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CANADA

THE CONSEQUENCES OF THE COVID-19 PANDEMIC ON THE FINANCIAL HEALTH OF VETERANS' ORGANIZATIONS

Report of the Standing Committee on Veterans Affairs

Bryan May, Chair

**MAY 2021
43rd PARLIAMENT, 2nd SESSION**

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Chair**

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NOTICE TO READER

Reports from committee presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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has the honour to present its

SIXTH REPORT

Pursuant to its mandate under Standing Order 108(2), the committee has studied the impact of the COVID-19 pandemic on the financial health of veterans' organizations and has agreed to report the following:

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LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

Recommendation 1

That Veterans Affairs Canada increase its outreach activities in areas where Legion branches or other veterans’ organizations have closed down in order to reach veterans who may be feeling isolated or alone, and that the outreach be focused on mental health supports and connecting those veterans to other organizations. 8

Recommendation 2

That Veterans Affairs Canada study the ability of veterans’ organizations to reach veterans through telephone, or digital means, and provide appropriate assistance in training, equipment, or resources to help these organizations continue to serve their veteran population through digital technologies. 8

Recommendation 3

That the Government of Canada, in concert with Provincial and Municipal Governments consider renting space from non-profit veterans’ organizations for COVID-19 related purposes or any other activities..... 8

Recommendation 4

That the Canada Emergency Business Account be available to veterans’ organizations, including those that serve seniors, that rely on fundraising and revenues from rentals, as a grant to assist these volunteer-run organizations to remain open and support their community..... 8

Recommendation 5

That the Government of Canada, recognizing that The Royal Canadian Legion is primarily run by volunteers, create an emergency fund that the Legion can access in the event of a national crisis..... 10

Recommendation 6

That Veterans Affairs Canada:

- **recognize the key role that the Veterans Transition Network plays in providing mental health support to veterans;**
- **confirm the status of the Veterans Transition Network as an authorized service provider with the Department;**
- **reinstate the agreement whereby the cost of treatment is covered by the Department for veterans it refers to the program..... 17**

Recommendation 7

That the Government of Canada immediately extend the assistance provided through the Veterans Organizations Emergency Support Fund should these organizations be unable to resume normal operations in 2021. 17

Recommendation 8

That Veterans Affairs Canada immediately extend support to small veterans' organizations that are run by volunteers, such as the Persian Gulf War Veterans of Canada, through the Veterans Organizations Emergency Support Fund with a simple application process. 17

Recommendation 9

That Veterans Affairs Canada undertake regular assessments of the financial health of veterans' organizations, beginning in June and December 2021, and in June and December 2022, enhance its assistance programs, including the Veteran and Family Well-Being Fund, and make them available after the pandemic. 18



THE CONSEQUENCES OF THE COVID-19 PANDEMIC ON THE FINANCIAL HEALTH OF VETERANS ORGANIZATIONS

INTRODUCTION

The COVID-19 pandemic severely affected the ability of non-profit organizations to generate sufficient revenue to continue their operations. Veterans organizations were not spared. To raise money, many of these organizations held public events or offered services that they were no longer able to provide because of health restrictions.

Some of these organizations, including the Royal Canadian Legion, ANAVETS, VETS Canada, and True Patriot Love, are agents of Veterans Affairs Canada for some programs. The financial difficulties they are experiencing therefore have an impact on the department's ability to fulfill parts of its mandate.

Other organizations, which may or may not be receiving funding from Veterans Affairs Canada, play a vital role in supporting the well-being of veterans. Some are the only local community network where veterans can reach out to one another, while others are recognized providers whose expertise is irreplaceable.

These organizations struggled financially before the pandemic, but the pandemic placed them in an even deeper economic crisis. This is why the government has included veterans organizations in its support for vulnerable groups by creating a \$20 million emergency fund. Of this amount, \$14 million went to the Royal Canadian Legion, \$1.5 million to True Patriot Love, \$1 million to ANAVETS, and \$850,000 to VETS Canada. The remaining \$2.65 million went to 38 other organizations following a call for applications.

In a motion adopted at its 27 October 2020 meeting, the Standing Committee on Veterans Affairs (the Committee) decided to study how the pandemic was affecting the financial health of veterans' organizations, and how the emergency fund addressed their most urgent needs. Thirteen witnesses were heard over the course of three meetings. Committee members would like to sincerely thank them for their patience, given the time constraints.

This report is divided into three sections. The first describes the key elements of the Veterans Organization Emergency Support Fund (VOESF). The second section explains



that the VOESF was well received, as other support programs developed to respond to the pandemic were ill-suited to the unique characteristics of veterans' organizations. The third section describes the financial challenges faced by veterans' organizations and the steps they took to address them.

VETERANS ORGANIZATIONS EMERGENCY SUPPORT FUND

Part 3 of Bill C-4, which received Royal Assent on 2 October 2020, amended the *Public Health Events of National Concern Payments Act*. It specifies the purposes of the amounts that may be spent in response to the COVID-19 pandemic and sets limits on the amounts that may be spent between 1 October 2020 and 31 December 2020 for each of these purposes. Seven measures are listed, for a maximum total expenditure of \$17.1 billion, including a measure for "Support for Vulnerable Groups," under which \$20 million can be paid to "Veterans' Organizations."

The Veterans Organizations Emergency Support Fund was created to provide emergency support to organizations whose funding capacity has been affected by the pandemic. To qualify, applicants must be:

- a non-profit organization or a registered charity;
- facing financial hardship or imminent closure related to COVID-19;
- an organization whose closure would represent an important loss of local or national service capacity for veterans and/or their families; and
- unable to make use of existing federal support measures to address their COVID-19-related challenges.

This support therefore specifically targets veterans' organizations that provide services and whose usual sources of revenue needed to provide these services have dried up because of the pandemic. This implies no value judgment on the invaluable work of veterans' organizations that do not meet these criteria. While these organizations face significant challenges, they do not face the same risk of closure.

The \$20 million under the VOESF was distributed as follows:

- \$14 million to the Royal Canadian Legion;
- \$1.5 million to True Patriot Love;

- \$1 million to ANAVETS;
- \$850,000 to VETS Canada; and
- \$2.65 million to [38 organizations](#) selected through a [call for applications](#) with recipients announced on 17 December 2020.

SERIOUS FINANCIAL HARDSHIP

“For the first time in our almost 100 years of existence in serving veterans in Canada, we faced a challenge of our individual and collective financial health brought about by the COVID-19 outbreak...Until recently, the Legion had never sought nor received government financial assistance for our operations. That reach-out, therefore, on April 28 and again on June 3, was unprecedented.”¹

There are two active federally incorporated veterans’ organizations in Canada: the Army, Navy and Air Force Veterans in Canada (ANAVETS) and the Royal Canadian Legion. This status gives them, among other things, the power to intervene with the Veterans Review and Appeal Board (VRAB) under the [Prescribed Persons and Organizations Regulations](#).² When an applicant or appellant raises a question of interpretation that VRAB deems relevant, these organizations are called upon to make representations to VRAB before it makes its decision. This special legal status, as well as their long and rich history, gives them a privileged role among veterans’ organizations.

As the President of Legion Branch 60 in Burlington, Ontario, stated, “while most of our efforts are focused on the past and present vets and their families, the Legion maintains a national focus on our history that reminds us of what these men and women in

1 House of Commons, Standing Committee on Veterans Affairs [ACVA], *Evidence*, 23 November 2020, 1600 (Mr. Steven Clark, National Executive Director, Royal Canadian Legion).

2 The regulations also give this status to the National Council of Veteran Associations in Canada (NCVA), which represents more than 60 veterans’ associations, the Bureau of Pensions Advocates, which provides free legal advice to veterans appearing before the VRAB, and the Minister of Veterans Affairs.



uniform and their families waiting at home do for us and how they built Canada when they came back.”³

Although they were created to represent traditional veterans, these organizations remain key players in defending the interests of veterans of more recent conflicts and continue to strengthen the connection between local communities and veterans across the country.

Other organizations, such as the Navy and Wing clubs whose representatives appeared before the Committee, provide a social space for these traditional veterans as well as meaningful local support to the communities in which they are located.

Other organizations arose out of needs that emerged after the end of the Cold War in the late 1980s transformed the nature of humanitarian operations and led to an intensification of Canadian military activities, including, among others, in Sudan, the Persian Gulf, the former Yugoslavia, Somalia, Rwanda and, of course, Afghanistan. The impact of these conflicts, increased operational complexity, and challenging operational circumstances has been significant on veterans, particularly as the psychological toll was better understood by veterans and society at large. These changing conflicts led to changing needs for veterans, and a desire for more personalized approaches to serving veterans. This, coupled with the ability to communicate with veterans across the country, provides a more welcoming and tailored experience for veterans working with these groups. This is precisely why the federal government must continue to support these groups, and particularly those who may be forced to close, during the pandemic.

INELIGIBILITY FOR EXISTING PROGRAMS

The need for the VOESF arose when a significant proportion of veterans’ organizations found that they were not eligible for existing programs, including the Canada Emergency Wage Subsidy (CEWS), the Canada Emergency Business Account (CEBA) and the Emergency Community Support Fund (ECSF).

3 ACVA, *Evidence*, 1 February 2021, 1640 (Mr. Bob Ankrett, Branch 60, Royal Canadian Legion).

A few organizations received the CEWS, including Legion branches,⁴ True Patriot Love,⁵ VETS Canada⁶ and the Veterans Transition Network, but this program was not meant to cover operating expenses other than salaries. Registered businesses were eligible for loans guaranteed under the CEBA, but must have payroll in excess of \$20,000 or non-deferrable expenses in excess of \$40,000. Since many veterans' organizations are run by volunteers, they were not eligible for this program. According to Ms. Fimrite of ANAVETS, this requirement excluded about 40% of the organization's units⁷ and the wings.⁸ In addition, applicants must be incorporated, which excludes most Legion branches.⁹ As to the ECSF, only project expenses were eligible, not operating expenses. Although the Veterans Transition Network was awarded \$75,000 under the ECSF, Mr. Thorne noted that its criteria excluded most veterans' organizations.¹⁰

The VOESF was therefore warmly welcomed. Its purpose met Mr. Gimblett's clearly stated wish before he learned that the 420 Wing would receive funding under the VOESF:

[W]e are all very good at fundraising, because we've shown that pre-COVID. But now with COVID, and having a very limited ability to fundraise, we need help just to keep the lights on and pay our bills, and things like that. Like I said before, we have never asked for help. We've always been the group helping. Now, through no fault of our own, we're in a very tough situation and need help to get through the winter.¹¹

The pandemic has directly affected the ability of organizations, and that of VAC, to assist veterans. Unfortunately, the most vulnerable veterans are impacted the most. For example, in his testimony, Max Gaboriault, a 13-year veteran who was part of the first rotation into Afghanistan, described the effects of not being able to receive

4 ACVA, *Evidence*, 23 November 2020, 1645 (Ms. Lynda Mifflin, Bar Manager, Gold River Legion, Royal Canadian Legion).

5 ACVA, *Evidence*, 25 November 2020, 1700 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

6 ACVA, *Evidence*, 23 November 2020, 1705 (Ms. Debbie Lowther, Chair and Co-founder, VETS Canada).

7 ACVA, *Evidence*, 25 November 2020, 1550 (Ms. Deanna Fimrite, Dominion Secretary-Treasurer, Dominion Command, Army, Navy and Air Force Veterans in Canada).

8 ACVA, *Evidence*, 25 November 2020, 1535 (Mr. Mike Gimblett, President, 420 Wing Oshawa Inc.).

9 ACVA, *Evidence*, 23 November 2020, 1600 (Mr. Steven Clark, National Executive Director, Royal Canadian Legion).

10 ACVA, *Evidence*, 1 February 2021, 1630 (Mr. Oliver Thorne, Executive Director, Operations, Veterans Transition Network).

11 ACVA, *Evidence*, 25 November 2020, 1720 (Mr. Mike Gimblett, President, 420 Wing Oshawa Inc.).



treatments.¹² Harold Davis, President of Persian Gulf Veterans of Canada, described how the pandemic has affected some veterans with mental health issues: “because of COVID [they] can’t go out anymore. They have PTSD, high anxiety, and I’m trying to talk them off the ledge.”¹³ Recognizing the void caused by the closure or slowing down of veterans’ organizations, the Committee recommends:

Recommendation 1

That Veterans Affairs Canada increase its outreach activities in areas where Legion branches or other veterans’ organizations have closed down in order to reach veterans who may be feeling isolated or alone, and that the outreach be focused on mental health supports and connecting those veterans to other organizations.

Recommendation 2

That Veterans Affairs Canada study the ability of veterans’ organizations to reach veterans through telephone, or digital means, and provide appropriate assistance in training, equipment, or resources to help these organizations continue to serve their veteran population through digital technologies.

Recommendation 3

That the Government of Canada, in concert with Provincial and Municipal Governments consider renting space from non-profit veterans’ organizations for COVID-19 related purposes or any other activities.

Recommendation 4

That the Canada Emergency Business Account be available to veterans’ organizations, including those that serve seniors, that rely on fundraising and revenues from rentals, as a grant to assist these volunteer-run organizations to remain open and support their community.

The Royal Canadian Legion

The Royal Canadian Legion (Legion) and its 1,381 branches have played an invaluable role in supporting veterans and the local communities in which they operate for over a century. Each of these branches must fund their own operating expenses and

12 ACVA, *Evidence*, 25 November 2020, 1630 (Mr. Max Gaboriault, As an individual).

13 ACVA, *Evidence*, 1 February 2021, 1710 (Mr. Harold Davis, President, Persian Gulf Veterans of Canada).

contribute a portion of the membership dues collected to fund the operations of the provincial and Dominion commands. Each branch is free to supplement these revenues through clubhouse and restaurant sales, or by renting out their halls. Like most other organizations or businesses whose revenues depend on these public services, Legion branches have found themselves in a precarious situation since last spring despite the innovative initiatives they have implemented.

In May, the Dominion Command Executive Council released \$3 million to help struggling branches and made two requests for federal government assistance in the spring. By the end of November 2020, 21 branches had closed, 159 had indicated that they would close within three months, and another 329 were struggling financially.¹⁴

Lynda Mifflin, Bar Manager of the Gold River Legion Branch 270 in British Columbia, described some of the challenges brought on by the pandemic:

[O]ur hours of operation have been reduced to three days a week, from seven... Our gross revenue has fallen by 80%—a loss of revenue from B.C. Lotteries and Gaming due to decreased hours and reduced attendance.

Currently, due to COVID-19, volunteers are unwilling or unable to come out and provide services to our veterans, their families and our community, due to risks of exposure. We depend on volunteers and staff to keep our branch operating. We have paid staff only for bar service and custodial work. Volunteers make up the majority of our services to the community.

During our reduced hours, veterans and members are unable to socialize. Current public health orders prohibit us from hosting meat draws, 50/50 draws, darts, pool, cards, food service or any other events.¹⁵

Harold Davis said that Legion Branch 134 in Shawnigan Lake, British Columbia, has been collecting and selling empty bottles and scrap metal to pay bills.¹⁶ Mr. Ankrett, President of Branch 60, said his branch's monthly deficit has been about \$5,000 since the beginning of the pandemic.¹⁷ Steven Clark, the Legion's National Executive Director, noted, "[W]e know there will be more branches that will not survive, so providing funding to those particular branches is not going to add to their viability...I'm going to

14 ACVA, *Evidence*, 23 November 2020, 1600 (Mr. Steven Clark, National Executive Director, Royal Canadian Legion).

15 ACVA, *Evidence*, 23 November 2020, 1615 (Ms. Lynda Mifflin, Bar Manager, Gold River Legion, Royal Canadian Legion).

16 ACVA, *Evidence*, 1 February 2021, 1610 (Mr. Harold Davis, President, Persian Gulf Veterans of Canada).

17 ACVA, *Evidence*, 1 February 2021, 1635 (Mr. Bob Ankrett, Branch 60, Royal Canadian Legion).



say that at the end of probably February or March, we'll have branches approaching us for additional funding, and there may not be that funding.”¹⁸

Of the \$14 million received through the VOESF, Dominion Command disbursed \$7.2 million to 701 branches on 20 December 2020.¹⁹ Branches that were unable to apply in the first round were able to apply in the second round, which ended on 31 January 2021. Should any funds remain after the second round, disbursements will be made to branches with the greatest need. Most branches received between \$10,000 and \$12,000. The largest disbursements were made to the Saskatchewan branches, many of which received up to \$15,605.

The Legion’s initial request was for \$30 million, based on the assumption that branches would have to close for an average of five months. Mr. Clark said he regretted that the funds had not flowed sooner, which might have prevented some branches from closing for good,²⁰ “but we will manage as well as we can and we appreciate that money.”²¹

Recommendation 5

That the Government of Canada, recognizing that The Royal Canadian Legion is primarily run by volunteers, create an emergency fund that the Legion can access in the event of a national crisis.

ANAVETS

ANAVETS is the oldest veterans’ association in Canada. The exact circumstances of its founding have been lost in time, but according to the organization’s website, a charter was given in 1840 to create a unit in Montreal after the uprisings of 1837–1838. It is structured in the same way as the Legion, with a Dominion Command, provincial

18 ACVA, *Evidence*, 23 November 2020, 1640 (Mr. Steven Clark, National Executive Director, Royal Canadian Legion).

19 Mr. Steven Clark, National Executive Director, Royal Canadian Legion, Email to the Committee, 18 December 2020.

20 ACVA, *Evidence*, 23 November 2020, 1640 (Mr. Steven Clark, National Executive Director, Royal Canadian Legion).

21 ACVA, *Evidence*, 23 November 2020, 1625 (Mr. Steven Clark, National Executive Director, Royal Canadian Legion).

commands and units. Its 13,000 members are spread across 61 units in eight provinces.²²

In a report to VAC in June 2020, ANAVETS estimated that a quarter of its units had serious financial concerns. The situation worsened over the summer and, in September, Dominion Command and provincial commands had to support units most in need.

In addition to membership dues, sources of revenue for ANAVETS units are similar to those of Legion branches: hall rentals, catering, bar sales, gaming leagues, draws, video lottery terminals and other ad hoc activities such as entertainment and special events. All of these activities have been severely compromised by the pandemic.

In addition to these revenue losses, ANAVETS has had to deal with fewer volunteers, most of whom are retired seniors. Finally, operating expenses for several units have increased, particularly liability insurance premiums.²³

According to Ms. Fimrite, the \$1 million grant from the VOESF “will be a lifeline to many units to be able to keep the doors open and the lights on, and to continue to provide veterans and their members the social support and camaraderie that are so vital to mental health.”²⁴

True Patriot Love

True Patriot Love is a national foundation whose mission is to fund programs that help military members, veterans and their families meet the challenges of military service. Since 2009, it has distributed \$30 million to four key areas of focus: building stronger military families, supporting the physical and mental well-being of military members and veterans, enabling the rehabilitation and recovery of the wounded, and connecting veterans back into communities following their transition.²⁵

22 ACVA, *Evidence*, 25 November 2020, 1550 (Ms. Deanna Fimrite, Dominion Secretary-Treasurer, Dominion Command, Army, Navy and Air Force Veterans in Canada).

23 ACVA, *Evidence*, 25 November 2020, 1550 (Ms. Deanna Fimrite, Dominion Secretary-Treasurer, Dominion Command, Army, Navy and Air Force Veterans in Canada).

24 ACVA, *Evidence*, 25 November 2020, 1555 (Ms. Deanna Fimrite, Dominion Secretary-Treasurer, Dominion Command, Army, Navy and Air Force Veterans in Canada).

25 ACVA, *Evidence*, 25 November 2020, 1555 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).



The pandemic-related challenges the foundation was confronted with were similar to those of other charitable organizations. According to Nick Booth, its Chief Executive Officer:

Since the start of the pandemic, our operations have been under significant stress due to an increased demand for our help, in parallel with cancelled events and reduced donor income. By the end of quarter one, we were facing a drop in revenue of 79% and, overall, our year-on-year income has fallen by more than half.²⁶

Despite initiating an emergency response plan, the foundation was forced to dip into its reserve funds, putting it into a vulnerable position and threatening its existence into the first half of 2021. Nevertheless, it maintained a number of vital initiatives: Bell True Patriot Love fund grants for people with psychological challenges, funding for online mental health services that will connect rural communities in eastern Quebec with the Valcartier Military Family Resource Centre, support for Team Rubicon Canada, the development of a virtual camp in partnership with Camp Maple Leaf, the Canadian Institute for Military and Veteran Health Research symposium and, in partnership with the Vanier Institute of the Family, a national survey specifically aimed at understanding how the pandemic is impacting Canada's veterans and their families.²⁷

In mid-March, the foundation requested a \$20 million contribution on behalf of veterans organizations from the federal government.²⁸ "I was certainly delighted when it eventually emerged in the Speech from the Throne [September 2020], through the veterans organizations emergency support fund," said Mr. Booth. "But it did take quite a long time to work that process through. Obviously, fully understanding that there are many other claims for federal relief during the pandemic, it certainly took much longer than what would have been ideal, I think, to get that support, which we first called for back in mid-March."²⁹

26 ACVA, *Evidence*, 25 November 2020, 1555 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

27 ACVA, *Evidence*, 25 November 2020, 1555 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

28 ACVA, *Evidence*, 25 November 2020, 1650 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

29 ACVA, *Evidence*, 25 November 2020, 1650 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

Mr. Booth added that, if not for the \$1.5 million under the VOESF, “our long-term viability would be uncertain, leaving a significant gap in support for the brave individuals who have served, and continue to serve, in Canada’s uniform.”³⁰

VETS Canada

VETS Canada’s mission is to provide assistance to CAF and RCMP veterans who are homeless, at risk of becoming homeless or in crisis. Founded in 2010, VETS Canada has a network of hundreds of volunteers who provide support to veterans at the local level. It operates three drop-in and support centres, one in Ottawa, one in Dartmouth, Nova Scotia, and one in Edmonton in partnership with the Government of Alberta. About three-quarters of the requests for assistance that VETS Canada responds to are referred to them by VAC case managers.³¹

Between 2014 and 2018, a significant portion of the organization’s revenue came from a service contract with VAC. The federal government subsequently supported VETS Canada through the Veteran and Family Well-Being Fund, but this funding ended on 31 March 2020.

Until the VOESF was announced, VETS Canada was in a precarious situation, as described by its chair, Debbie Lowther:

By the end of March...[i]n spite of the drop-in centres and headquarters being closed, we still had to pay rent and utilities, and veterans still required assistance.

Over the past eight months, we have seen an increase in the number of veterans who have required assistance, but, sadly and yet understandably, we have seen a decrease in donations from kind, caring Canadians. Specifically, the requests for assistance increased by 36% compared to the same time period last year, and our donations decreased by 41%.

Keeping up with the overhead and the requests for assistance with an all but non-existent revenue stream was extremely difficult, and there were times over the past few months that we thought we would have to shut down.³²

30 ACVA, *Evidence*, 25 November 2020, 1600 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

31 ACVA, *Evidence*, 23 November 2020, 1610 (Ms. Debbie Lowther, Chair and Co-founder, VETS Canada).

32 ACVA, *Evidence*, 23 November 2020, 1610 (Ms. Debbie Lowther, Chair and Co-founder, VETS Canada).



The organization was forced to lay off its administrator, the only one of its six employees whose duties did not involve direct interaction with veterans. Ms. Lowther took on this role, in addition to her existing volunteer role as executive director.

In addition, VETS Canada, like most of the organizations that testified, faced a critical shortage of volunteers. According to Ms. Lowther, “As an example, our Ottawa team has well over 100 volunteers. During COVID, we had less than 10 who were willing to go out and meet veterans face to face. It's had a big impact in that regard.”³³ Fear of the virus had a significant impact on volunteers and, as a result, a negative impact on the most vulnerable veterans.

The \$850,000 grant under the VOESF is equivalent to what the organization had received from the Veteran and Family Well-Being Fund over 18 months and will help meet the growing demand. According to Ms. Lowther, “[h]ad we not recently received funds from the veterans organizations emergency support fund we would have had to lay off more people.”³⁴

420 Wing (Oshawa) and 427 Wing (London), Royal Canadian Air Force Association

According to [VAC's site](#), the 420 Wing “is a local organization developed by Air Force Veterans to provide a space for socializing, remembrance and promoting Air Force activities. The Wing provides roughly 70 Oshawa area Veterans with in-person services, such as low-cost meals and a social environment.”

The 427 Wing, again according to VAC’s site, “participates in civic and community programs, supports the Royal Canadian Air Cadet programs and commemorates those who served in the Air Force. The organization provides social activities to Veteran members. Prior to COVID-19, the organization helped 100 to 300 Veterans annually. The organization has not had social events since March 2020 and projects a decrease in fundraising in the upcoming months.”

While the two organizations received a grant through the VOESF, when Mike Gimblett, President of 420 Wing, and Linda Brimson, Director of 427 Wing, appeared before the Committee, they had not yet received confirmation that they were among the 38 recipients of the \$2.65 million available.

33 ACVA, *Evidence*, 23 November 2020, 1700 (Ms. Debbie Lowther, Chair and Co-founder, VETS Canada).

34 ACVA, *Evidence*, 23 November 2020, 1610 (Ms. Debbie Lowther, Chair and Co-founder, VETS Canada).

These organizations' activities are similar to the Legion's and ANAVETS', but they do not have a national or provincial command structure. Each club is independent, and most members are seniors. Both also own a heritage building, which, in addition to housing the club, is used by the air cadet squadrons they sponsor.³⁵

As a result of the pandemic, 420 Wing has lost approximately 80% of its annual revenue, which was normally \$75,000. Fixed expenses for utilities and upkeep of the heritage building is approximately \$20,000 per year, including almost \$6,000 for insurance alone. To cover the insurance, the organization applied to the VOESF.³⁶ Members of the 427 Wing executive had to pay for the cost of repairs to the building's roof themselves.³⁷ Mr. Gimblett noted, "Most definitely, clubs would not be closing or in dire financial need if funds had been able to be accessed earlier."³⁸

Oshawa Naval Veterans' Club

According to [VAC's site](#), the Oshawa Naval Veterans' Club is "a Veterans club affiliated with the Royal Canadian Naval Association offering services for Veterans, help with pensions and medical issues. It also does community service for food banks, women's shelters and other registered charities." The organization was one of 38 organizations to be awarded a VOESF grant in the second round of applications. President Brian Wilkins said that, although he understood, he was disappointed by how much time it took to release the funds.³⁹ Several other similar clubs in Ontario have had to close their doors for good, including those in Peterborough, Burlington, Sarnia and Windsor.⁴⁰

Multifaith Housing Initiative

According to its executive director, Suzanne Le, the Multifaith Housing Initiative (MHI) is:

a charitable housing organization with a mission to provide safe, well-maintained, affordable housing and supports for individuals and families who are either homeless or at risk of homelessness. MHI has a proven track record for the development and

35 ACVA, *Evidence*, 25 November 2020, 1545 (Ms. Linda Brimson, Director, 427 London Wing, Royal Canadian Air Force Association).

36 ACVA, *Evidence*, 25 November 2020, 1535 (Mr. Mike Gimblett, President, 420 Wing Oshawa Inc.).

37 ACVA, *Evidence*, 25 November 2020, 1625 (Ms. Linda Brimson, Director, 427 London Wing, Royal Canadian Air Force Association).

38 ACVA, *Evidence*, 25 November 2020, 1600 (Mr. Mike Gimblett, President, 420 Wing Oshawa Inc.).

39 ACVA, *Evidence*, 1 February 2021, 1640 (Mr. Brian Wilkins, President, Oshawa Navy Club).

40 ACVA, *Evidence*, 1 February 2021, 1615 (Mr. Brian Wilkins, President, Oshawa Navy Club).



successful delivery of affordable housing. We now own and operate 179 units in the Ottawa area, which house between 400 and 500 people.⁴¹

The organization was awarded \$6.5 million in federal funding in 2019 for the newly opened [Veterans' House](#) project in Ottawa. MHI did not obtain funding under the VOESF and had to find alternatives to the fundraising activities it had planned as many of its corporate and individual donors had to scale back their contributions.⁴²

Veterans Transition Network

According to [VAC's website](#):

The Veterans Transition Network is a registered charity that provides mental health group counselling programs for Veterans across Canada (CAF/RCMP). The programs help Veterans overcome trauma, improve mental health and well-being, strengthen family relationships, stabilize employment and facilitate the transition from military to civilian life. The organization usually serves 130 veterans per year; demand has increased due to COVID-19 and there are 400 individuals waiting to participate in a newly adapted shorter program.

According to Veterans Transition Network Executive Director Oliver Thorne, until recently, about two-thirds of the veterans attending its program, which the Legion plays an integral part in supporting, received funding from the organization itself and the remaining third are referrals from VAC. However, as a result of a program review, the department stopped covering the costs for veterans it refers to the Veterans Transition Network, despite the fact that it has been recognized as a registered service provider since 2013.⁴³

The organization's revenues depend directly on the number of veterans participating in the program. Because the therapeutic approach developed by the network is group-based, activities had to be suspended due to the pandemic. The organization received a grant of \$200,000 in the second round of the VOESF.

The Committee members recognize the key role that the VTN plays in providing mental health support to veterans. They therefore do not understand why, at a time of extreme mental health stress, VAC should have stopped paying the costs of treatment for clients referred by the Department itself. Had it not been for this decision, for which no

41 ACVA, *Evidence*, 1 February 2021, 1620 (Ms. Suzanne Le, Executive Director, Multifaitth Housing Initiative).

42 ACVA, *Evidence*, 1 February 2021, 1620 (Ms. Suzanne Le, Executive Director, Multifaitth Housing Initiative).

43 ACVA, *Evidence*, 1 February 2021, 1705 (Mr. Oliver Thorne, Executive Director, Operations, Veterans Transition Network).

explanation was provided, the VTN could have continued to offer its programs during the pandemic. The Committee therefore recommends:

Recommendation 6

That Veterans Affairs Canada:

- **recognize the key role that the Veterans Transition Network plays in providing mental health support to veterans;**
- **confirm the status of the Veterans Transition Network as an authorized service provider with the Department;**
- **reinstate the agreement whereby the cost of treatment is covered by the Department for veterans it refers to the program.**

No one can predict what will happen in the coming months. It depends on a variety of factors, including the risk of lifting lockdown measures, how fast vaccines are rolled out, how variants might evolve, etc. Humanity as a whole is holding its breath in anticipation of a clear answer to this uncertainty. If the pandemic continues and the revenue streams of Canadian businesses continue to dry up, the government will need to continue to support organizations that complement VAC's work in assisting veterans. As Ms. Brimson said, "Frankly, if a lot of these grassroots organizations go, I don't think the federal government will be replacing us."⁴⁴ Due to the fact that there will clearly be a post-pandemic lag in the ability for veterans groups to resume normal operations, a clear slowdown in fundraising capacity, and difficulties in replacing other events that were generating income for them, the Committee recommends:

Recommendation 7

That the Government of Canada immediately extend the assistance provided through the Veterans Organizations Emergency Support Fund should these organizations be unable to resume normal operations in 2021.

Recommendation 8

That Veterans Affairs Canada immediately extend support to small veterans' organizations that are run by volunteers, such as the Persian Gulf War Veterans

44 ACVA, *Evidence*, 25 November 2020, 1720 (Ms. Linda Brimson, Director, 427 London Wing, Royal Canadian Air Force Association).



of Canada, through the Veterans Organizations Emergency Support Fund with a simple application process.

It is likely that many organizations will continue to struggle after the pandemic as they will need to find ways to make up for the many months of lost revenue. As Mr. Booth said:

The programs have given us the ability to navigate that...just before the start of November, we fell down to 4.2 months of forward operating reserve, which means that we wouldn't exist by Easter. Having been a ten-year organization, Canada's largest national foundation for the military, to go out of business by the spring would certainly be a significant consequence for the veterans we serve.⁴⁵

In this respect, the Veteran and Family Well-Being Fund could be a valuable resource. However, it is limited to project funding, not to covering operating expenses. Mr. Booth stressed its importance:

It's something that veterans organizations across Canada can apply for. They are distributing the balance of the \$3.5 million of the VOESF, but ongoing. I know that as the government progresses money each year, there is always a jostle for the budget, but the ongoing importance of the well-being fund, not only to True Patriot Love but also to many veterans organizations, is critical.⁴⁶

The Committee therefore recommends:

Recommendation 9

That Veterans Affairs Canada undertake regular assessments of the financial health of veterans' organizations, beginning in June and December 2021, and in June and December 2022, enhance its assistance programs, including the Veteran and Family Well-Being Fund, and make them available after the pandemic.

For most of the organizations whose representatives appeared during this study, the pandemic was also an opportunity to reflect on their operations and their future. Many of these organizations serve an aging veteran population and rely on seniors for

45 ACVA, *Evidence*, 25 November 2020, 1705 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

46 ACVA, *Evidence*, 25 November 2020, 1725 (Mr. Nick Booth, Chief Executive Officer, True Patriot Love Foundation).

volunteers. This has resulted in lost revenue and requires innovative strategies.⁴⁷
Ms. Brimson of the 427 Wing notes:

Yes, we would survive, but I think it has made us sharper on our focus and made us look at this, and say, okay, you put the fires out, but you need those one- and two-year plans. You need to partner with local and national groups.

Yes, we would survive, but I think we had to have a reckoning and a hard look at ourselves.⁴⁸

Committee members are confident that veterans organizations will find the means to emerge stronger from this crisis. At the same time, they will also make sure that the Government of Canada is there to support them when the need arises.

CONCLUSION

Whether they primarily serve veterans of traditional or more recent conflicts, veterans organizations play an essential role in maintaining Canada's social fabric. The services they provide are an extension of Canadians' commitment to veterans. Like many other not-for-profit organizations, they faced sudden and severe financial hardship because of the COVID-19 pandemic.

For the first time in its history, the Royal Canadian Legion was forced to ask for help to save its 1,381 branches, many of which had to permanently close their doors. Canada's oldest veterans organization, ANAVETS, with 13,000 members in 61 units, faced financial difficulties that threatened their very existence. Navy and Air Force veterans' clubs, which were created after World War II and which maintain heritage buildings, sponsor local organizations and serve as a meeting place for traditional veterans, faced similar difficulties.

Organizations that were established to meet the special needs of veterans of more recent conflicts have had to reinvent their ways of operating and reconsider their ability to deliver on some of the essential elements of their mandates in a matter of months. Many of these organizations, such as True Patriot Love, VETS Canada, the Veterans Transition Network and the Multifaith Housing Initiative, have been partners with

47 ACVA, *Evidence*, 25 November 2020, 1640 (Mr. Mike Gimblett, President, 420 Wing Oshawa Inc.).

48 ACVA, *Evidence*, 25 November 2020, 1710 (Ms. Linda Brimson, Director, 427 London Wing, Royal Canadian Air Force Association).



Veterans Affairs Canada for years. They complement the department's mission in areas that it would not be able to accomplish should they have to close down.

Some of these organizations have been better able than others to take advantage of programs put in place by the federal government to deal with the effects of the pandemic. However, the structure of most of these organizations, which rely on volunteers, has proven to be ill-suited to the eligibility criteria of many of these programs.

That is why the Veterans Organizations Emergency Support Fund was welcomed as a lifeline, launched by the government. While some lamented that this funding came too late, the hundreds of Legion branches that benefited from it, all ANAVETS units, veterans clubs and other organizations that will be able to continue to help veterans welcomed the chance to breathe easier.

As long as the end of the pandemic is uncertain, the financial health of veterans' organizations will remain fragile, as will the financial health of countless other organizations and the Canadian economy as a whole. Although it may not seem like it, this crisis will end and the problems it created will dissipate. That is why it is essential that the federal government ensure, when this nightmare is over, that veterans' organizations will be on their feet and able to continue to contribute as they have always done to the well-being of those who chose to risk everything for our freedom, prosperity and happiness.

APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee's [webpage for this study](#).

Organizations and Individuals	Date	Meeting
Royal Canadian Legion Steven Clark, National Executive Director Lynda Mifflin, Bar Manager Gold River Legion	2020/11/23	7
VETS Canada Debbie Lowther, Chair and Co-founder	2020/11/23	7
420 Wing Oshawa Inc. Mike Gimblett, President	2020/11/25	8
Army, Navy and Air Force Veterans in Canada Deanna Fimrite, Dominion Secretary-Treasurer Dominion Command	2020/11/25	8
As an individual Max Gaboriault	2020/11/25	8
Royal Canadian Air Force Association Linda Brimson, Director 427 London Wing	2020/11/25	8
True Patriot Love Foundation Nick Booth, Chief Executive Officer	2020/11/25	8
Multifaith Housing Initiative Suzanne Le, Executive Director	2021/02/01	12
Oshawa Navy Veterans' Club Brian Wilkins, President	2021/02/01	12
Persian Gulf Veterans of Canada Harold Davis, President	2021/02/01	12

Organizations and Individuals	Date	Meeting
Royal Canadian Legion Bob Ankrett, Member Branch 60	2021/02/01	12
Veterans Transition Network Oliver Thorne, Executive Director Operations	2021/02/01	12

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 7, 8, 12, 17 and 21](#)) is tabled.

Respectfully submitted,

Bryan May
Chair

