



Veterans Affairs  
Canada

Anciens Combattants  
Canada

# Veterans Affairs Canada

2015–16

## Departmental Performance Report

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The Honourable Kent Hehr, P.C., M.P.  
Minister of Veterans Affairs and  
Associate Minister of National Defence

Canada 

*Cette publication est également disponible en français.*

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## Minister's Message

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I am proud of our Department's accomplishments toward fulfilling the Government's ambitious agenda for Veterans and their families. As Minister of Veterans Affairs and Associate Minister of National Defence, I'm always grateful for those opportunities to praise those in uniform and talk about the best way to support them while they are in service and after. I am honoured and deeply grateful to be part of delivering real results to our Veteran community.



We have been working hard to do more for Veterans, to fix what hasn't been working well—as illustrated in past performance results, and to find new ways to improve the well-being of Veterans and their families.

I can say that finding our way takes time. The solutions are not simple and the challenges are great. While progress has been made in many areas, we recognize that there are challenges to raising the bar to better serve Veterans. We look forward to finding solutions to these challenges, and I can assure you that we are working diligently to meet these head on with care, compassion and respect.

We care for those who have served and for their families and survivors. We show compassion for their needs. We respect them—both in our day-to-day interaction and by honouring their sacrifices and achievements through commemoration and recognition.

While this report looks back on 2015–16 and accounts for progress made on a number of fronts, I am looking ahead. We have made progress in fulfilling an ambitious mandate that was given to me by closing a number of gaps in the system. Most notably is the reopening of area offices that closed more than two and a half years ago; hiring more case managers and front line staff; opening new operational stress injury clinics; transferring Ste. Anne's Hospital to provincial jurisdiction; and making significant improvements to the Disability Award, Earnings Loss Benefit and Permanent Impairment Allowance to put more money in the pockets of Veterans.

As I close in on one year into my mandate, I am very proud of the work we have done together to improve the long-term financial security and independence of ill and injured Veterans and their families.

The Honourable Kent Hehr, P.C., M.P.  
Minister of Veterans Affairs and  
Associate Minister of National Defence



## Results Highlights

### Results Highlights

- **INTRODUCED NEW BENEFITS TO HELP VETERANS AND THEIR FAMILIES:** Critical Injury Benefit, Retirement Income Security Benefit, Family Caregiver Relief Benefit
- **IMPLEMENTED THE VETERANS HIRING ACT**, in partnership with the Public Service Commission, to give medically released Veterans highest priority consideration for public service jobs.
- Continued to advance work on a permanent **VISITOR EDUCATION CENTRE** in Vimy, France, to tell the story of those whose served.
- **INCREASED** registration to *My VAC Account* (MVA) online services by over 600%.

### What funds were used?

- **\$3,595 M...**more than 90% of which is payments to Veterans, their families, and other program recipients.

### Who was involved?

- **3,009 FTEs...**including many new hires, most of whom provide direct service to Veterans and their families.





## Section I: Organizational Overview

### Organizational Profile

**Minister:** ▶ The Honourable Kent Hehr, P.C., M.P.  
▶ The Honourable Erin O’Toole, P.C., C.D., M.P. (responsible Minister for the period of April 1–November 3, 2015)

**Institutional Head:** General (retired) Walter Natynczyk, C.M.M., M.S.C., C.D.,  
Deputy Minister

**Ministerial Portfolio<sup>1</sup>:** Veterans Affairs

**Enabling Instrument(s):** ▶ [\*Department of Veterans Affairs Act\*<sup>i</sup>](#)  
▶ [\*Canadian Forces Members and Veterans Re-establishment and Compensation Act\*<sup>ii</sup>](#) (The New Veterans Charter)  
▶ [\*Pension Act\*<sup>iii</sup>](#)

**Year of Incorporation / Commencement:** 1923

### Organizational Context

#### Raison d’être

Canada’s development as an independent country with a unique identity stems partly from its achievements in times of war. Veterans Affairs Canada (VAC) exists to assist and help those whose courageous efforts gave us this legacy and contributed to our growth as a nation.

VAC’s mandate is set out in the [\*Department of Veterans Affairs Act\*<sup>i</sup>](#). It charges the Minister of Veterans Affairs with responsibility for “the care, treatment, or re-establishment in civil life of any person who served in the Canadian Armed Forces or Merchant Navy or in the naval, army, air forces or merchant navies of Her Majesty, of any person who has otherwise engaged in pursuits relating to war, and of any other person designated . . . and the care of the dependants or survivors of any person referred to.” Veterans Affairs Canada is also responsible for keeping alive the achievements and sacrifices of those who served Canada in times of war, military conflict and peace.

VAC has embarked on a five-year strategy (2015–2020) to enhance support to Veterans, focusing on cultural change as well as departmental output, policies, practices and processes. The strategy will be built on three pillars: a Veteran-focused approach that places Veterans firmly at the centre of all VAC business, ultimately fostering the well-being of Canada’s Veterans; a seamless integration of Veterans Affairs and National

<sup>1</sup> Portfolio includes Veterans Affairs Canada, the Office of the Veterans’ Ombudsman and the Veterans Review and Appeal Board (VRAB).

Defence transition programs and services by removing the complexities of navigating between the two organizations in order to access benefits during the release process; and a focus on service excellence that will recognize and create opportunities to exceed expectations by understanding Veterans and their needs.

### Responsibilities

#### Veterans Affairs Canada

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Veterans Affairs Canada fulfills its mandate by enabling the well-being of Veterans and their families, and by supporting recognition and remembrance of the achievements and sacrifices of those who served Canada in times of war, military conflict and peace.

This is accomplished by:

- providing leadership as a champion of Veterans, and by promoting the strategic alignment and coordination of benefits and services; whether available through the Department and other federal partners, or through provincial and community programs and non-governmental organizations.
- the work and research of the Department: listening to the suggestions of Veterans, their representatives, and stakeholders. The Department strives to design and deliver programs that meet the modern needs of Veterans and their families.
- helping Veterans access the supports and services they need, from all levels of government and the community. Veterans Affairs Canada aims to be a leader in the care and support for all Veterans and their families.

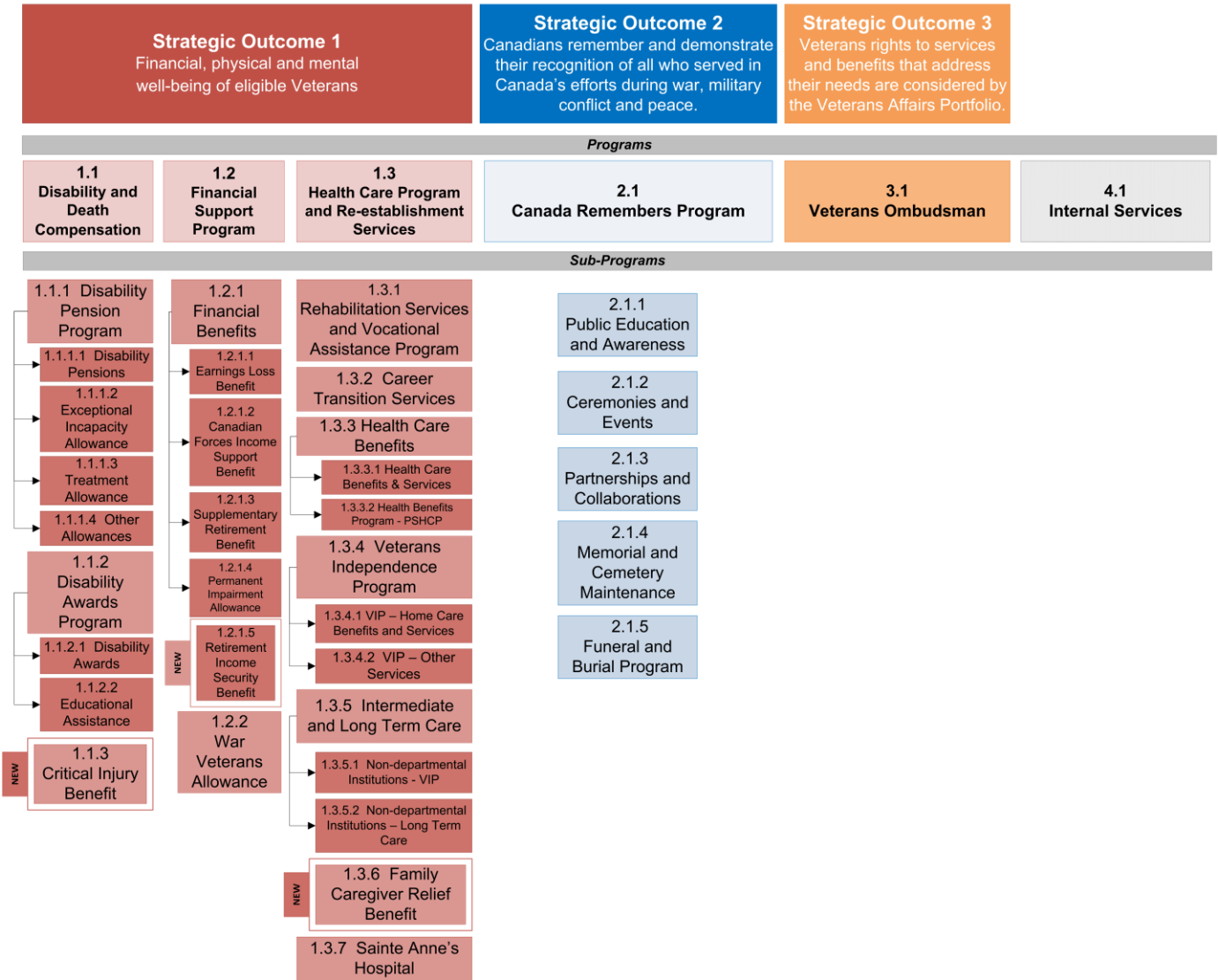
#### Veterans Ombudsman

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The Office of the Veterans Ombudsman (OVO) helps Veterans, men and women in uniform of the Canadian Armed Forces (CAF), members and former members of the Royal Canadian Mounted Police (RCMP), as well as families and other individuals, address concerns related to Veterans Affairs Canada and the *Veterans Bill of Rights*<sup>iv</sup>. As an impartial and independent officer, the Veterans Ombudsman reports directly to the Minister of Veterans Affairs and works to ensure that Veterans, their representatives and their families are treated fairly.

Strategic Outcomes and Program Alignment Architecture (PAA)

2015-16 PAA- Veterans Affairs Canada



Operating Environment and Risk Analysis

Key Risks for 2015–16

Veterans Affairs is dedicated to enhancing the health and well-being of Veterans and their families and recognizes that its success in fulfilling its mandate is directly related to the effective management of risk. Sound risk management equips the Department to respond proactively to change and uncertainty by using risk-based information to support effective decision-making, resource allocation. Additionally, it leads to effective service delivery, better project management, and an increase in value for money.

The table below outlines the Department’s top three external risks and the steps taken to mitigate them.

Risk	Risk Response Strategy	Link to Program Alignment Architecture
The Department’s efforts may not keep pace with Veterans’ expectations for reducing red tape to speed up access to benefits and services.	<ul style="list-style-type: none"> <li>• Worked with Department of National Defence (DND) to ensure timely access to the Service Health Records needed to adjudicate disability benefits.</li> <li>• Worked to improve electronic exchange of data between VAC and DND.</li> <li>• Streamlined the application and decision processes for the Disability Benefits program.</li> </ul>	Strategic Outcome 1
Veterans may not have enough information on programs and services to access these supports.	<ul style="list-style-type: none"> <li>• Partnered with CAF and DND to ensure those releasing are provided with the information and tools they need—greatly improving and enhancing the transfer to civilian life.</li> <li>• Introduced an enhanced Post Release Follow Up process for medically released Veterans assessed as having minimal risk of unsuccessful transition.</li> </ul>	Strategic Outcome 1
The successful transfer of Ste. Anne’s Hospital to the Government of Quebec may not occur in 2015–16.	This is no longer a risk as Ste. Anne’s Hospital was transferred to the Government of Quebec on April 1, 2016.	Strategic Outcome 1  Sub-Sub-Program 1.3.7

## Organizational Priorities

The fiscal year of 2015–16 was an exciting and demanding period requiring collective effort across all areas of the Department to work toward the Department’s three strategic outcomes.

The 2015–16 Departmental Performance Report (DPR) reports on the progress of the organizational priorities committed to in the *2015–16 Report on Plans and Priorities*<sup>v</sup>. It also includes an organizational priority for the OVO.

Priority		Type <sup>2</sup>		
Provide caring and responsive service to Veterans and Canadian Armed Forces members and their families, and the RCMP		New		
Description				
VAC exists to repay the nation’s debt of gratitude to Veterans and their families, and the contribution they have made to our growth as a nation. The Minister of Veterans Affairs is responsible for “the care, treatment or re-establishment in civil life of Veterans, as well as the care of their dependents.” VAC works with other federal departments, other levels of government, as well as private and not-for profit organizations to provide caring and responsive service.				
Planned Initiative	Start date	End date	Status	Link to the Organization’s Programs
<ul style="list-style-type: none"> <li>▶ Focus departmental efforts on three key pillars of Veteran-centric, seamless transition and service excellence:                             <ul style="list-style-type: none"> <li>• Ensure that Veterans and their families are placed firmly at the centre of all VAC business, ultimately fostering their well-being.</li> <li>• Foster a seamless integration of Veterans Affairs and National Defence transition programs and services to remove the complexities of navigating between the two organizations to access benefits during the release process.</li> </ul> </li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	Programs: <ul style="list-style-type: none"> <li>▶ 1.1 Disability and Death Compensation</li> <li>▶ 1.2 Financial Support Program</li> <li>▶ 1.3 Health Care Program and Re-establishment Services</li> </ul>
	<i>January 2016</i>	<i>The new transition model will be implemented by April 2018</i>	<i>On Track</i>	

<sup>2</sup> Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the RPP or the DPR.

## 2015–16 Departmental Performance Report

<ul style="list-style-type: none"> <li>• Strive for service excellence and make access to services easier by reducing red tape and eliminating administrative burdens.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	
<ul style="list-style-type: none"> <li>▶ Action the Government of Canada’s response to recommendations from key reports such as the <i>Standing Committee on Veterans Affairs report titled The New Veterans Charter: Moving Forward</i>; and the <i>2014 Fall Report of the Auditor General of Canada – Chapter 3: Mental Health Services for Veterans</i>.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On track</i>	<ul style="list-style-type: none"> <li>▶ 1.1 Disability and Death Compensation</li> <li>▶ 1.2 Financial Support Program</li> <li>▶ 1.3 Health Care Program and Re-establishment Services</li> </ul>
<ul style="list-style-type: none"> <li>▶ Implement initiatives to enhance employment opportunities for Veterans in the private and public sectors, including proposed legislative amendments to provide Veterans with improved access to jobs in the federal public service.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<p><b>Veterans Hiring Act<sup>vi</sup></b>  <i>came into force on July 1, 2015</i></p> <p><i>Remaining on track</i></p>	<ul style="list-style-type: none"> <li>▶ 1.3 Health Care Program and Re-establishment Services</li> </ul>
<ul style="list-style-type: none"> <li>▶ VAC’s 2015–16 Annual Outreach Plan will explore ways to enhance outreach and engagement activities with key stakeholders, Veterans and their families, and other partners.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	<ul style="list-style-type: none"> <li>▶ 1.1 Disability and Death Compensation</li> <li>▶ 1.3 Health Care Program and Re-establishment Services</li> </ul>
<ul style="list-style-type: none"> <li>▶ Enhance and expand VAC’s research capacity so as to better understand, and therefore be more responsive to, the transition experience of Canadian Veterans and their families.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	<ul style="list-style-type: none"> <li>▶ 1.3 Health Care Program and Re-establishment Services</li> </ul>
<ul style="list-style-type: none"> <li>▶ Strengthen the Department’s relationship with the RCMP in support of their members.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	<ul style="list-style-type: none"> <li>▶ 1.1 Disability and Death Compensation</li> </ul>

<p>▶ Focus on employees, resulting in an engaged, empowered workforce to provide the caring competent service excellence Veterans expect.</p>	<p><i>Workplace of Choice Action Plan introduced September 2015</i></p>	<p>2020</p>	<p><i>On Track</i></p>	<p>4.1 Internal Services</p>
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**Progress Toward the Priority**

In 2015–16, the Department introduced its new five-year strategic plan (2015-2020) titled “Care, Compassion, Respect.” This approach puts Veterans at the centre of all we do, while facilitating a smooth and seamless transition from military to civilian life, all the while providing excellent service.

Guided by the principles of Care, Compassion, Respect, the Department is providing caring and responsive service to Veterans and Canadian Armed Forces members and their families, and the RCMP.

2015–16 Highlights:

- ▶ Introduced new programs:
  - A new **Critical Injury Benefit** for Canadian Armed Forces members and Veterans who, on or after April 2006, experienced a sudden, single incident which resulted in a severe service-related injury or disease immediately resulting in a severe impairment and interference in quality of life.
  - The **Family Caregiver Relief Benefit** provides eligible Veterans an annual tax-free grant of \$7,238 (2015 rate) to allow his or her informal caregiver to take a well-deserved break while ensuring the Veteran continues to get the support needed.
  - The **Retirement Income Security Benefit**, a monthly taxable benefit, which tops up a Veteran’s total annual income to at least 70% of the amount received in financial benefits from VAC before age 65. Survivors may also be eligible for this benefit.
  
- ▶ Simplified the transition process to civilian life by integrating procedures with DND. This approach will support all releasing CAF members and their families re-establishing in civilian life without having to navigate complex programs and services.
  
- ▶ Began the Service Delivery Review which is an examination of Veterans Affairs Canada’s existing service delivery model. It is intended to provide analysis on opportunities for greater efficiencies and effectiveness, assess progress on performance measurement metrics, and ensure that the model remains Veteran-centric.
  
- ▶ Contributed to the *Veterans Hiring Act*<sup>vi</sup> which amended the *Public Service Employment Act*<sup>vii</sup> to allow medically released Veterans who were injured in service to Canada highest priority consideration for job openings in the public service. The

Act also expanded public service employment opportunities for other CAF members and honourably released Veterans.

- ▶ Continued to invest in research in order to help improve Veterans’ transition from military to civilian life through projects, including:
  - Literature Review and Analysis on the Mental Health and Well-being of Military Veterans;
  - A Survey on Transition to Civilian Life (LASS 2016);
  - Veteran Suicide Mortality Study;
  - Literature Review and research on Military/Veteran Families;
  - Technical Report on Labour-Market Outcomes of Veterans; and
  - Pilot Projects related to both Equine Therapy and Psychiatric Service Dogs to study these interventions and their potential effectiveness to support Veterans with mental health conditions.
  
- ▶ Enhanced support to employees, recognizing that an engaged and empowered workforce helps ensure Veterans receive the best service:
  - Launched a *Workplace of Choice Action Plan* based on consultations with staff across the country.
  - Established the National Unit for Workplace Mental Wellness, as well as the first ever employee-led National Working Group, who met in person in March 2016 to chart out priorities for the Mental Wellness initiative at Veterans Affairs Canada.
  - Delivered various programs in 2015-2016 including: “Get Loud for Mental Health” events held during Mental Health Week 2015; the national launch of the *Elephant in the Room* anti-stigma campaign; the delivery of Mental Health self-care workshops to over 200 employees.
  - Re-established a National Employee Council, which implemented the first *Employee Pulse Survey* (with a 67% response rate) to engage staff and monitor progress toward becoming a workplace of choice.
  - Launched a *National Orientation & Training Program* to support the growing number of new and returning frontline employees, as well as staff who would like a refresher.
  - Provided staff with a large number of new/updated tools, businesses processes, and training opportunities in support of service excellence, such as suicide intervention/ASIST training, and easier-to-understand letter templates and forms.



Priority				Type
Honour those who served Canada				Ongoing
Description				
<p>A key element of Veterans Affairs Canada’s mandate is to express the immense gratitude of a nation to those who have protected Canadian values in times of war, military conflict and peace. Veterans, both traditional and modern-day, are direct links to our history and Canadian identity. We must honour them and preserve their legacy. VAC will strengthen its commitment to keeping alive the memory of the achievements and sacrifices made by those who served and continue to serve.</p>				
Planned Initiative	Start date	End date	Status	Link to the Organization’s Programs
<ul style="list-style-type: none"> <li>▶ Establish partnerships with communities across the country to ensure Canadians have opportunities to actively participate in remembrance activities.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On track</i>	Programs: ▶ 2.1 Canada Remembers Program
<ul style="list-style-type: none"> <li>▶ Collaborate with various federal and other partners to coordinate commemorative initiatives at the national and international levels, including a permanent Visitor Education Centre in Vimy, France, and a National Memorial to Canada’s Mission in Afghanistan in Ottawa.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>On track</i>	Programs: ▶ 2.1 Canada Remembers Program
	<i>[Note re End date: Construction of Visitor Education Centre in Vimy, France, set for completion in 2017; and work has begun for the National Memorial to Canada’s Mission in Afghanistan.]</i>			
<ul style="list-style-type: none"> <li>▶ Plan and prepare for major First and Second World War anniversary events, such as the centennials of the Battles of the Somme and Beaumont-Hamel in 2016 and of the Battle of Vimy Ridge in 2017.</li> </ul>	<i>2014</i>	<i>2020</i>	<i>On track</i>	Programs: ▶ 2.1 Canada Remembers Program
	<i>[Note re End date: Commemoration of the centennial of the Battles of the Somme and Beaumont-Hamel completed in July 2016.]</i>			

**Progress Toward the Priority**

- ▶ In collaboration with domestic and international partners, extensive planning continued for the 2017 commemoration of the centennials of the Battles of Vimy Ridge and Passchendaele (First World War) and the 75<sup>th</sup> anniversary of the Dieppe Raid (Second World War).
- ▶ To tell the story of those who served, work continued to advance on a permanent Visitor Education Centre in Vimy, France, slated for opening in 2017.
- ▶ A notice of intent was published in the *Canada Gazette* in March 2016 to amend the *Veterans' Burial Regulations, 2005*<sup>viii</sup> in order to improve the Funeral and Burial Program and ensure Veterans continue to receive a dignified burial.
- ▶ Funding was provided to communities across Canada for commemorative initiatives that served to recognize Canadian Veterans and those who died in service.

Priority				Type
Transfer of Ste. Anne’s Hospital				Closed
Description				
<p>It has been a long-standing policy of the Government of Canada to transfer hospitals to the provinces, thereby respecting provincial jurisdiction in matters of health care. Ste. Anne’s Hospital was the last remaining federally owned Veterans hospital.</p> <p>Transferring this institution to the Government of Quebec offers a number of benefits: it takes advantage of Ste. Anne’s expertise in geriatrics and psycho-geriatrics, maximizes offers of employment for current staff, and increases provincial hospital space for other non-Veteran patients. The Government’s priority pre and post-transfer of Ste. Anne’s Hospital is to ensure that eligible Veterans continue to have priority access to beds and receive exceptional care and services in the official language of their choice.</p>				
Planned Initiative	Start date	End date	Status	Link to the Organization’s Programs
<ul style="list-style-type: none"> <li>▶ Provide priority access to high quality care and services for Veterans, and ensure the interests of employees and official languages continue as key considerations.</li> </ul>	<i>Ongoing</i>	<i>Ongoing</i>	<i>Ongoing</i>	Programs: <ul style="list-style-type: none"> <li>▶ 1.3 Health Care Program and Re-establishment Services               <ul style="list-style-type: none"> <li>○ Sub-program 1.3.7 Ste. Anne’s Hospital</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>▶ Keep Veterans, staff, and other stakeholders informed about the process.</li> </ul>	<i>Ongoing</i>	<i>March 31, 2016</i>	<i>Completed</i>	Programs: <ul style="list-style-type: none"> <li>▶ 1.3 Health Care Program and Re-establishment Services               <ul style="list-style-type: none"> <li>○ Sub-program 1.3.7 Ste. Anne’s Hospital</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>▶ Maximize the capacity of Ste. Anne’s Hospital, so that it can continue to provide care and services, and maintain its level of staff expertise.</li> </ul>	<i>Ongoing</i>	<i>March 31, 2016</i>	<i>Completed</i>	Programs: <ul style="list-style-type: none"> <li>▶ 1.3 Health Care Program and Re-establishment Services               <ul style="list-style-type: none"> <li>○ Sub-program 1.3.7 Ste. Anne’s Hospital</li> </ul> </li> </ul>

**Progress Toward the Priority**

- ▶ The Department successfully transferred Ste. Anne’s Hospital to the Province of Quebec on April 1, 2016.
- ▶ The transfer respects and completes the Government of Canada’s long-standing priority to transfer hospitals to the provinces as Ste. Anne’s was the last remaining federally owned Veterans hospital.
- ▶ Veterans will continue to receive, exceptional care and services at Ste. Anne’s Hospital.

Priority				Type
Advance the fair treatment of the Veteran community				Ongoing
Description				
<p>The OVO acts as an independent voice for all those served by the Department: Veterans, those still in uniform, and their families, as well as current and former RCMP members. Its mandate is to uphold the rights set out in the <i>Veterans Bill of Rights</i><sup>iv</sup> and to review and address complaints, systemic and emerging issues regarding the programs, services and benefits provided by the Veterans Affairs portfolio. The Office is committed to ensuring that those served are treated fairly in any dealings with the Department and the Veterans Review and Appeal Board. As such, the Office views fairness as an outcome that can be objectively measured through the lenses of adequacy, sufficiency and accessibility of the benefits and services.</p>				
Planned Initiative	Start date	End date	Status	Link to the Organization's Programs
▶ Intervene early in matters brought to the attention of the OVO, so that any complaints, information requests and referrals are resolved in a timely manner.	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	▶ 3.1 Veterans Ombudsman
▶ Address emerging and systemic issues pertaining to Veterans Affairs Canada programs and services and provide recommendations for action.	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	▶ 3.1 Veterans Ombudsman
▶ Engage Veterans, still serving members, RCMP, their families, and Canadians through the use of social media and public consultation in order to educate and discuss Veterans' issues and priorities.	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	▶ 3.1 Veterans Ombudsman
▶ Respond independently to requests through the <i>Access to Information Act</i> <sup>ix</sup> and the <i>Privacy Act</i> <sup>x</sup> .	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	▶ 3.1 Veterans Ombudsman
▶ Engage with the Ombudsman community as a leader in best practices in ombudsmanry.	<i>Ongoing</i>	<i>Ongoing</i>	<i>On Track</i>	▶ 3.1 Veterans Ombudsman

### Progress Toward the Priority

- ▶ The Office of the Veterans Ombudsman’s (OVO) continued to provide direct assistance to the Veteran community by reviewing departmental programs, addressing emerging and systemic issues, complaints, information requests and making referrals as needed.
  - The OVO was contacted by 6,516 Veterans and other clients, resulting in the creation of 1,912 new files which were added to the existing 361 active files. This resulted in an increased workload of 30% from the previous year. In total, 1,773 files were addressed and closed.
  - As a result of the increased demand, a review of frontline operations was conducted and a four point plan (to be implemented in 2016–17) was developed to improve operational effectiveness.
  - Initiated and reviewed departmental programs and published the following:
    - *Veterans’ Right to Disclosure and to Know Reasons for Decisions: The Follow-up Report*;
    - *Support to Military Families in Transition: A Review*; and
    - *My Five Years as Veterans Ombudsman: Narrowing the Gap for Veterans and their Families*.
  - Contributed recommendations which were included in Budget 2016 and the Department’s Mandate Letter.
  - Several emerging issues – streamlining processes to ensure Veteran centric service delivery and discrepancies in the VAC benefit grid - were resolved.
  
- ▶ Engaged Veterans, their families and other stakeholders through:
  - External communications, social media to engage nationally, and public engagement through parliamentary committee appearances and town hall meetings across the country.
  
- ▶ The OVO continues to respond to requests through the [Access to Information Act](#)<sup>ix</sup> (2 independent requests, one consultation with another department).
  
- ▶ In order to support best practices in ombudsmanry, the OVO worked with the DND/CF Ombudsman to identify issues and assist members transitioning from military to civilian life. Including:
  - Mapped the medical release process for Regular and Reserve Force members and identified challenges;
  - Collaborated on the production of three education pieces and a video on the phases of transition;
  - Produced a review and infographic material on supports and services available to military families in transition; and
  - Presented a literature review on the determinants of a successful transition at the Canadian Institute for Military and Veteran Health Research Conference in November.

For more information on organizational priorities, see the [Minister’s Mandate Letter](#).<sup>xi</sup>

## Section II: Expenditure Overview

### Actual Expenditures

#### Budgetary Financial Resources (dollars)

	2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	Difference (actual minus planned)
Veterans Affairs Canada	3,516,298,303	3,492,417,103	3,670,733,697	3,590,433,763	98,016,660
Office of the Veterans Ombudsman	5,779,872	5,779,872	5,230,086	4,600,441	(1,179,431)
<b>Total</b>	<b>3,522,078,175</b>	<b>3,498,196,975</b>	<b>3,675,963,783</b>	<b>3,595,034,204</b>	<b>96,837,229</b>

#### Human Resources (Full-Time Equivalents [FTEs])

	2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
Veterans Affairs Canada	2,761.8	2,975.6	213.8
Office of the Veterans Ombudsman	38.0	33.8	(4.2)
<b>Total</b>	<b>2,799.8</b>	<b>3,009.4<sup>3</sup></b>	<b>209.6</b>

### Budgetary Performance Summary

Veterans Affairs Canada builds its annual budget so the Department can fully respond to eligible Veterans in need of benefits and services. A key part of this process is forecasting, which helps ensure there is enough funding for all eligible Veterans who are likely to need help in a given year.

Naturally, the Department's budget fluctuates each year due to the demand-driven nature of its programs, which are based on Veterans' needs and entitlements. In other words, a Veteran who is entitled to a benefit is paid that benefit, whether 10 Veterans come forward or 10,000. While forecasting helps ensure enough funding is available, expenditures are only incurred for Veterans who in fact come forward to use the program or service. The Government's budget process is designed to account for these fluctuations as a normal part of providing programs and services for Canadian Veterans which is why there will be changes to both forecasted and actual spending from one year to the next.

<sup>3</sup> Program totals may not add due to rounding.

## 2015–16 Departmental Performance Report

As noted above, the Department spent \$3.6 billion in 2015–16, of which 90% represented payments to Veterans, their families, and other program recipients. The difference between planned spending and actual spending can be largely attributed to an increase in spending on Disability Awards and Allowances as the Department invested additional resources to address outstanding disability applications. Additional resources were also invested to hire more case managers, allowing case managers to dedicate more time and attention to meeting the individual needs of Veterans.

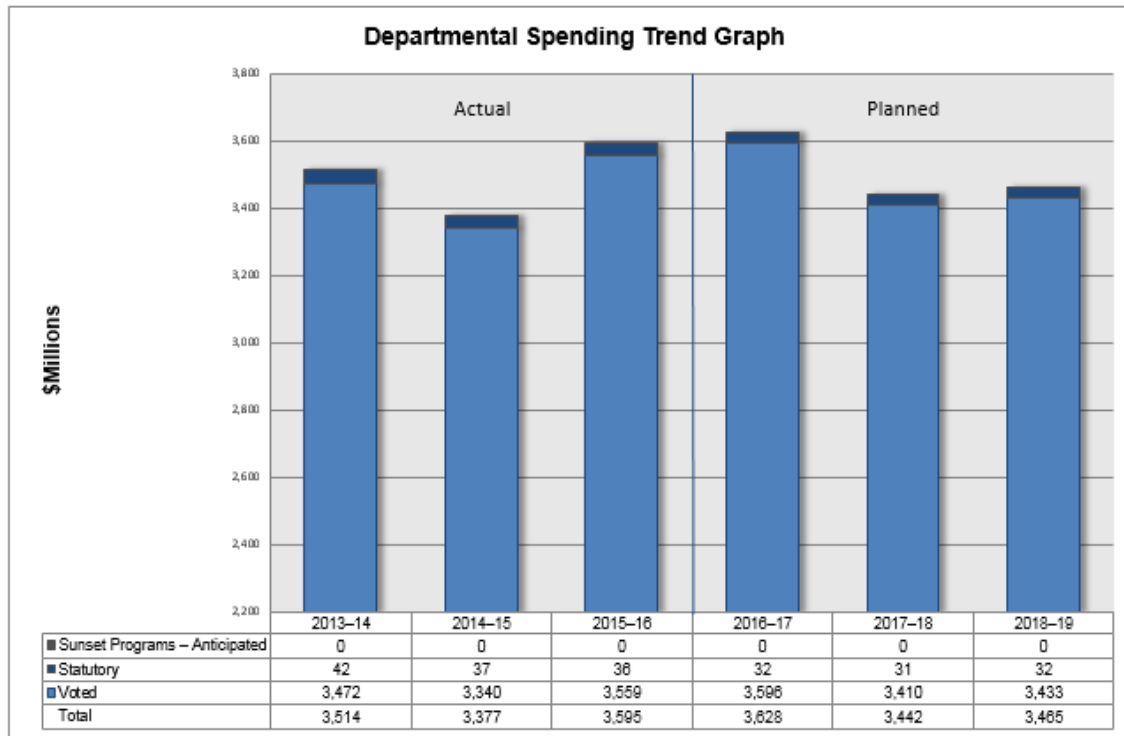
It is important to note that fluctuations in spending are normal, given that initial forecasting is typically done many months in advance of the reporting period and adjusted throughout the year based on actual results.

### Budgetary Performance Summary for Strategic Outcomes and Programs (dollars)

Programs and Internal Services	2015–16 Main Estimates	2015–16 Planned Spending	2016–17 Planned Spending	2017–18 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2014–15 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)
1.1 Disability and Death Compensation	2,075,599,433	2,075,599,433	2,141,757,279	1,957,098,249	2,177,985,649	2,143,780,278	2,017,365,900	2,099,828,254
1.2 Financial Support Program	228,636,029	228,636,029	278,039,229	310,815,656	249,709,414	246,513,877	205,167,882	163,442,979
1.3 Health Care Program and Re-establishment Services	1,094,951,813	1,071,070,613	1,089,248,862	1,058,681,085	1,111,534,620	1,070,454,796	1,026,146,338	1,118,351,751
2.1 Canada Remembers Program	50,557,923	50,557,923	46,317,506	41,654,577	51,847,344	50,028,142	45,528,370	41,150,530
3.1 Veterans Ombudsman	5,779,872	5,779,872	5,306,217	5,306,217	5,230,086	4,600,441	4,578,484	4,953,006
<b>VAC Internal Services Subtotal</b>	<b>66,553,105</b>	<b>66,553,105</b>	<b>67,612,609</b>	<b>68,001,792</b>	<b>79,656,670</b>	<b>79,656,670</b>	<b>78,092,980</b>	<b>85,846,369</b>
<b>Total</b>	<b>3,522,078,175</b>	<b>3,498,196,975</b>	<b>3,628,281,702</b>	<b>3,441,557,576</b>	<b>3,675,963,783</b>	<b>3,595,034,204</b>	<b>3,376,879,954</b>	<b>3,513,572,889</b>



## Departmental Spending Trend



As noted in the Budgetary Performance Summary, Veterans Affairs Canada’s spending fluctuates each year due to the demand-driven nature of its programs, which are based on Veterans’ needs and entitlements.

VAC spent \$3.6 billion in 2015–16 and is forecasting to spend roughly the same amount in 2016–17. Planned spending is then expected to decrease by 5.1% (\$186.7 million) in 2017–18 before increasing slightly by 0.7% (\$23.4 million) in 2018–19. The fluctuation in spending is mostly related to increased program spending for Disability Awards and Allowances in 2015–16 and 2016–17 as the Department addresses outstanding disability applications. Faster decisions on Disability Benefit applications will, in turn, expedite access to other financial benefits, healthcare and mental health treatment.

The Department continues to see an increase in the number of CAF Veterans and their families benefiting from its programs. At the same time, the number of war-service Veterans is declining, with surviving spouses becoming a larger segment of the population being served.

As a result of this demographic trend of more CAF Veterans and fewer war-service Veterans, forecasts show increased demand for programs such as Earnings Loss and Supplementary Retirement benefits, and a declining demand for traditional programs and benefits such as Disability Pensions and the War Veterans Allowance. Variations in spending based on actual needs can be accommodated through in-year funding adjustments in Supplementary Estimates.

## Expenditures by Vote

For information on Veterans Affairs Canada organizational voted and statutory expenditures, consult the *Public Accounts of Canada 2016*<sup>xii</sup>.

## Alignment of Spending with the Whole-of-Government Framework

### Alignment of 2015–16 Actual Spending with the Whole-of-Government Framework<sup>xiii</sup> (dollars)

Program	Spending Area	Government of Canada Outcome	2015–16 Actual Spending
1.1 Disability and Death Compensation	Economic Affairs	Income Security and Employment for Canadians	2,143,780,278
1.2 Financial Support Program	Economic Affairs	Income Security and Employment for Canadians	246,513,877
1.3 Health Care Program and Re-establishment Services	Social Affairs	Healthy Canadians	1,070,454,796
2.1 Canada Remembers Program	Social Affairs	A Vibrant Canadian Culture and Heritage	50,028,142
3.1 Veterans Ombudsman	Economic Affairs	Income Security and Employment for Canadians	4,600,441

### Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	2,310,015,334	2,394,894,596
Social Affairs	1,121,628,536	1,120,482,938
International Affairs	–	–
Government Affairs	–	–

## Financial Statements and Financial Statements Highlights

### Financial Statements

VAC's Financial Statements can be found on the [Veterans Affairs Canada website](#)<sup>xiv</sup>.

### Financial Statements Highlights

#### Condensed Statement of Operations (unaudited) For the Year Ended March 31, 2016 (dollars)

Financial Information	2015–16 Planned Results	2015–16 Actual	2014–15 Actual	Difference (2015–16 actual minus 2015–16 planned)	Difference (2015–16 actual minus 2014–15 actual)
Total expenses	3,530,905,753	3,622,681,949	3,548,872,375	91,776,196	73,809,574
Total revenues	0	23,213	18,846	23,213	4,367
Net cost of operations before government funding and transfers	3,530,905,753	3,622,658,736	3,548,853,529	91,752,983	73,805,207

The expenses of the Department for 2015–16 increased \$74 million in comparison to those in 2014–15.

Departmental spending in 2015–16 was higher than originally planned as Parliament subsequently authorized additional funding through the estimate process for New Veterans Charter programs such as Disability Awards and Earnings Loss and Supplementary Retirement Benefits. These increases were offset by decreases in Disability Pensions. Changing demographics in the Veteran population means that uptake of programs for war service Veterans is decreasing while uptake for New Veterans Charter programs continues to increase.

**Condensed Statement of Financial Position (unaudited)  
As at March 31, 2016 (dollars)**

Financial Information	2015–16	2014–15	Difference (2015–16 minus 2014–15)
Total net liabilities	221,335,542	160,019,228	61,316,314
Total net financial assets	139,298,858	79,859,035	59,439,823
Departmental net debt	82,036,684	80,160,193	1,876,491
Total non-financial assets	9,225,018	12,068,933	(2,843,915)
Departmental net financial position	(72,811,666)	(68,091,260)	(4,720,406)

Total net liabilities: Total net liabilities have increased by \$61 million in 2015–16 compared to 2014–15.

This variance is explained by an increase of \$58 million in account payable and accrued liabilities and \$3 million in other liabilities.

Total net financial assets: Total net financial assets have increased by \$59 million in 2015–16 compared to 2014–15.

This variance is explained by an increase of \$49 million in the amount due from the Consolidated Revenue Fund to discharge existing liabilities. The remaining increase is attributable to an increase of \$10 million in accounts receivable and advances.

Departmental net debt: Departmental net debt, which is the difference between net liabilities and net financial assets, has increased by \$2 million in 2015–16 compared to 2014–15.

For more information, see the Statement of Change in Departmental Net Debt in the Department’s financial statements.

Total non-financial assets: Total non-financial assets have decreased by \$3 million in 2015–16 compared to 2014–15.

This variance is explained by a decrease in tangible capital assets.

## Section III: Analysis of Programs and Internal Services

### *Strategic Outcome 1: Financial, physical and mental well-being of eligible Veterans*

#### Program 1.1: Disability and Death Compensation

##### **Description**

This program supports eligible Veterans, Canadian Armed Forces Veterans and members, survivors, spouses/common-law partners, dependants and civilians whose lives have been permanently affected as a result of service to their country. In recognition of the effects of service-related disabilities or death, compensation is provided in the form of monthly disability pensions, lump-sum disability awards and/or monthly allowances. The amount of benefit awarded is dependent on the severity of the disability and its impact on daily functioning. This program is delivered through grants.

##### **Program Performance Analysis and Lessons Learned**

In the 2016 Federal Budget, the Government announced significant investments to ensure the financial security and independence of disabled Veterans and their families. Investments include increasing the value of the Disability Award for injuries and illnesses caused by service to a maximum of \$360,000, indexing this amount to inflation, and paying it retroactively to all Veterans who have received this award since 2006.

In addition, the Department:

- ▶ continued to build on the success of the streamlined decision making model by introducing new models applicable to mental health conditions, and other conditions historically and statistically found, by the Department, to be related to military service.
- ▶ strengthened our service excellence culture by:
  - beginning to streamline the application and decision processes for the Disability Benefits program;
  - working with DND to ensure VAC has more timely access to the service health records needed to adjudicate disability benefits;
  - testing a process to provide decisions closer to the Veteran for certain claims;
  - testing an interoperability project to enable VAC to receive personnel information electronically from DND in real time; and
  - introducing an enhanced post release follow up process for medically released Veterans assessed as having minimal risk of unsuccessful transition at the time of their transition interview.
- ▶ Re-designed *My VAC Account*<sup>xv</sup> to improve usability, to adhere to the latest common look and feel across Government web portals, and to optimize the site for use on mobile devices. Enhancements were made based on feedback from Veterans and

## 2015–16 Departmental Performance Report

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staff. These improvements mean that Veterans are able to access additional forms, letters and receive notification of VAC disability application decisions. The number of Veterans registered for *My VAC Account*<sup>xv</sup> continued to increase, from approximately 19, 000 registrants in April 2015 to 32,000 in April 2016.

### Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
2,075,599,433	2,075,599,433	2,177,985,649	2,143,780,278	68,180,845

### Human Resources (Full-Time Equivalent [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
530.6	645.3	114.7

### Performance Results

Expected Result	Performance Indicator	Target	Actual Result
Eligible Veterans service-related disabilities are recognized	% of favourable disability benefit decisions that are made without requiring a level of review or appeal	80%	84%

## Program 1.2: Financial Support Program

### Description

This program provides income support to eligible Veterans, qualified civilians and their survivors. The intent of the support is to ensure that recipients have income which is adequate to meet their basic needs. In recognition of the effects of wartime service in the case of War Service Veterans, income support may be paid in the form of a monthly War Veterans Allowance. This program also provides economic support to Canadian Armed Forces Veterans, survivors, spouses/common-law partners and dependents for the economic impact that a military career ending and/or service-related injury or death can have on a Veteran's ability to earn income, advance in a career or save for retirement. Compensation is provided in the form of a monthly income support payment. A lump-sum supplementary retirement benefit is available to those who are totally and permanently incapacitated. There is also an allowance available for those with severe and permanent impairments.

### Program Performance Analysis and Lessons Learned

In the 2016 Federal Budget, the Government announced significant investments to ensure the financial security and independence of disabled Veterans and their families, including:

- ▶ expanding access to the Permanent Impairment Allowance (PIA) to better support Veterans with career limiting service-related injuries and re-naming it the Career Impact Allowance to reflect the intent of the program; and
- ▶ increasing the Earnings Loss Benefit from 75% to 90% of an eligible Veteran's gross pre-release salary rate, and re-indexing military salaries to reflect actual cost of living increases.
- ▶ Several new financial benefit reference and training tools were developed for staff, to ensure potential recipients get accurate and timely information regarding their potential benefits. These include:
  - four simplified and interactive web-based modules, granting staff access to a quick and simple method to become comfortable with the various financial benefits;
  - area office visits from Financial Benefit subject matter experts to deliver personalized training sessions to frontline staff;
  - simplified single page financial benefit quick reference diagrams were posted to the VAC intranet site, providing frontline staff with a valuable desktop reference for common questions; and
  - several well-attended, live web-based financial benefit training sessions were delivered to staff looking to improve their financial benefit knowledge.

**Budgetary Financial Resources (dollars)**

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
228,636,029	228,636,029	249,709,414	246,513,877	17,877,848

**Human Resources (FTEs)**

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
41.0	49.9	8.9

**Performance Results**

Expected Result	Performance Indicator	Target	Actual Result
Eligible Veterans' and other program recipients' needs for food, shelter, clothing, health care and transportation are met	% Earnings Loss Benefit recipients whose family income is above the low income measure <sup>4</sup>	90%	94%

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<sup>4</sup> The low income measure is based on total family income, therefore, the indicator was changed from the 2015-16 Report on Plans and Priorities as a calculation based on individual income is not possible.



## Program 1.3: Health Care Program and Re-establishment Services

### Description

This program is designed to improve or maintain the physical, mental and social well-being of eligible Veterans, Reserve Force personnel on a period of Class A service or on a period of 180 days or less of Class B service in the Canadian Armed Forces, civilians, and their survivors and dependents and other individuals, promote independence, and assist in keeping them at home and in their own communities by providing a continuum of care. The program provides funding for rehabilitation services, career transition support, health benefits, home care and long term care. This program is delivered through operating funds, grants and contributions.

### Program Performance Analysis and Lessons Learned

- ▶ Created new web-based portals to improve service, including:
  - a Client Member Portal for Veterans, offering direct access to valuable information such as health professionals in their communities, and the status of claims; and
  - a Provider Portal for health care providers, which allows them to electronically submit pre-authorization requests and claims, as well as view all program information, including payment summaries.
  
- ▶ Developed, with the CAF, *Veterans at Work: A Career Transition and Employment Strategy* – a comprehensive plan to enhance employment opportunities for Veterans, promote their well-being and support their success as they make the transition to civilian life.
  
- ▶ The new Veterans Priority Programs Secretariat is working with partners, such as Employment and Social Development Canada (ESDC), Canada Mortgage and Housing Corporation, as well as stakeholder organizations on a strategy to prevent and end Veteran homelessness in Canada, and to develop an action plan for Veterans in crisis.

**Budgetary Financial Resources (dollars)**

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
1,094,951,813	1,071,070,613	1,111,534,620	1,070,454,796	(615,817)

**Human Resources (FTEs)**

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
1,457.5	1,599.0	141.5

**Performance Results**

Expected Results	Performance Indicators	Targets	Actual Results
Eligible Veterans are able to remain in their own homes and communities	% of Veterans in receipt of the Veterans Independence Program who remain in their homes	90%	94%
Payments for health care/ treatment benefits are processed in an efficient manner that reduces financial burden on recipients	% of payments made directly to providers through use of the Veterans Health Care Card (reducing out-of-pocket expenses for Veterans)	80%	98%

*Strategic Outcome 2: Canadians remember and demonstrate their recognition of all who served in Canada’s efforts during war, military conflict and peace*

**Program 2.1: Canada Remembers Program**

**Description**

Canadian Veterans and those who died in service have made valuable contributions to the development of Canada. Under the authority of P.C. Order 1965–688, this program ensures that Veterans and those who died in service are honoured and the memory of their sacrifices and achievements is preserved. Canada Remembers activities promote the following outcomes: Canadians are knowledgeable about the efforts of Veterans and those who died in service to Canada; Canadian military milestones and the Veterans who participated in them are publicly recognized; communities and other groups lead remembrance activities; symbols erected to honour Veterans and those who served are maintained in perpetuity on behalf of Canadians; and, financial assistance is provided to the estates of eligible Veterans for a dignified funeral and burial. Encouraging pride in shared military history, celebrating the contributions and acknowledging the sacrifices of those who served, and preserving symbols to mark their courage all contribute to the Government of Canada’s outcome of a vibrant Canadian culture and heritage. This program is delivered through operating funds as well as grants and contributions.

**Program Performance Analysis and Lessons Learned**

- ▶ Hosted or participated in various events commemorating military milestones such as the centennials of the Second Battle of Ypres, the 70<sup>th</sup> anniversary of the Liberation of the Netherlands and the 25<sup>th</sup> anniversary of the Gulf War.
- ▶ Continued work to ensure a dignified funeral and burial for Veterans. Following a Budget 2016 announcement to increase the estate exemption, a notice of intent was published in the *Canada Gazette* in March 2016 regarding the amendment of *Veterans Burial Regulations, 2005*<sup>viii</sup>.
- ▶ As was also announced in Budget 2016, work began on expanding the Commemorative Partnership Program to include funding for the building of new community war memorials.
- ▶ To tell the story of those who served, work continued to advance on a permanent Visitor Education Centre in Vimy, France, slated for opening in 2017.
- ▶ Created a suite of learning resources to engage educators and youth in remembrance and expanded its online “Heroes Remember” library of interviews with additional Veterans’ personal recollections.

**Budgetary Financial Resources (dollars)**

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
50,557,923	50,557,923	51,847,344	50,028,142	(529,781)

**Human Resources (FTEs)**

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
96.0	83.7	(12.3)

**Performance Results**

Expected Result	Performance Indicator	Target	Actual Result
Canadian Veterans and those who died in service are honoured and the memory of their achievements and sacrifices is preserved	Percentage of Canadians who feel that Veterans Affairs Canada’s remembrance programming effectively honours Veterans and those who died in service, and preserves the memory of their achievements and sacrifices	70%	73%

*Strategic Outcome 3: Veterans' rights to services and benefits that address their needs are considered by the Veterans Affairs Portfolio*

**Program 3.1: Veterans Ombudsman**

**Description**

This program provides an independent and impartial opportunity to review complaints submitted by Veterans and other individuals (war service Veterans, Veterans and serving members of the Canadian Armed Forces [Regular and Reserve], members and former members of the Royal Canadian Mounted Police, spouses, common-law partners, survivors and primary caregivers, other eligible dependants and family members, other eligible individuals and representatives of the afore mentioned groups).

It promotes fair and equitable treatment in accessing the services, benefits and programs from Veterans Affairs Canada. This is accomplished by: providing them with information and referrals to facilitate their access to programs and services; reviewing and addressing complaints arising from the *Veterans Bill of Rights*<sup>iv</sup> and decisions on benefits and services for which there is no right to appeal to the Veterans Review and Appeal Board; reviewing systemic issues related to the Veterans Review and Appeal Board; and identifying and reviewing emerging and systemic issues related to the provisions of the Department's programs and services and providing information and recommendations to the Minister in relation to those issues. This program is delivered through operating funds.

**Program Performance Analysis and Lessons Learned**

- ▶ The Office of the Veterans Ombudsman (OVO) works to ensure that the needs of Veterans and their families are addressed by the Department.
  - The OVO provided direct assistance to Veterans and ensured that the complaints, information requests and referrals received were addressed in a timely manner.
  - There were 1,912 new files added to an already existing 361 from the previous year for a total workload of 2,273 files—an increase of 30% from the previous year. Of these, 1,773 (78%) files were addressed and closed. The complexity of the issues being addressed by the complaints also increased.
  
- ▶ In order to meet the 80% target in the coming year, the OVO conducted a review of its front line operations, and has developed a four point action plan to be implemented beginning in early 2016–17. One of the key findings was the need to conduct a review of the frontline business processes using a LEAN methodology.
  
- ▶ The OVO also addressed systemic and emerging issues and exceeded the target of the Department accepting 80% of the recommendations raised. Six of eight recommendations raised in the *Veterans' Right to Disclosure and to Know Reasons for Decisions: The Follow-up Report* were fully or partially accepted. The *Support to Military Families in Transition: A Review* was also published. Many of the Ombudsman's recommendations were included in Budget 2016 and the Department's

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Mandate Letter. As well several emerging issues such as engaging VAC to streamline processes to ensure Veteran centric service delivery and discrepancies in the VAC benefit grid were resolved.

- ▶ The OVO engaged Veterans and their families and other stakeholders through outreach on NVC improvements, laying the groundwork for non-economic compensation and other priorities, while expanding outreach via a digital first communications strategy, including Parliamentary Committee appearances, social media posts, news releases, media interviews and town halls.
- ▶ Two Veterans Ombudsman Advisory Council meetings were held and four new members were added to the Council.
- ▶ The OVO partnered with the DND/CF Ombudsman to address the challenges associated with transition from military to civilian life for those medically releasing. A summary of the project will be published in 2016. The OVO will be partnering with other Ombudsman and other governmental organizations in 2016–17 to take an across-government approach to reviewing horizontal issues of concern to Veterans.

### Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
5,779,872	5,779,872	5,230,086	4,600,441	(1,179,431)

### Human Resources (FTEs)

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
38.0	33.8	(4.2)

### Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
The needs of Veterans and other individuals are addressed through Veterans Affairs programs and services	% of issues raised by Veterans and other individuals that are being addressed by the OVO	80%	78%
	% of recommendations raised by the OVO that are accepted by Veterans Affairs	80%	93%

## VAC Internal Services

### Description

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

### Program Performance Analysis and Lessons Learned

- ▶ Additional highlights flowing from our Workplace of Choice Action Plan:
  - Participated actively in Government of Canada initiatives, such as the Federal Managers network, Federal Youth Network and the Blueprint 2020 extended team.
  - Implemented five-year Values and Ethics Plan outlining our commitment to corporate values and the activities required to be a values-based organization.
  - Enhanced internal Awards & Recognition Program, recognizing teams and individuals who contributed in an exceptional manner in areas such as Leadership, Employment Equity and Diversity, and Official Languages.
  - Maintained above labour market availability estimates across all four designated employment equity groups, including representation in management and executive positions, as well as with new hires.
  - Developed and implemented a refreshed Official Language Action Plan for 2016-2019, identifying of strategies to address issues and challenges in fostering strong support of official languages.
  
- ▶ The Department implemented many information technology solutions and made preparations for further improvements to ensure employees have the tools needed to work effectively. Some such initiatives included:
  - preparations to adopt the *your.email@canada.ca* service to complete the transition when the solution is available;
  - continuing the move toward full transition to the Government of Canada's e-government initiative, GCDOCS, which creates, acquires, captures, manages and protects the integrity of information sources of business value in the delivery of programs and services;
  - completing the move from the Summerside Data Centre to the Moncton Data Centre and becoming fully engaged with Shared Services Canada (SSC) in planning for the ultimate move of data centre resources to an end-state solution;
  - modernizing IT tools available to staff, enabling them to better serve Veterans from locations outside of VAC facilities; and
  - improving the security and stability of the Department's IT operating environment.

## 2015–16 Departmental Performance Report

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- ▶ Worked closely with SSC to clear a back log of reported information technology issues by creating a VAC-SSC Joint Service Management Team. The team was formed in the fall of 2015 with a mandate from both departments to resolve the backlog within six months. The team was successful in its mandate and was dissolved in April 2016.

### Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities Available for Use	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
66,553,105	66,553,105	79,656,670	79,656,670	13,103,565

### Human Resources (FTEs)

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
636.7	597.8	(38.9)



## Section IV: Supplementary Information

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### Supporting Information

The following supporting information can be found on the Department's website:

- ▶ [Supporting information on lower-level programs](#)<sup>xvi</sup>
- ▶ [Departmental Service Standards](#)<sup>xvii</sup>

### Supplementary Information Tables

The following supplementary information tables are available on [VAC's website](#)<sup>xviii</sup>:

- ▶ Departmental Sustainable Development Strategy;
- ▶ Details on Transfer Payment Programs;
- ▶ Internal Audits and Evaluations;
- ▶ Response to Parliamentary Committees and External Audits; and
- ▶ Status Report on Projects Operating With Specific Treasury Board Approval

### Federal Tax Expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the [Report of Federal Tax Expenditures](#).<sup>xix</sup> This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

### Organizational Contact Information

**Veterans Affairs Canada**  
161 Grafton Street  
P.O. Box 7700  
Charlottetown PE C1A 8M9

Toll free: **1-866-522-2122**  
[www.veterans.gc.ca](http://www.veterans.gc.ca)

**Veterans Ombudsman**  
134 Kent Street  
P.O. Box 66  
Charlottetown PE C1A 7K2

Toll free: **1-877-330-4343**  
[www.ombudsman-veterans.gc.ca](http://www.ombudsman-veterans.gc.ca)



## Appendix: Definitions

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**appropriation** (*crédit*): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

**budgetary expenditures** (*dépenses budgétaires*): Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

**Departmental Performance Report** (*rapport ministériel sur le rendement*): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

**full-time equivalent** (*équivalent temps plein*): A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

**Government of Canada outcomes** (*résultats du gouvernement du Canada*): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

**Management, Resources and Results Structure** (*Structure de la gestion, des ressources et des résultats*): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

**non-budgetary expenditures** (*dépenses non budgétaires*): Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

**performance** (*rendement*): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

**performance indicator** (*indicateur de rendement*): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

**performance reporting** (*production de rapports sur le rendement*): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

**planned spending** (*dépenses prévues*): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

**plan** (*plan*): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

**priorities** (*priorités*): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

**program** (*programme*): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

**Program Alignment Architecture** (*architecture d'alignement des programmes*): A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

**Report on Plans and Priorities** (*rapport sur les plans et les priorités*): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

**results** (*résultat*): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

**statutory expenditures** (*dépenses législatives*): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

**Strategic Outcome** (*résultat stratégique*): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

**sunset program** (*programme temporisé*): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

**target** (*cible*): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

**voted expenditures** (*dépenses votées*): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

**Whole-of-government framework** (*cadre pangouvernemental*): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

## Endnotes

- i. *Department of Veterans Affairs Act*, <http://laws.justice.gc.ca/eng/acts/V-1/index.html>
- ii. *Canadian Forces Members and Veterans Re-establishment and Compensation Act*, <http://laws-lois.justice.gc.ca/eng/acts/C-16.8/>
- iii. *Pension Act*, <http://laws-lois.justice.gc.ca/eng/acts/p-6/index.html>
- iv. *Veterans Bill of Rights*, <http://ombudsman-veterans.gc.ca/eng/about-us/rights>
- v. *2015–16 Report on Plans and Priorities*, <http://www.veterans.gc.ca/eng/about-us/reports/report-on-plans-and-priorities/2015-2016>
- vi. *Veterans Hiring Act*, <http://www.psc-cfp.gc.ca/plcy-pltq/vet-ac/index-eng.htm>
- vii. *Public Service Employment Act*, <http://laws-lois.justice.gc.ca/eng/acts/p-33.01/>
- viii. *Veterans Burial Regulations, 2005*, <http://laws.justice.gc.ca/eng/regulations/SOR-2005-200/>
- ix. *Access to Information Act*, <http://laws-lois.justice.gc.ca/eng/acts/A-1/>
- x. *Privacy Act*, <http://laws-lois.justice.gc.ca/eng/acts/P-21/index.html>
- xi. Minister's mandate letter, <http://pm.gc.ca/eng/minister-veterans-affairs-and-associate-minister-national-defence-mandate-letter>
- xii. *Public Accounts of Canada 2016*, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- xiii. Whole-of-government framework, <http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx>
- xiv. Financial Statements, <http://www.veterans.gc.ca/eng/about-us/reports/departmental-financial-statements>
- xv. *My VAC Account*, [http://www.veterans.gc.ca/eng/e\\_services](http://www.veterans.gc.ca/eng/e_services)
- xvi. Supporting Information on lower level programs, <http://www.veterans.gc.ca/eng/about-us/reports/performance/2015-2016/lower-level-programs>
- xvii. Departmental Service Standards, <http://www.veterans.gc.ca/eng/about-us/service-standards>
- xviii. Supplementary Information Tables, <http://www.veterans.gc.ca/eng/about-us/reports/performance/2015-2016/tables>
- xix. Report of Federal Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>