered our treatment benefits program by eliminating the requirement for subsequent pre-authorizations for more than 75% of our treatment benefits. Veterans will no longer need to contact VAC again for future requests for an already authorized benefit. It will also help to significantly reduce the number of claims requiring authorizations, which will ensure veterans and service providers receive faster payments for treatment benefits. Just think about the time, energy, and money that this process will save over the long term.

Another example Charlotte mentioned regarding ways in which we have improved service delivery to our veterans is our phone service—as we call it, the national client contact network and treatment authorization centre network. The NCCN/TAC network is a toll-free call centre for our clients and for our service providers.

It has certainly been a year of change for the network. A number of new initiatives were put into place to transform operations to improve service. Examples include the installation of a new telephony system, which allows a call to go to a first available agent anywhere in the country. We invested in a workforce management tool, which is a technology that allows us to predict call volume and ensure adequate workforce to meet our demand. We also implemented estimated wait-time messaging for callers, which allows callers to hear a message within five seconds, as soon as our wait times exceed two minutes.

I am pleased to report that we have made significant strides in improving the service. Since the investment in the workforce management tool, we have consistently met a grade of service of 80%, which means that 80% of the time, callers have their call answered within two minutes or less.

In closing, I would like to reiterate that our transformation efforts will continue to focus on ways to better serve our clients. Going forward, we will continue to find new and innovative ways to connect, collaborate, and communicate with our veterans. Our vision is that one day clients will have the convenience and flexibility of doing business through the channel of their choice.

On behalf of Veterans Affairs, Mr. Chair, we thank you for having us. We welcome the opportunity to support your work in this matter and welcome any questions you may have.

Thank you.

• (1545)

**The Chair:** Thank you very much.

As I said earlier, we're going to go up to the vote.

I just want to tell all committee members that as soon as the vote is over, we're coming right back and convening.

We'll suspend until after the vote.

Thank you very much.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

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• (1630)

**The Chair:** We're back in business. It's been a most unusual day so far. I'm going to shorten the times for questions, if everybody agrees. We just don't have time to do the rounds in the full amount we wanted. We'll start with four-minute rounds.

We'll go first to Mr. Stoffer for four minutes.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Thank you, Mr. Chairman.

Folks, thank you very much for coming today.

Krista, concerning the changes to your phone service in the national contact centre network, I understand, if I'm not mistaken, that DVA has allowed some of this phone work to go to Service Canada. Am I correct?

**Ms. Krista Locke:** Yes.

**Mr. Peter Stoffer:** So whom should we speak to at Service Canada to invite them to a committee hearing to ask how they proceed with this change? Also, I understand that some of those calls then go on to a private company called Quantum, if I'm not mistaken. Would you be in the capacity to answer questions about Quantum or would that be Service Canada?

**Ms. Krista Locke:** I believe that would be Service Canada. We do have a partnership with Service Canada that started in January this year. They do take some general calls on our behalf. I will hand it over to my colleague, who can provide you with a name.

**Ms. Charlotte Stewart:** Okay. With respect to the Service Canada partnership, there's one point that I'd like to add to Krista's comments, Mr. Chair.

We have indeed entered into a partnership with Service Canada. Our objective is to enhance access to information for veterans. Service Canada provides general information on behalf of Veterans Affairs Canada to veterans who call them. At the same time, by their answering general inquiries, it allows more complex cases to be handled by our trained staff at Veterans Affairs Canada.

Service Canada has worked very closely with us to ensure that the agents who answer their phones are very well trained in veterans programs and services. Service Canada has contracted with a third party to provide those services. It's a Canadian company. They use this as a way to ensure they have the appropriate workforce in place to answer the call demand.

**Mr. Peter Stoffer:** And the name of the person?

**Ms. Charlotte Stewart:** I'd have to refer that to Service Canada.

**Mr. Peter Stoffer:** Okay.

My other question for you is the following. The bottom of year five of your chart refers to veterans making "one application for benefits and services, and [that they will] deal with staff who are empowered to make decisions." I would think that empowering the staff to make the decisions would be something that would get higher priority. I don't know why it would take five years to give them that authority—though I know some of it is being done now. I'd like you to comment a little more as to why that wouldn't be further up the scale.

You also state that "Veterans' organizations and stakeholders will be invited to interact with the Department more directly and more often than in the past." Well, they've done that, as you know. They've made many recommendations and very few of those recommendations have ever been accepted. When I talk to these organizations, they're quite frustrated. They have these stakeholder meetings and their input is either delayed or only one or two of their recommendations are taken into account. So they're a bit frustrated by that.

Are you indicating, then, that these stakeholder groups, who are unanimous in some of their calls for changes, will be listened to and their policies will be adhered to more often?

**Ms. Charlotte Stewart:** Mr. Chair, I will answer the first part of that question, and then I'll ask my colleague, Bernard Butler, to speak to stakeholder engagement.

On the empowerment of our front-line staff, that's part of our vision statement for 2015, but it does not reflect an end state only for that point in time. In fact, we are empowering the front-line staff today. We've had the opportunity to speak a little bit about that. I won't take too much time, but I will say that we have given our front-line staff, including case managers and client service agents, the ability to make decisions for veterans immediately. In the past, these decisions at times had to be referred to other parts of the organization. So that empowerment has already begun. It will be deepened and we'll continue our commitment to that over the next few years as we seek additional delegations in other program areas as well, which will also speed up service to veterans.

• (1635)

**The Chair:** I'm going to have to ask Mr. Butler to respond in the next round because we are quite a bit over time. We've shortened the question period.

Now we'll go to Mr. Chisu for four minutes.

**Mr. Corneliu Chisu (Pickering—Scarborough East, CPC):** Thank you very much, Mr. Chair. Thank you for being here.

I have a question regarding how you will be working with DND to improve veterans' transition from the service. I know that when a person is retiring from the Canadian Forces, National Defence gives that person information ahead of time, and they are staffing the disengagements from the service.

How will you be working with DND to smooth this transition? That is a very important thing. The day that you retire from the army is a psychological shock. It was for me, and you can imagine how it is for some other people. That you're out of the service is depressing. It is very important to work with DND to facilitate this kind of transition so that people will not feel depressed. How do you look at this area? How can you have a say? What measures are you taking?

**Ms. Charlotte Stewart:** It is indeed a critical point in a releasing member's experience. The experience that they have in the Canadian Forces is not the same as having a career in many other walks of life. For those who are leaving the Forces, they feel a loss of their connection to their careers. We recognize in Veterans Affairs Canada just how sensitive and important this juncture is in their lives.

With respect to how we work with DND, I'm going to mention two areas. We have a number of areas where we have formal agreements with DND about how we will support the smooth integration and transition of members as they release, but I'll focus on two right now. The first one is what we call the "continuity of care". This means that as VAC and DND develop new programs and services, they will ensure that there is an integration or harmonization between them. So if a member is releasing from the military, and if he has medical issues or needs vocational assistance, he'll be prepared for that transition from the military by the Department of National Defence.

Our goal—and we work very closely on this—is to make sure that we link up with them as early in the process as possible, that our programs and services are harmonized with theirs, and that our case

managers are connected with theirs early on, so that the releasing member gets to know the VAC case manager. That transition, which can be a two-year process, is a partnership. When they leave the Department of National Defence, they're not entering an unknown area. They will be well acquainted with VAC and with their VAC case manager.

The other area that is perhaps more important for the releasing member with a medical or psychological issue is what we call our "casualty management and transition". It requires a high level of agreement between the two departments. We ensure that those with medical or psychosocial issues are fully supported. This starts from the moment they're injured. Both departments receive notification of the injury at the same time. VAC case managers are assigned along with DND case managers, and the support and the benefits and services are provided by Veterans Affairs Canada, often well before release from the military. We work to support that individual through a full reintegration, including assistance in setting up a new career. At the same time, we want to support the family. That's part of the process.

• (1640)

**The Chair:** Thank you very much.

Now we go to Mr. Casey for his four minutes.

**Mr. Sean Casey (Charlottetown, Lib.):** Thank you, Mr. Chairman.

I provided a notice of motion to the committee on May 16. I advised the witnesses ahead of time that I would be presenting the motion here.

I move that the Standing Committee on Veterans Affairs establish a subcommittee to immediately undertake a study regarding the subject matter of the sections of Bill C-38, An Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures, which directly fall within the mandate of this committee, namely part 4, division 50: Canadian Forces Members and Veterans Re-establishment and Compensation Act .

That's the motion for which I provided notice.

May I speak to it now, or do you want to put me on the speakers list?

**The Chair:** We do have a speakers list we will follow and I do have Mr. Harris on it. You have the right to speak first, though.

**Mr. Sean Casey:** Thank you.

You have the motion before you. Essentially, as you know, this is an attempt by the Liberal Party to have the budget bill subjected to closer scrutiny, in particular by the committees responsible for the statutes that have been directly affected. You would also know that since this committee was formed after the last election, we have not had any legislation come before it. There have been no changes proposed to any of the statutes for which we are responsible. So here we are, knowing that one of the things that we're supposed to do is to consider changes to the statutes falling within our jurisdiction, and the first time one of them comes along, that statute has not been sent to the committee. So I'm asking the committee basically to do the work for which it has been mandated.

You will note that the motion calls for the formation of a subcommittee, and that's specifically out of respect for Mr. Harris's motion that we examine the transformation agenda. That is very important work that we're now doing. By striking a subcommittee, that work can continue and we can proceed on a parallel track. We could strike a subcommittee of this group to examine the impacts of Bill C-38 at the same time as continuing with the important work we're doing here today. So the motion is not meant to derail the work of the committee but to do it in parallel.

That's the motion and that's the rationale for it. Thank you.

**The Chair:** I have Mr. Harris next on the list.

**Mr. Richard Harris (Cariboo—Prince George, CPC):** I move that we go in camera.

**Mr. Sean Casey:** I'm asking for a recorded division.

Is that debatable?

**The Chair:** No.

The motion's been made to go in camera and we want a recorded vote on that.

All those in favour of the motion?

(Motion agreed to: yeas 6; nays 5)

**The Chair:** The motion to go in camera has been accepted, so to our witnesses, I will again suspend for a minute as we go in camera. Stay tuned.

Thank you very much.

*[Proceedings continue in camera]*

• \_\_\_\_\_ (Pause) \_\_\_\_\_  
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*[Public proceedings resume]*

• (1650)

**The Chair:** I think we've seen you folks before.

As I said, our time gets more restricted, and if you're going to add to it, sorry about the time squeeze, but that's what we have to do. If the others want to comment, you'll have to jump in really quickly, because we are under a time restraint.

We stopped with Mr. Casey, so we are over to Storseth for four minutes, please.

**Mr. Brian Storseth (Westlock—St. Paul, CPC):** Thank you very much, Mr. Chair.

Thank you very much to the witnesses for once again showing up. It's always good to hear about the transformation initiatives and today to talk a little more about the future direction of some of these initiatives.

One of the questions to start off with, Ms. Stewart, is about the relationship with DND. How is communication about clients shared between the two departments, and what are some of the best practices used now and that we foresee using into the future?

**Ms. Charlotte Stewart:** Thank you very much, Mr. Chair, for that question.

With respect to the best practices with DND, I think the starting point for those would be the VAC-DND steering committee, a high level committee that meets regularly and that has established a very strong agenda of partnership between the two departments. I already mentioned two items briefly, one being the continuity of care, which is the harmonization of programs and services; and the other casualty management and transition. Others include research, which is a key cornerstone of our commitment to working together; and a fourth would be the development of programs and services in support of families. So that's a very good practice.

I'll mention one, though, that came about as a result of more recent activity around Afghanistan, and it has to do with casualty protocols. This is very specific to what happens when a member is injured in service. The two departments respond very quickly to this need and work together with two case managers, one from each department, to support the member and the family. That commitment to immediately providing programs and services to that veteran, to committing two case managers to working together with that veteran, has been in place for almost two years and I think it's a key sign of a best practice. What it has led to is a very rapid response in the provision of benefits and services to that ailing member in a very short turnaround time. So it's treated with high priority and acted on very quickly.

Transition is another area. We work together through our integrated personnel support centres to support transition. We've committed together to 24 such centres across the country. We're doing ongoing quality reviews of these. This is where our case managers work together and meet with releasing members, meet with those who are still in the service, and provide good knowledge in support of VAC's benefits and programs for them.

• (1655)

**Mr. Brian Storseth:** Thank you very much.

How much time do I have left, Mr. Chair?

**The Chair:** You have one and a half-minutes left.

**Mr. Brian Storseth:** I don't mean to be offensive here, but can you explain to me, without the bureaucratise, what it looks like for a serving member from my community who is going through the processes with DND and is going to be dealing with VAC. Can you explain to me in plain language what that looks like to them?

Also, one of the concerns I sometimes hear from members is their sometimes feeling pressured to leave on a medical release. So could you encompass that concern in there and tell me what it looks like from the member's point of view.

**Ms. Charlotte Stewart:** Krista.

**Ms. Krista Locke:** Sure, I can start and, Charlotte, if you have anything to add or, Bernard, you can continue.

Certainly, medical releasing involves working with a DND case manager and being part of an IPSC, an integrated personnel support unit. Our VAC staff also work in each of the integrated personnel support centres across Canada, so we have a case manager who would connect with the case manager at DND. The releasing member would work closely with both of those case managers, as Charlotte had said, for a very smooth transition, ensuring that all of their needs are met as they are releasing.

As well, we provide a mandatory transition interview. So, again, the member when they are releasing would have a transition interview with one of our client service agents or case managers. Normally it's with a client service agent, who goes through a very detailed interview to ensure we are meeting all of his or her needs as they release.

**The Chair:** Okay. You got to use up the time this time.

Thank you.

Ms. Mathysen, go ahead for four minutes, please.

**Ms. Irene Mathysen (London—Fanshawe, NDP):** Thank you very much, Mr. Chair.

Again, thank you for being here. DVA also looks after RCMP veterans, and yet no mention was made of them in the brief here. I'm wondering where they fit. Where does the RCMP come in?

**Ms. Charlotte Stewart:** We do indeed, on behalf of the RCMP, provide certain programs and benefits to that community, and they are one of our major client groups, so they are important.

**Ms. Irene Mathysen:** Thank you.

Ms. Locke, on page 3 of your brief, you say that “workload intensity tools have been developed to help front-line staff balance fair and equitable caseloads”. Were front-line staff members consulted in the development of these tools? What did they contribute, and could you describe that process? Finally, how did you determine what is fair and equitable in terms of caseloads?

• (1700)

**Ms. Krista Locke:** I can certainly start.

This particular tool is for our case managers, our client service agents, and they were very much consulted to determine the types of tools they needed to do their job better. It was about equipping them with the best possible tool out there so they could get a decision for the veteran more quickly and a better decision as well. So they were very much involved in the consultation to develop that.

In fact, the case plan tool was enhanced, actually. It was in place. We had it in place for a number of years, and as with everything, you continuously look at ways to improve it, and it was recently enhanced to be more efficient, more effective, and to be an online tool to allow for better case planning.

The other one I referred to was the workload intensity tool. Again, that is used to determine the intensity of each client, and to ensure that the workload of each case manager is no larger than 40 case-managed clients. So if, for example, there is a very complex client, the case manager might have a smaller workload for a period of time while trying to spend much more time with that particular client who

is very complex and who has complex needs, so that they can address it very quickly.

**Ms. Irene Mathysen:** I'd like to hand my time to Mr. Chicoine.

[*Translation*]

**Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP):** Thank you.

Given that all health services will soon be transferred to the provinces, have you provided for a mechanism to assess health care in all of the provinces to ensure uniformity?

[*English*]

**Ms. Charlotte Stewart:** I'll begin to answer the question, and then maybe someone can add to it

Across the country, indeed, the provision of services differs at times. VAC ensures that to the extent possible there is uniform provision of services to the veterans who need it. We would adjust, for instance, rates to ensure that an individual would get what they needed in terms of chiropractic services or other services equally across the country and that they would never be at a disadvantage because there might be a lack of parity or harmonization in the provision.

To the extent possible we will do that. We will also ensure that we work very hard to fill any gaps. One good example of this is in our operational stress injury clinics, which are obviously an area of high need in the Canadian medical landscape for VAC and DND. We set up operational stress injury networks so that we could provide clinical care on a more uniform basis across the country. We work very hard as well to develop and support providers across the country.

This means that we do a lot of education and outreach to service providers in the health care professions across Canada, with a view, of course, to ensuring that they understand the needs of veterans, that they're well positioned to support veterans, and that they do so in a way that's as streamlined and efficient as possible.

So while the Canadian health care landscape does have some variances across jurisdictions, our job is to try to make sure that is not a factor in the ongoing care of veterans.

**The Chair:** Thank you.

Once again, we are quite a bit over time.

By the way, it's nice to see you here, Mr. Butt. I know you don't want to ask any questions, so I'll move right on.

**Mr. Brad Butt (Mississauga—Streetsville, CPC):** It's a pleasure to be here. I don't want to interrupt your flow.

**The Chair:** Okay. I'll move right on to Mr. Lobb, for four minutes, please.



**Mr. Ben Lobb (Huron—Bruce, CPC):** Thank you very much.

The first question I have is in regard to the IT that you're implementing within the department, some of which has been already been implemented.

Is the overarching system that's going to deliver the improvements you're looking for, provide the flexibility you're looking for, and achieve some of the goals you've set a system that is used in other countries to deliver services for departments like Veterans Affairs or other departments? Or is this a new-build system? Is it something we're designing or have designed from scratch? If so, who's designing the system?

• (1705)

**Ms. Charlotte Stewart:** We employ a number of systems in the department, and I'll speak about a couple of them.

The technology we use to improve our service delivery and enhance our service is not necessarily full systems that we're putting in place. We're taking advantage of the opportunity to use scanning technology, for instance, in partnership with our colleagues at Public Works and Government Services Canada. We use the backbone of our IT system, which has been in place for many years, called the client service delivery network, to transport the scanned data. So we didn't have to build a new system.

We are doing some enhancements, and we're focusing on increasing the capacity or the bandwidth—some basic things like that. This doesn't require a large-scale investment in a new turnkey system; it's to modify what we currently have in place.

**Mr. Ben Lobb:** With that, then, for the year 2013-14 the brochure says, "We see the benefits of our new technological capabilities", and it talks about "tools, size, skills".

What are the new technological capabilities that we'll see in 2013-14?

**Ms. Charlotte Stewart:** I'll speak to scanning. What it means is that when we work with scan—

**Mr. Ben Lobb:** Is this the scanning of medical records?

**Ms. Charlotte Stewart:** Yes, it is.

Currently, it's a very paper-based system.

**Mr. Ben Lobb:** Just on that, how many more months or years do you anticipate it will take to scan the rest of these documents, then?

**Ms. Charlotte Stewart:** I want to clarify that point. What we do is scan documents as we require them. When a veteran is applying for a benefit or a service and we need the medical records, we ask for their file from Library and Archives Canada or from DND, we scan it, and then we have an electronic version.

**Mr. Ben Lobb:** Just so I'm clear on that, because it's interesting, you're saying that when you scan the records in a veteran's file, you don't scan them all at one time and put them in a file, but scan them one at a time as they are required.

**Ms. Charlotte Stewart:** No. Generally what we do is that we ensure that the key medical information, and only the key medical information that is needed, is scanned. We don't need most of what's on the file. That's a very important point to make relative to the privacy and security of data. We're very careful, and we work closely

with DND and with our privacy colleagues in central agencies to understand exactly how to extract just what is needed and to create an electronic file.

**Mr. Ben Lobb:** Getting back to the original question, then, when we get to 2013, what are we talking about? You said the scanning of the files is the real area in which we're saving time. But you're giving me the impression that they're scanned. So why is it 2013-14? Why isn't it happening right now?

**Ms. Charlotte Stewart:** It is happening now. It was one example. By 2013—

**Mr. Ben Lobb:** Is it completed, though?

**Ms. Charlotte Stewart:** We are able now to scan and to extract the electronic info we need for those who are applying for benefits and services today; that's correct. In the future, we're going to be able to expand that, and we'll continue to do it.

We're working also to improve services on our "My VAC Account". That's a technological enhancement that we'll have in place. My VAC Account is up and running, but we'll continue to develop it, and that's another milestone that would be indicated by 2013.

**The Chair:** Okay, we're past our time.

Mr. Harris, you can have four minutes.

You're on the list here. I can go on to Mr. Lizon. It's up to you.

**Mr. Richard Harris:** No, I'll pass.

**The Chair:** Or Mr. Lobb can use some of your time. It's up to you, whichever way.

**Mr. Richard Harris:** Go ahead.

**The Chair:** Mr. Lizon, it's your four minutes.

**Mr. Wladyslaw Lizon (Mississauga East—Cooksville, CPC):** Thank you, Mr. Chair.

Thank you, witnesses, for coming here and for your patience.

Maybe we will continue on electronic data or records. The last time we spoke, I didn't have a chance to ask this question. I understand that you will not be scanning all of the records of the current veterans; you will be scanning what is currently needed, and therefore there will be a mixture of paper files and electronic files. Would that be correct?

• (1710)

**Ms. Charlotte Stewart:** Most of them will be paper-based; that's right. As DND moves more towards establishing electronic records for all of its members, then obviously Veterans Affairs Canada will be able to take advantage of them as they build those electronic systems.

**Mr. Wladyslaw Lizon:** How will this actually help veterans in the process? Why would a veteran care whether he or she has a paper or an electronic file? How would this improve the system?

**Ms. Charlotte Stewart:** With respect to our perspective in Veterans Affairs Canada, the reason they would care is that it will reduce the amount of time it will take us to adjudicate on decisions.

I'll just give you a practical scenario that actually happens. When everything is paper-based and we have to request the file from Library and Archives Canada, for instance, and depending on where it's needed by an adjudicator or another decision maker in the department, it would be transported to that individual. There will be a courier. It will be carefully done, but it will still take time. Then, the pertinent pieces of information are photocopied by a group of people who spend their day pulling the file apart, photocopying key pieces, and putting it back together.

If you now think about using an electronic approach, once the document is scanned and it exists in an electronic record, we anticipate that it will shave weeks off of the existing turn-around time using paper files, and it will allow us to have many users using it at the same time. If you are applying for two different benefits as a veteran, we will be able to scan the document, and then an individual in Charlottetown can make a decision at the same time as a front line case manager. If the individual happened to be in western Canada, they will be able to use the same data and make a decision on a rehabilitation decision.

It becomes an extremely streamlined way to improve service.

**Mr. Wladyslaw Lizon:** Thank you.

On another topic, I would like to ask Ms. Locke a question. You mentioned in your presentation a new telephone system that you have implemented. Can you explain how it is different from what was used before and what kind of services are offered for veterans over the phone?

**Ms. Krista Locke:** Okay, sure.

Our former system was very disjointed. For example, in the Atlantic region there was one telephony system, whereas western Canada would have a different type of telephony system. Callers would call in from the geographic area. The new telephony system is adopted across Canada. It's a system that is used by other departments, and as well now, as I mentioned in my remarks, the caller goes to the first available agent. A caller could be calling from Newfoundland, and an analyst could be answering the phone in Vancouver. It works very well as far as efficiency is concerned.

**Mr. Wladyslaw Lizon:** So it's one system across the country. Is that correct?

**Ms. Krista Locke:** Yes.

**Mr. Wladyslaw Lizon:** How many phone centres are involved?

**Ms. Krista Locke:** We have four client contact centre sites: Dartmouth, Nova Scotia; Montreal, Quebec; Kirkland Lake, Ontario; and Winnipeg.

**The Chair:** Thank you very much. We're past time.

**Mr. Wladyslaw Lizon:** Thank you, Mr. Chair.

**The Chair:** Okay.

We go to Ms. Perreault for four minutes, please.

[*Translation*]

**Ms. Manon Perreault (Montcalm, NDP):** Good afternoon and thank you for coming here.

You have come at a good time because last week, I did in fact meet with a group of veterans, including Mr. Bessette, in my riding. I will ask you the same question he asked me. He told me about his concerns. He said that the cutbacks in the Department of Veterans Affairs were definitely going to have a long-term effect. He asked me which services would be disappearing in the long term. I would like to know what you think.

[*English*]

**Ms. Charlotte Stewart:** The department, as we've spoken about, is going through a transformation and there will be about 550 positions that will be impacted by that. That's because we're able to reduce a paper-based system and build in streamlining. So there will be some positions that will be impacted. In addition to that, you do know that there were impacts on the department because of Budget 2012.

This is about improving service to veterans by using new technology and new ways of doing business. It's not about reducing service to veterans. No programs or services are being cut and veterans will continue to receive the benefits and services they are entitled to.

In terms of the frontline staff—that is, case management, our cornerstone—there are 250 case managers located across the country, including those with our DND partnerships at IPSCs, and those will be maintained. As for our client service agents, while there will be some reductions in that area, they provide a support function to the case managers and the majority of the client service agents will remain in place providing direct client service.

The job of the department, the commitment of the department, is to maintain frontline services at appropriate points of service across the country; but benefits, programs, and services to veterans will not be impacted.

● (1715)

[*Translation*]

**Ms. Manon Perreault:** I wanted just to make sure that I have understood correctly. You have just said that 550 positions are at stake. It seems to me that, in previous weeks, we were told that 550 positions were going to be abolished, but that we also had to take into account the 250 additional positions that were going to be eliminated.

By cutting so many positions and reducing the budget by several million dollars per year, how are we going to improve service? The department's budget is being cut back considerably.

[English]

**Ms. Charlotte Stewart:** The transformation of the department is driven by demographics, and overall, the number of clients and veterans that the department is serving is going down. It's going to decrease, and the department has to adapt and respond to that and to make sure that our resources are put to the best use. That means the department's resources will be there for those who are most in need in the places where they need them. So our frontline case managers will not be cut. The other supporting services around them will remain in place to the extent we need to have them in place to support the number of veterans we will have. Demographics is a key part of this.

When we talk about the shifts in the department and transformation, I would point out that the changes will happen throughout the department. They will happen in head office positions. We've already spoken about other areas of the department where we're streamlining decision-making by letting frontline staff make decisions. That gives us the flexibility to reduce our investment in areas that used to be part of the decision-making process. We're re-engineering all of our programs. This means we're cutting out steps and making things simpler. Krista has spoken about some of the improvements in telephony.

**The Chair:** We're past time.

She's trying to squeeze in another question there but we really don't have time to do it.

I understand that Mr. Chisu would like to get back in, if Mr. Harris doesn't want to go.

Okay, Mr. Chisu.

**Mr. Corneliu Chisu:** Thank you very much, Mr. Chair.

You mentioned the new veterans in your presentation. The old veterans from the Korean War and the Second World War are getting fewer and fewer and the new veterans are coming on board.

As you know, we have two components in the Canadian army. We have the reserves and we have the regular force. I was in both of them, and I retired from the regular force, so I have seen the services. They were okay; no problem.

What about the reserves? I'm asking this question because 25% of the people deployed in Afghanistan were from the reserves. I'm not aware of any programs covering the reserves who are retiring or require medical services. I don't know how the medical coverage is working, if they have a medical problem. They became veterans because they served not only one tour in Afghanistan but also two tours in Afghanistan, and they served in peacekeeping operations in Bosnia and Herzegovina. These are the new veterans. They are a sizeable part of the people who were deployed overseas.

I know that DND has a process with the regular force people, but I'm not aware of anything going on with the reserves.

• (1720)

**Mr. Bernard Butler (Director General, Policy and Research Division, Department of Veterans Affairs):** Thank you for that question, Mr. Chair.

It's a very important issue for Veterans Affairs and, undoubtedly, for the Canadian Forces. What I might do is assure you that for reservists who have the type of service that you've categorized—service in Afghanistan—those folks do have access to all of the same benefits and programs as regular force members of the military have. They can access the new Veterans Charter programs. They're eligible for disability award compensation if they have service-related disabilities. They can access the various other program elements of the new Veterans Charter, such as rehabilitation and so on. For that group, it's a very similar process at the time of release and so on. Those are the class B reservists, with over 180 days of service, and the class C reservists. The ones whom we do have some challenges with at times may be the class A group with less than 180 days.

**Mr. Corneliu Chisu:** I'm sorry to interrupt you, but class B and class C service can occur in different periods of their careers. They don't look at the class B and the class C, because they are different. But if somebody has class A service and has 20 days of class B service, that is not making a difference.

When they retire what is the interaction between DND and you with the reserves? That is my question. The regular forces are okay. But I'm just asking you about the reserves, because they are an important component of those who were deployed overseas. Twenty-five percent of the people who were in Afghanistan came from the reserves, and not the regulars—

**The Chair:** You have to give him a chance to respond, please.

**Mr. Bernard Butler:** Perhaps I'll let my colleague, Charlotte, speak to the issue around the service delivery piece in terms of the transitioning of those folks from the military to civilian life and to Veterans Affairs. I think maybe that's what you're getting at, so maybe I'll turn to Charlotte to speak to that point.

**Ms. Charlotte Stewart:** First of all, it's very important that we reach them and get information to them. Our expanded outreach strategy recently has had a key focus on making sure that we find our reservists, that we connect with them. DND is helping us with that because it's key. They have a different career path and it can be harder to connect with them. So our outreach strategy has taken that into consideration.

When they do need transition services, they are eligible and they receive exactly the same approach that regular force members would get. They can have a transition interview. They can get information and be assessed for a future career, and they can have support along the way in that regard as well.

**The Chair:** You'll have to be very brief, please.

**Ms. Krista Locke:** I can also add that case managers are going out more and more often to reserve units and ensuring that they're giving information sessions about Veteran Affairs Canada. Even if they release, they can come back at a later date.

**The Chair:** Thank you very much, Krista.

We have time, Mr. Stoffer, to put in a few quick questions.

**Mr. Peter Stoffer:** Thank you very much.

You indicated, Madam Stewart, that the number of veteran clients is going down, yet your report on plans and priorities showed an increase in 2011 by 13,000 more clients. I'm a little confused as to how you could say they're going down when your plans and priorities report—DVA's own figures—actually showed an increase.

Second, you indicated that the RCMP are a major client, yet they're nowhere in here. I would suggest in future that you have something symbolizing the RCMP in here to show that they are indeed a major client.

Also, you indicated that services won't be cut. Well, technically they will be, because if you're in Charlottetown or Sydney, you right now get to go to a district office and actually meet a human being and that human being can sit with you and talk over problems, similar to what a gentleman like this would do. These fine folks here would probably use the Internet, because they grew up with that, but I don't think he did. So those individuals who are in their sixties and beyond like the idea of having a warm body and not having to drive four hours to Halifax, or somewhere else, to see someone. In essence, services will be cut in that regard, because veterans won't be able to see someone. They'll have to talk on the phone or go on the Internet.

Would you agree or disagree with that statement?

• (1725)

**Ms. Charlotte Stewart:** Mr. Chair, I would respond to that question by saying that while our Canadian Forces member veterans are increasing in number, the overall decline in our client numbers is, unfortunately, precipitated by the disproportionate number of war service veterans who are passing away, and the overall decline is led by that.

With respect to frontline service delivery, I want to clarify that we are making sure that by establishing frontline services where we have the most need, we're actually responding to the needs and expectations of the newer veterans. We have to put our frontline services in areas where there is a need—and where the need may, indeed, be increasing. Some of our offices may get smaller, and others, where there is a very low forecast demand, may close gradually over time. However, case management services and other frontline support will continue to be delivered in those areas.

That's a very important message I would like to leave here, that while we may have to find a different way of providing frontline service, veterans will still get case management services from frontline staff in those areas. They will continue to get home visits and they will continue to be supported by Veterans Affairs Canada.

Our opportunity to use online service delivery is for those veterans—or, in some cases, the children of veterans, or the power of attorney of veterans—who may wish to receive services in that way.

What we're doing is expanding our service delivery to ensure that every veteran will be served in the way they choose to be served.

**Ms. Krista Locke:** I can add that we have veterans living all over the country where we may not have district offices right now. For example, in Yarmouth, if there's a veteran who wishes to meet with a case manager or a client service agent, we ensure that we have a staff member who will go down and meet with them in person, if that is their need.

**Mr. Peter Stoffer:** The last question I have for you is on the VIP payment now. I think it's a good thing, giving them the money in advance into their account, but is there going to be an audit or a monitoring system to ensure that the money they receive goes to VIP services. I ask because I can readily imagine someone in January getting a cheque for, say, \$1,400 and saying, "Hmm, I need prescription drugs, but maybe I can go on a trip." I don't know and I'm not being devilish here, but they may use that money for other purposes you intended.

Will there be a periodic audit to ensure that those people who receive money for VIP definitely spend it on VIP services?

**The Chair:** I'll need a very quick yes or no on that one, I'm afraid.

**Ms. Charlotte Stewart:** Yes, there will be follow up to ensure, generally, that this is working appropriately.

**The Chair:** Thank you for that.

That is pretty much our time. We could squeeze in one more question from the government side, if there's a really important one, but otherwise not.

I would simply let everybody know that on Tuesday we're going to take a very few minutes at the start of the meeting to deal with the terms of reference the analyst was referring to.

Mr. Stoffer.

**Mr. Peter Stoffer:** For the committee's knowledge, the Legion's convention is in Halifax this year and Pat Varga will no longer be the president. I thought it would be a nice gesture, when that changeover occurs, for the chair on behalf of the committee to write her a letter thanking her for her service.

**The Chair:** For once I think I was almost ahead of you. I had the same thought.

Thank you very much to our witnesses.

**Mr. Peter Stoffer:** Yes, thank you, folks.

**The Chair:** Does everybody agree that we send a letter?

**Some hon. members:** Agreed.

**The Chair:** Thank you to the committee.

The meeting is adjourned.







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