

OP ED – National Council of Veteran Associations October 26, 2011

GOVERNMENT SHOULD EXEMPT VETERANS FROM BUDGETARY CUTS

As the National Council of Veteran Associations (representing 58 member-organizations) gathers for its annual meeting on November 3rd, its focus will be on the declared intention of the Government that many Federal Budgets are to be potentially reduced and that substantial financial cuts will have to be exercised by individual Departments, including Veterans Affairs Canada.

NCVA has recently written to the Prime Minister expressing its serious concerns in regard to this announcement, in that it would be highly unacceptable to us that the Government's Deficit Reduction Plan would conceivably include cuts to veterans' benefits or administrative components of VAC programs.

We also trust that these cuts will not be made on the backs of the Canadian veterans' community, particularly given the fact that a number of Allied countries, in attempting to cope with current economic deficits, have exempted veterans' benefits and services from their proposed austerity programs.

NCVA has consistently pointed out that, although Canada's Traditional Veterans are aging, VAC continues to have significant responsibility to the more than 150,000 veterans who served Canada during the Second World War and Korea. Many of these veterans are presently suffering from their service-related disabilities together with other medical concerns brought on by the ravages of age.

It is also quite self-evident that extensive financial and human resources are required of the Department due to the influx of disabled veterans returning from Afghanistan and earlier Canadian military missions. Given the physical, mental and psychological concerns confronting these

returning veterans, the job of VAC will become more essential and intensive in order to address these multifaceted problems.

It remains our view that VAC has an important and complex mandate and, indeed, is entering a significant phase. VAC currently administers two major pieces of legislation – the original Pension Act for the Traditional Veteran and the New Veterans Charter for the Modern Day Veteran. At the same time, health care benefits, Veterans Independence programs (VIP) and all of the related policies are administered by the Department for all Veterans and their families.

It is also a stark reality that should VAC's budgetary capacity be impacted, the Department will be unable to fund crucial legislative improvements in order to fulfil its ongoing commitments to the overall veterans' community.

With reference to Traditional Veterans, there remain serious outstanding concerns as to the significant gaps in the VAC Long Term Care Program, inequities in the Last Post Fund/Veterans Burial Regulations and anomalies in the VIP programs for widows.

In relation to Modern Day Veterans, the New Veterans Charter, considered a "living document" by veterans' organizations, is currently an unfinished work in progress.

A study of the Charter was completed by a VAC Advisory Group (of which NCVA was a member) over a three-year period and a report forwarded to the Minister of Veterans Affairs in the summer of 2009. The Advisory Group, made up of leading experts, practitioners, academics and veteran stakeholders, concluded that there remain a number of substantial gaps and voids in the Charter which require further legislative and regulatory amendment.

It remains our strong position that the debate is not so much a question of whether the "lump sum payment" is a preferable approach to the original Pension Act, but whether the entire package of programs established under the Charter is sufficient to meet the needs and requirements of the Modern Day Veteran.

We are convinced that without the implementation of changes recommended by the New Veterans Charter Advisory Group and endorsed

and supplemented by the Standing Committee on Veterans Affairs, the Charter fails to fully satisfy these fundamental criteria.

We would acknowledge that the Government, through the passage of Bill C-55 one day prior to the calling of the Federal Election in March of this year, has established a first step in addressing these Charter deficiencies.

As a major representative of many of the Traditional Veterans organizations with members suffering from serious disabilities, NCVA spearheaded the recommendation that the Charter should be augmented to consider the plight of the Canadian Force member who is medically disabled with a catastrophic injury.

There is no doubt that the plight of the seriously injured private together with other seriously disabled veterans deserves special attention insofar as the financial compensation available under the Charter. The addition of a catastrophic allowance and the enhancement to the Earnings Loss Benefit and Permanent Impairment Allowance will provide a start to improving the financial picture of these seriously disabled veterans.

NCVA maintains, however, that there is much more to accomplish in bolstering the Charter and that the Government needs the budgetary resources to fully implement the recommendations of the Advisory Group and the Parliamentary Committee.

These further reforms would include the following:

- The SISIP (Service Income Security Insurance Plan) long term disability program should be eliminated to remove the insurance culture constraints presently contained in the Charter.
- The Earnings Loss Benefit should be increased to 100% of pre-release income and in relation to permanently incapacitated veterans, be paid for life (not terminated at 65, as is currently the case). In addition, the projected career earnings of a Canadian Force member should be employed as the standard for the payment of the Earnings Loss Benefit.
- The Lump Sum Disability Award should be increased commensurate with the general damages paid by the Canadian Courts. In addition,

a comparable evaluation should be carried out as to the parallel benefits paid by Allied countries such as the United Kingdom and Australia.

- Educational benefits should be expanded to bolster the rehabilitation provisions of the Charter so as to address the vocational and occupational constraints faced by many returning veterans with serious service-related disabilities.
- The restrictions and complexities of the Permanent Impairment Allowance guideline should be addressed so as to allow greater numbers of disabled veterans to qualify for entitlement for this important allowance.
- In order to recognize the caregiving requirements that many disabled veterans confront to cope with their incapacities the Attendance Allowance provisions of the Pension Act should be added to the Charter in recognition of the financial costs faced by many families in this context.
- The Charter should acknowledge that veterans with dependants should receive a higher level of compensation, either through an augmentation of the Lump Sum Disability Award or an increase in the Earnings Loss Benefit for such veterans and their families.

Given these significant concerns, this is clearly no time to be suggesting any diminishment in the budget or the resources of VAC. In our judgement, the financial responsibility and debt of gratitude that all Canadians owe to Traditional and Modern Day Veterans should remain a paramount consideration in any evaluation of a Federal Deficit Reduction Plan.

With reference to a specific examination of the VAC budget, NCVA has for many years argued that administrative efficiencies can be established within the Department through the removal of bureaucratic red tape and procedural obstacles which unduly generate financial costs to VAC.

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