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• (1545)

[*Translation*]

The Chair (Mr. Emmanuel Dubourg (Bourassa, Lib.)): I call this meeting to order.

Welcome to meeting No. 21 of the Standing Committee on Veterans Affairs.

I would like to take a moment to welcome our new committee clerk, Aurée Dallaire, who is with us here, together with Myriam Burke, who will be assisting her on this first day.

On behalf of all members of the committee, and on behalf of myself, I would like to thank Cédric Taquet, who has assisted us in our work. He is listening to us today. I want to thank him for his work and his dedication.

I would also like to welcome Angelo Iacono.

[*English*]

Pursuant to Standing Order 108(2) and the motion adopted on Monday, October 3, 2022, the committee is meeting for a briefing by the Auditor General of Canada on “Report 2: Processing Disability Benefits for Veterans”. Today's meeting is taking place in a hybrid format, pursuant to the House order of June 23, 2022. Members are attending in person in the room and remotely using the Zoom application.

[*Translation*]

The Auditor General is a regular visitor at committees, so she is very familiar with how the interpretation services and the equipment we use work.

I would now like to welcome our witnesses. Once again, thank you for agreeing to come to the committee at such short notice, despite what you asked us for.

From the Office of the Auditor General, we have Karen Hogan, the Auditor General of Canada; Martin Dompierre, the Assistant Auditor General; and Isabelle Marsolais, Director.

Ms. Hogan, the floor is yours for five minutes.

Ms. Karen Hogan (Auditor General of Canada, Office of the Auditor General): Thank you, Mr. Chair.

Thank you for this opportunity to discuss our report on processing disability benefits for veterans, which was tabled in the House of Commons on May 31, 2022.

I would like to acknowledge that this hearing is taking place on the traditional unceded territory of the Algonquin Anishinaabe people.

We are very pleased to appear today and to see the committee's interest in our work. We recognize that our relevance is built on the value we bring to parliamentarians and committees such as yours.

The objective of the Veterans Affairs Canada disability benefits program is to compensate veterans for the effects of service-related injuries or illnesses on their lives. Veterans include current and former members of the Canadian Armed Forces and the RCMP.

We looked at whether Veterans Affairs Canada was taking appropriate actions to reduce wait times for veterans to receive the disability benefits they were entitled to in order to support their and their families' well-being.

Delays in receiving benefits may have an impact on access to care or other programs and services administered by the department. In some cases, veterans may feel a lack of respect or appreciation for their service.

Despite the department's initiatives to speed up the processing of applications for disability benefits, veterans were still waiting a long time to receive compensation for injuries sustained in their service to Canada. We found that veterans were waiting almost 10 months for a decision on a first application, which is much longer than the department's service standard.

[*English*]

In addition, francophones, women and RCMP veterans had to wait longer than others. There were various reasons for the delays experienced by members of each of these groups. Of particular note is that RCMP veterans waited 38% longer on average to receive a decision on their applications than Canadian Armed Forces veterans. Part of this could be explained by the fact that the funds paid by the RCMP to Veterans Affairs Canada did not align with the volume of applications that required processing.

In addition, we noted that both the funding and almost half of the employees on the team responsible for processing all applications were temporary. The department also lacked a long-term staffing plan.

In recent years, Veterans Affairs Canada implemented several initiatives to try to make application processing more efficient. However, the department's data on how it processes benefit applications and the organization of this data were poor. As a result, neither our office nor the department were able to measure whether and to what extent each initiative improved efficiency and helped reduce wait times.

Furthermore, the department did not always calculate wait times consistently, which meant that veterans waited longer than the department reported publicly.

Overall, the impact of these shortcomings means that more work is needed to reduce wait times. Our veterans are waiting too long to receive their benefits.

Veterans Affairs Canada and the RCMP agreed with all four of our recommendations.

Mr. Chair, this concludes my opening remarks. We'd be pleased to answer any questions the committee may have.

[Translation]

The Chair: Thank you.

You kept exactly to the time you were allowed. I hope committee members will do the same.

We will now move on to the question period.

We will start with Mr. Tolmie or Mr. Caputo.

[English]

Which one?

Okay. It's Mr. Fraser Tolmie, for six minutes.

Please, go ahead.

Mr. Fraser Tolmie (Moose Jaw—Lake Centre—Lanigan, CPC): Thank you, Mr. Chair.

Thank you, Ms. Hogan, for your hard work in putting this report together. I know it's not a single effort, and I appreciate all the hard effort and work from your team. Thank you very much for joining us today.

Ms. Hogan, in your report, on page 16, you state the following:

Because of the poor quality and organization of the department's data, neither we nor the department were able to determine how the initiatives that the department had implemented contributed to the change in wait time[s] for some applications.

Do you stand by that statement?

• (1550)

Ms. Karen Hogan: Absolutely. I stand by all the statements in our audit reports.

Mr. Fraser Tolmie: Would you agree that the data you speak of is actually veterans' files concerning health issues? That's what we want to...

Ms. Karen Hogan: The data we were speaking of here was how the department gathers the files but then how it stores and tracks where they are through the application process, in addition to the information that's contained in them.

Mr. Fraser Tolmie: Right. The data represents the number of files, which are the number of health concerns that are being brought forward by vets.

Ms. Karen Hogan: Yes, but I think there's a nuance to be brought. An application might include many different conditions that a veteran is seeking to have benefits paid on. Part of that was the concern about how they even managed, whether it was a condition or in an application. Yes, those are the files that Veterans Affairs has.

Mr. Fraser Tolmie: Right. Part of the responsibility of this committee is to ensure that these files for vets are being processed within a proper amount of time. I just want to bridge that information that you're referring to as "data" and humanize it as representing people who have concerns. Is that a fair assumption to make?

Ms. Karen Hogan: Yes, it's a fair assumption that each bit of data is an individual waiting to hear news on a benefit.

Mr. Fraser Tolmie: I'm just going to be very observant of the chair, because I'm sure he's going to be giving me the red card quite a bit today.

Mr. Chair, concerning this audit, it's not only a concerning report, but also a damning report. It raises further issues and concerns. This is not a reflection on what you've presented, but it compounds a concern that we've been having at this committee over and over again.

At committee, we had the minister here on February 1, 2022. The minister specifically said that the information we received in a report was inaccurate, and that the data was incorrect. If I take what he said back then, and that it's hard to get data and information in this report, there is a consistency and a trend that I don't like. He went on to say that the numbers and projections were going to go down, and that he would provide updated data.

The minister's letter, which was dated in April, and the Auditor General's report in May, one month later, shows that there's a lack of information, and it's a trend I'm very concerned about.

If accurate information and data are not provided to the Auditor General, how can we as a committee do our job? How can problems related to the backlog of veterans files, data and health care concerns be fixed?

If the information is not provided accurately, then the following reports, such as the Auditor General's report, the ombud report, which we received earlier on, the PBO report and the committee's report, which all rely on data.... How can we make an accurate assessment and improve the wait times that veterans are experiencing to get their files processed more quickly?

In the past, when we had the ombud report, there was an attempt to discuss the report and say there was a need to change the information. The auditor is giving us information and saying the data is not accurate.

I'm grateful for your report, because it highlights a concern and a trend that has been going on for quite some time. Thank you very much for your information.

How do you think it would be best for you to get more information, or more accurate information, in the future?

• (1555)

The Chair: Excuse me, Ms. Hogan, but I'd like to remind Mr. Tolmie to also leave time for the witness to answer. Your time is up, Mr. Tolmie, so please leave enough time to have an answer.

Right now, I'd like to go to Mr. Angelo Iacono for six minutes.

[Translation]

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Thank you, Mr. Chair.

Good afternoon, Ms. Hogan.

On the question of wait times, can you tell us about the disparities observed between applications by men and women, and between applications by anglophones and francophones?

Ms. Karen Hogan: In our audit, we observed that on average, veterans waited 39 weeks before getting a decision on their applications for benefits; women waited 47 weeks and francophones waited 46 weeks. There are different reasons why these two groups waited longer for an answer.

If we look first at francophone applications, the veterans ombudsman identified this disparity in his report. We did an audit to see whether there had been any improvement. There had been an improvement, but francophone veterans were still waiting longer for an answer than other veterans.

A francophone unit has been created to process francophone applications, and this has improved the situation. After that, a bilingual group was also created, and this also improved things. Nonetheless, there are not enough staff who are able to process francophone applications. That is why the wait time is longer.

Wait times for applications by women are attributable to several things. On the application form, there is nowhere to give the woman's name before or after marriage. Women will very probably change their name if they marry or divorce over the course of their career. Because there is nowhere to enter both their names, a search has to be done and that causes delays in the processing.

Mr. Angelo Iacono: Thank you.

What can we do to reduce this disparity?

Have you looked into that question?

Ms. Karen Hogan: Yes, we have examined that question a little.

Veterans Affairs Canada has already recognized the problem relating to processing women's applications, and I believe the department has amended the form to fix it.

For francophone applications, there simply have to be more employees who can process applications in both official languages.

Mr. Angelo Iacono: Thank you.

Can you tell us about the announcement of \$140 million to extend the period of employment of Veterans Affairs Canada employees by two years, which was made after the period covered by your audit?

What effect did that have on cases that were delayed?

What more could we do?

In the short term, what should Veterans Affairs Canada focus on?

Ms. Karen Hogan: The additional investment was made after the period covered by our audit, so I do not know why the department was given that money or what the department did with it.

During our audit, we observed that additional money was sometimes given on an *ad hoc* basis. We noticed that this money was usually used to make sure that temporary workers continued to work on processing applications. However, some of those employees have quit their jobs at Veterans Affairs Canada to look for a permanent job.

It takes time to integrate a new employee into the department. The employee has to be trained so they can process applications properly. When employees leave the department because their position is not permanent, temporary funding is not going to help improve things. That is why we recommended that funding be a bit more stable and that a long-term view be taken. Processing the backlog of applications must not be the only focus.

If it is okay with you, Mr. Dompierre would like to add something.

• (1600)

Mr. Martin Dompierre (Assistant Auditor General, Office of the Auditor General): I can give you an example.

At paragraph 2.56 of the report, it says that the department lost 43 employees between November 2020 and September 2021, and this had an impact on processing of applications.

The department estimated that approximately 5,000 applications were not processed during that period because of those employees' departures. Offering permanent positions ensures continuity in processing of applications. That has been demonstrated.

Mr. Angelo Iacono: Thank you.

How did Veterans Affairs Canada respond to each of your recommendations and what is your opinion of the department's response?

Ms. Karen Hogan: The department's representatives accepted all our recommendations and committed themselves to improving the situation.

On the question of funding, they said they were working with the central agencies to see whether there might be a solution that would be more permanent than temporary.

Mr. Angelo Iacono: Thank you.

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

The Chair: Your six minutes are up.

Thank you, Mr. Iacono and Ms. Hogan.

I will now give Mr. Desilets the floor for six minutes.

Mr. Luc Desilets (Rivière-des-Mille-Îles, BQ): Thank you, Mr. Chair.

Good afternoon, colleagues.

Thank you for being with us, Ms. Hogan.

Personally, I devoured your report. It is interesting, and it confirms some aspects of the situation. I note, primarily, that the disparity between women and men has decreased. We are on the right track and the situation is progressing well. It is no longer the problem we had before.

However, and you are not responsible for this situation, your report dates from June 30, so the figures date from June 30. The quarterly reports we have show there are still fluctuations.

The disparity between women and men is not really a concern any longer. The size of the backlog has also decreased to an acceptable extent. I think efforts have been made in that regard. On the other hand, because I am in Quebec and I am francophone, I find the way francophones are treated very disturbing. We are talking about wait times of 42.8 weeks for francophones but 29 weeks for anglophones, and that is absolutely and totally unacceptable.

It is not your fault. It is a finding that has been made once again. The ombudsman has already dealt with it and reported it. I have raised it on numerous occasions. This committee has spoken to the fact that the disparity between francophones and anglophones was unacceptable.

As well, you again note that this disparity is significant. Hearing that the department's response to your recommendations is positive does not stop me from being seriously concerned, because we have seen recommendations like that being made for six years. Those recommendations say that this or that must not be done, that one aspect or another has to be improved, people have to be hired, and so on. For six years, the department's response to these recommendations has always been positive, but no reduction of the disparity between francophones and anglophones has materialized.

I conclude from this that there is a systemic problem in this case. Yes, a group of people have been hired in Montreal. I may have questions to ask you a bit later. Nonetheless, I conclude that there is a systemic problem, a structural problem, which means they have not managed to eliminate this disparity.

I have been on the committee for only three years, or a bit more than two years. In view of the information you are giving us, would you be prepared to consider a supplementary audit at Veterans Affairs Canada? This time it would relate specifically to applications made by francophones.

• (1605)

Ms. Karen Hogan: I...

Mr. Luc Desilets: Would you prefer another question?

Ms. Karen Hogan: No. I would just like to say that for seven years, Veterans Affairs Canada has not met its service standards objectives for veterans.

Mr. Luc Desilets: Are you talking about backlogs?

Ms. Karen Hogan: No, I'm simply talking about the department's service standards. One of them says that the department must process an application within 16 weeks, but that target has not been reached for seven years. I think it is important to mention it. It is not that it achieved the target one year and missed it the next year, and so on. It did not achieve it for seven consecutive years. That long a period without improvement cannot be justified.

You mentioned francophones. Contrary to what we had stated in our report, we have observed an improvement as a result of the measures taken in response to the veterans ombudsman's report. The situation has improved for francophones, but it has got worse for anglophones. We might say that resources have gone from one pocket to another. A more long-term solution should be applied for managing benefits applications, which are increasing significantly. That is why we have to find a solution that is not temporary, in my opinion.

You asked me whether I would consider the possibility of doing a supplementary audit to determine whether the situation has improved for francophones. If I did a new audit to determine whether the situation has improved, the audit would relate to all veterans, be they anglophones, francophones, women, or men. The audit would include everybody. I think we have to give Veterans Affairs Canada time so the department can try to implement its plan for making improvements.

Mr. Luc Desilets: You are more patient than I, ma'am.

I have been seeing the same recommendations for six years, and you have seen the department fail to reach its targets for seven years.

I think 25 francophone adjudicators have been hired.

Did you have an opportunity to meet them or talk to them during your audit?

Ms. Karen Hogan: No, we did not talk with the francophones who processed applications.

Mr. Luc Desilets: You are nonetheless satisfied that 25 people are operational and are working on francophones' cases in Montreal.

Is that correct?

Ms. Isabelle Marsolais (Director, Office of the Auditor General): If I may, I am going to answer that question.

There is no reference to these 25 people in the report. I don't know what the source of that information is. We do know that a francophone unit has been established in Montreal to process francophone applications only.

Mr. Luc Desilets: Right.

Do you know what work those adjudicators are supposed to do?

Are they processing only francophone applications?

Are they francophones or supposedly bilingual employees?

Ms. Isabelle Marsolais: I do not think we have all those details.

Mr. Luc Desilets: Right.

Ms. Karen Hogan: We did not look at the staff in particular. We know there is a francophone unit in Montreal and a bilingual unit here in Ottawa, and that their priority is processing francophone applications, but I do not have more details about their staffing and about exactly what they do on a day-to-day basis.

Mr. Luc Desilets: Thank you.

The Chair: Thank you, Mr. Desilets.

Ms. Blaney, the floor is yours for six minutes.

[*English*]

Ms. Rachel Blaney (North Island—Powell River, NDP): Thank you, Chair. Just before I start, I also want to wish all the best to our previous clerk. I really appreciate his service to our committee. I'm sad to see him go.

I want to thank everybody from the Auditor General's office for their incredible work. I found this report very enlightening. I really appreciate it.

My office was just recently contacted by one of the veterans who's a regular with us. He told us that he sent an application in March for a mouthguard, because he's grinding his teeth when he sleeps. He had a request for additional paperwork in June. He uploaded all of that to his My VAC account in July, and then was told he had to wait 33 weeks to get a response to that. I think that's a pretty clear example of what's continuing to happen.

One recommendation you brought forward was to provide useful waiting-time information for veterans. I'm just wondering what that means. Because I don't know all of their systems, what things do they need to do to improve that so that veterans get the information and we can see those wait times get shorter? It seems crazy that for something that simple they're waiting that long.

• (1610)

Ms. Karen Hogan: I hear you about the wait times. On the useful information, I guess it's about making it clear to veterans that the website might say the service standard is 16 weeks, but they have to read into what that means—16 weeks from a completed application in 18% of the cases. There are lots of caveats to that.

An application is complete only once all that back and forth has happened with the veteran. I can appreciate that a veteran thinks that they sent in their application in March, so it's complete, but it's not if they're still going back and forth looking for additional information. The clock starts ticking once it's a completed application. I think part of that is making it clearer to veterans when that starts, and when the expectation starts.

Then it's about ending it at the same time. You might land on a decision that this is an eligible injury, but then the whole assessment of the severity needs to happen, which establishes the amount that will happen. They stop counting when they've made a decision, but there's still a wait time to establish the severity, then to process the payment to a veteran.

I think some transparency about that helps level the set expectations for veterans.

Then it's about finding out where all of those bottlenecks are and tackling them in a concrete way. That's what we saw. They don't have that information. They can't tell you where something sits in the process longer and why, so they're unable to really target measures to improve the processing time.

Ms. Rachel Blaney: Well, I appreciate your bringing up that idea of data and its importance. I found that really interesting. I've heard this in other ways, that we've tried to figure out issues and it often comes back to the fact that the data and the way it's collected does not provide for an opportunity for us as MPs, or our constituents, to understand. That's incredibly frustrating.

You have recommendations on the data. I'm just trying to understand the process. I understand that you said earlier that we have to let them have a bit of time to try to figure that out and implement it, but what is the process? Is there any sort of accountability, so that we can call on the government to address these issues in a more timely fashion as opposed to waiting, perhaps, another seven years?

Ms. Karen Hogan: Well, we did a report back in 2014 that looked at mental health applications for veterans. In that report, we recommended that the department look at what is causing the delays and then implement measures to address them. I'm not sure they have tackled that first part, which is identifying what is causing the delays. Some of it is having a better case management system. There are so many out there; there are so many ways of managing this data to be able to track how long a file sits in a certain area.

We have one exhibit in which we talk about how they've started to track it now, which is new. They didn't track it in the past. They can now track how long a file sits once it's been decided that it's complete, before it gets assigned to an adjudicator. That's important to know. If that's a bottleneck or there's a delay there, then you can implement measures to fix that.

It's about tracking a file in a consistent way, but also about tracking it in a quality way. Some of the data quality issues we saw were that a file was put in there and the date of entry looked like it was 10 years ago. When we challenged, they said, oh no, that was a typo that has to be fixed. Some of it is human quality, but some of it is having the right system to track an application through the steps.

Ms. Rachel Blaney: This is so interesting. One thing I'm hearing really clearly is that they may not have that double oversight, where somebody goes through and does quality control and looks at making sure the date wasn't entered as 10 years ago.

Ms. Karen Hogan: Yes.

I think that's why we ended up with medians instead of averages, right? There were some outliers, so that if we used an average, it would have really skewed the results. We had to do a median calculation, even though it's a harder concept to get across. However, there were some data quality issues that caused us to have to go that route.

Ms. Rachel Blaney: Thank you.

The Chair: Thank you. Now let's go for a second round.

We will start this round of five minutes with Mr. Frank Caputo.

Mr. Frank Caputo (Kamloops—Thompson—Cariboo, CPC): Thank you, Chair.

Madam Auditor General and staff, thank you for being here.

I reviewed this report with interest. I used to teach, and when I was looking at this performance, I think we can all agree that this report discloses what is essentially a failing grade. It seems as though we're not getting to where we need to be, and the last seven years, since 2015, haven't really got us there.

I tried to find something positive in this report, and I take it you would agree that there's not much positive that we can really glean from this. Is that accurate to the situation?

• (1615)

Ms. Karen Hogan: The way I would describe it is that the government has failed to meet a promise that it made to its veterans, that it would take care of them if they were injured while they protected and served our country.

Mr. Frank Caputo: Yes, and that's a sacrosanct promise. To me, that's as basic a promise as we can get. Not only does your report say that the government failed to meet that promise, but it's been an ongoing issue.

What I take from your report is that there's really not a tangible end in sight to that promise being met. Would you agree with that?

Ms. Karen Hogan: I think there was a lot of activity that was meant to try to improve it and meet that promise, but they weren't able to do it in the period of our audit, no.

Mr. Frank Caputo: We have a situation where I believe that \$138 million was spent to address the backlog, the service standard not being met in seven years.

Is that correct? Does that accord with your understanding, approximately?

Ms. Karen Hogan: I'm sorry, I'm not sure where the \$138 million came from.

Mr. Frank Caputo: It was recently. The government has recently supported that.

Ms. Karen Hogan: If that was a recent announcement, I'll defer to your knowledge on the amount.

Mr. Frank Caputo: Okay. The bottom line is this: The backlog is being addressed by employees, and those employees are temporary. Is that generally right?

Ms. Karen Hogan: About half the employees who are in the unit that services the demand are temporary, yes.

Mr. Frank Caputo: Right. Certainly, when you're a temporary employee, you want to have permanent employment. That's pretty obvious. Is that right?

Ms. Karen Hogan: I would think that most people would prefer permanent employment. Some people might like to be temporary.

However, in this case, I think we saw that there were individuals who left for more permanent positions within the federal public service.

Mr. Frank Caputo: Right, so the cycle essentially repeats itself, because we have a situation in which the department trains people who, after a short time, are leaving to go elsewhere. The backlog can't really be addressed because of the fact that a permanent employment contract is much more alluring than a temporary contract. Do you see what I'm saying?

Ms. Karen Hogan: Yes, absolutely. You raise a great point.

Onboarding any new employee takes time, effort and money. In training them, they need to get to a place where they become really efficient at doing their job. That's a costly turn if you're losing people because they're not in permanent positions.

Mr. Frank Caputo: That's right.

Now, based on what you saw, would it have been more prudent to hire these people permanently rather than temporarily, just in noting that attrition happens in the federal public service and things like that?

Ms. Karen Hogan: One of our recommendations was to find a long-term, sustainable staffing solution and a staffing plan. I think a lot of the permanent funding was provided in order to address the backlog. To me, that was just one part of the issue.

The issue is really that the organization has not been able to meet its service standard in seven years, so it's not just about addressing the backlog. That maybe needs permanent staffing, but there's a long-term, more sustainable solution needed to meet the level of demand in general, in addition, then, to addressing the backlog.

Mr. Frank Caputo: Well, certainly when we talk about a long-term, sustainable demand, it's obvious the needs are really there when it comes to the RCMP, women and francophones as well. Is that correct?

Ms. Karen Hogan: I think all of the veterans are waiting 39 weeks, which is far longer than the service standard. Then there are subgroups waiting even longer. I think the demand would be for all veterans, but yes, there's a unique need to address women, francophone and RCMP veterans.

The Chair: You have 15 seconds.

Mr. Frank Caputo: Okay.

Is there anything positive that you can point to? The only thing I could see was at paragraph 2.39, and even then it said the data was too "poor". When I read this report, I see nothing positive that we can point to, and that's discouraging.

I'll leave it at that.

• (1620)

Ms. Karen Hogan: Well, I think we saw some improvements here and there. I don't believe the department knows why those improvements occurred, but I think that, overall, veterans waiting for 39 weeks is far too long.

Mr. Frank Caputo: I agree. It's far, far too long.

Thank you.

The Chair: Thank you, Ms. Hogan, and thank you, Mr. Caputo.

Now I have Mr. Churence Rogers for five minutes, please.

Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.): Thank you, Chair.

Welcome to our witnesses. I appreciate having you here today. Thank you for your report.

I realize, of course, that your report goes back a ways, from April 1 to September 30, 2020. I look at some of the numbers we've heard in this committee, from the minister and others, when some of these questions were posed to them.

You keep referencing seven years. Is that the last time an audit was done? What happened beyond that? Were there problems before the seven years? Is this something that's been systemic for a longer period of time?

Ms. Karen Hogan: Mr. Chair, I just want to point out a clarification. Our audit period ended on September 30, 2021. That's just so we know that we actually went to 2021, not 2020, as the member mentioned.

We did an audit back in 2014. The ombud did an audit in 2018. When we looked back to see when the last time was that the service standard was being met—which is 16 weeks in 80% of the cases—it had been seven years since the department was able to demonstrate that it was meeting its published service standard.

Mr. Churence Rogers: Thank you for that.

I asked that question because I wonder if you know what's happening today at Veterans Affairs, since your report was submitted, because since 2020 there has been an investment of \$340 million and the \$140 million referenced earlier by my colleague. Have you seen, as a result of that, or are you aware of that investment and if there have been any improvements in Veterans Affairs because of it? Should it make a big difference, that kind of investment?

Mr. Martin Dompierre: To refer to the report, at paragraph 2.38 we are talking about 16 initiatives that were launched by VAC in order to improve processing times and to improve the quality of the data it had. On the number of initiatives that it's presenting or has presented or is at least going forward on, it has not yet achieved the end of that process of implementing those results. According to the department, this will all come to a finalization in 2024.

We've seen some initiatives in order to improve, but as we were doing our audit we were not able to look specifically at outcomes around those specific initiatives.

Mr. Churence Rogers: I appreciate that. I think you referenced 43 employees being lost, at one point.

Mr. Martin Dompierre: Yes.

Mr. Churence Rogers: When I hear those numbers, I think about what we've been through during the pandemic, which impacted government operations.

From your perspective, are we on the right track to address these backlogs? None of us is happy with this. Obviously, we need to take better care of our veterans. Do you think we're racing toward where we should be, in terms of meeting the timelines and standards?

Ms. Karen Hogan: One main finding in our audit was that because of the poor management of files and the lack of traceable targets for those initiatives we mentioned, neither our office nor the department was able to demonstrate that the initiatives were actually making things better. What we're seeing is that there wasn't really an improvement in the wait times.

I appreciate that eliminating files in a backlog is an improvement, because any file treated, or any veteran receiving a communication about their benefits, is an improvement. However, it's not dealing with the root cause. It takes far longer than the service standard, right now, to get notification about a file. I can't tell you whether, based on our audit.... It doesn't look as if they're headed in the right direction, but I haven't looked at anything past September 2021.

• (1625)

Mr. Churence Rogers: I have family members in the military. I'm hoping that once they are in a position to retire and need services, they can get them in a timely manner. We all have a vested interest, for all the veterans who have served in the military, the RCMP and so on. We hope we're on a better track to address some of these issues.

Do you think larger investments from government might help?

Ms. Karen Hogan: I'm not the first to tell you that I don't think money is always the solution to a problem. In this case, stable funding for permanent staff to help deal with increased volume is a solution.

Mr. Churence Rogers: I would agree with you on that.

Am I done?

The Chair: It's over.

[*Translation*]

The next two members will have two and a half minutes of speaking time each.

Mr. Desilets you have the floor.

Mr. Luc Desilets: Thank you, Mr. Chair.

Ms. Hogan, do you think that a target of 16 weeks wait time is achievable?

Ms. Karen Hogan: After this year, anybody could say it is not achievable, given the processes that are in place at present.

Mr. Luc Desilets: We therefore come back to the fact that it may be a structural problem.

Like you, I think money does not solve everything, but there is something in the system that is not working, since the problem has lasted six years.

What do you think?

Ms. Karen Hogan: Revising the target is a recommendation that Veterans Affairs Canada received following an external review. The department decided not to revise the target or divide it into two targets, to make one for initial reports, for example, so it would be more transparent and clearer for veterans.

It rejected that recommendation because it believed that its initiatives were going to improve the processing of applications.

Mr. Luc Desilets: I understand.

We all know that the time starts to be counted at the point when the application is complete, but do you have an idea of the median time that veterans wait from when their application is filed?

Ms. Karen Hogan: That depends on several factors. Sometimes the veteran has not provided all the necessary information, and that results in several exchanges of correspondence with the department.

There is also all the medical information that has to be received from the departments. All of that certainly prolongs the wait time.

Mr. Luc Desilets: Are we talking about weeks or about months?

Ms. Karen Hogan: In our report, at paragraph 2.18, I think it says approximately 22 weeks.

Ms. Isabelle Marsolais: That is the time between when the application is received and when the application is complete.

On the question of the additional wait time in cases where information is found to be missing when the application is received, that should be the difference between 48 weeks and 39 weeks: approximately nine or ten weeks.

Mr. Luc Desilets: So that represents a wait time of two and a half months, which is in addition to the delays that occur in processing applications.

Is that right?

Ms. Karen Hogan: Yes, I think it is a median time of nine additional weeks wait time.

Mr. Luc Desilets: Right.

Thank you.

The Chair: Thank you, Mr. Desilets.

[*English*]

Now I'd like to invite Ms. Rachel Blaney for two and a half minutes.

Please go ahead.

Ms. Rachel Blaney: Thank you, Chair.

It reminds me of a couple of years ago. The PBO, of course, did a report. One thing it mentioned was that to actually start addressing these things in a meaningful way—the disability backlog, specifically—there would need to be a significant amount of hiring

people. Based on how long it was taking to get it done, this was the only way to move forward.

One thing that came up was how many people were being hired temporarily. We've heard testimony that because people are being hired temporarily, some of them are finding permanent jobs in other departments within the government, and therefore not staying. We know that it takes a while to train people up to have that full capacity.

You mentioned in the report as well that there's no long-term plan on hiring, which we know is a concern for everybody in this country and across the world. We're really struggling to find people.

You've mentioned a couple of times the need for permanency and stable funding to provide support to have that permanent workforce.

With those two things, is the concern that the temporary people don't have the knowledge that they're going to be able to stay, so they move and it continues with having to retrain people? For the other part of that, is any data being collected by the department to track whether people are being hired on temporarily and then leaving? Is that being captured?

• (1630)

Ms. Karen Hogan: As Martin mentioned earlier, we mention in a paragraph in the report that they had estimated that when 43 individuals left over a period of time, the impact was about 5,000 applications being unable to be treated. There's a really clear impact from those temporary employees leaving.

The department needs to do a good assessment of what permanent staff it needs. There is likely a need for some temporary individuals to deal with peaks and backlogs, but there is a clear need to have a more permanent, stable workforce. The demands we saw over a five-year period increased almost 75%. It's reality that there's just more demand. The staffing needs to line up with that.

Ms. Rachel Blaney: It makes sense. If it's been seven years since they've met their standard, perhaps that would be essential in moving forward.

The Chair: Thank you so much, Ms. Blaney.

Now I'd like to invite Mrs. Cathay Wagantall for five minutes, please.

Mrs. Cathay Wagantall (Yorkton—Melville, CPC): Thank you.

I really appreciate your being here and having the opportunity to review this report. I want to be positive and say that this can be dealt with, but the seven years is very discouraging.

I'd like to refer to 2.20 in your report. In 2014, you published the audit report, "Mental Health Services for Veterans". You indicated in it that in a one-year period, 75% of decisions on first applications for mental health conditions were processed within the 16 weeks. For the current audit—also a one-year period, from October 2020 to September 30, 2021—you found about 41% of decisions on first applications for mental health conditions were processed within the 16 weeks.

I appreciate what you're saying. In fairness, twice as many were processed, but the number of applications was three times as many. This is looking at—I think—the reality that Afghanistan in 2014 was no longer a theatre, and veterans were coming out of the system of 14 years. We know from what we hear at this committee that it takes those who become veterans and are no longer part of the armed forces a few years to decide that they're going to deal with these things.

I can see that as a reality. However, this is where we are right now, and the numbers continue to grow, so there wasn't that foresight in realizing what they were going to be dealing with as the younger veterans came online.

It's very clear from what I'm seeing from you that temporary funding needs to be permanent funding. Temporary employees... We need more permanent employees. This is a very challenging job, with expectations of people who are trying to process this very complicated business of meeting the needs of veterans.

You're also saying the data system is weak. I noticed in reference to your recommendation 2.52 that Veterans Affairs indicated they're working on it. They realized in 2019 that there was a problem implementing it. They were in the early stages of maturity, which I think means "not working really well yet". They also indicated that they're switching platforms and that the decommissioning of the old one will take place in about five years. This problem isn't going to go away easily.

I want to share one thing with you and then get your feedback.

This report is to September 2021, and we are now aware that in April 2022, the department instituted a new policy to issue funding for mental health services upon application. In other words, leave all that paperwork and let's get this money where it needs to go. When we're talking about mental health, that is ground zero for so many of the problems that our veterans are facing, so they said provide the funding upon application, and sort the paperwork out after.

This is going to give the impression that there is an increase in faster processing, because there are zero weeks. However, at the same time, I applaud it and wonder what you think about looking at all of these different lines of service that they need.

Is it time to say, "Look, for every application that has come in on anything, we should trust our veterans to know their conditions. Deal with this backlog, get people in there who are going to serve long-term, and provide the efficiencies that we need to be able to serve our veterans well?"

• (1635)

Ms. Karen Hogan: There is a lot in there that I'd like to try to address, but I want to start with paragraph 2.20. That's exactly why we put the numbers of the files. We were looking for a positive before, and I said there are some improvements. A positive here is that, yes, more files were treated, but there was such a large increase in demand that it put more things in the backlog as well.

There was recognition in our report that the department has some information about how many types of conditions are traditionally validated and then funding is given. When it comes to mental health, I believe that is one that was up there, and they know that a

significant portion is awarded some sort of benefit. That is a solution to get funding into the hands of veterans sooner, because the long wait times have a direct impact on their well-being.

Mrs. Cathay Wagantall: Exactly. The sanctuary trauma is huge.

The Chair: We'll now go to Mrs. Rechie Valdez, for five minutes, please.

Mrs. Rechie Valdez (Mississauga—Streetsville, Lib.): I would like to thank the Auditor General and her team for their hard work in producing this report, and for providing it to the committee today.

I just want to clarify. The report says, "We analyzed files for which a decision was made during the 18-month period from 1 April 2020 to 30 September 2021."

Is that correct? Is that your reporting time period?

Mr. Martin Dompierre: Yes, that is the audit period.

Mrs. Rechie Valdez: Thank you.

Can you confirm the date that you did the analysis? I mean, did you pull files from that time period, or were you doing the analysis in real time during that time period?

Ms. Karen Hogan: We received full access to the database. Our audit work started after that time period. We gathered evidence all the way up until January 31, 2022, related to the time period of April 1, 2020 to September 30, 2021.

Mrs. Rechie Valdez: The reason I'm asking is that when I think about April 1, I was about to launch something that I was working on. That March, my daughter was supposed to start kindergarten. She wasn't able to because of the pandemic. The reason I'm reflecting on this time period is that I've spoken to many organizations in Mississauga—Streetsville that struggled during that time. Our lives were completely disrupted. It's bringing me really bad flashbacks right now.

When I'm thinking about that time when you were observing the team, and what they would have been going through, going through a lockdown, trying to figure out staffing shortages, we all know what that was like. It was a tough experience.

I see your data. It's telling, right?

What can you say about the process of reviewing these files? You asked questions during that time about what the staff went through, because you had to perform current observations, but you were also looking back at a very tough time in our pandemic.

Ms. Karen Hogan: I believe that we actually saw an improvement in the number of applications processed in that time frame, during the pandemic, partially because there was a decline in the number of applications submitted during the pandemic. We considered whether or not there was a reduction there, but we actually saw an improvement in the closing and processing of applications just at the start of the pandemic.

I would point you to exhibit 2.4. We divided up our 18-month period of data into six-month chunks. We looked at the first six months, from April 1, 2020 to September 30, 2020. We did the same thing for 2021, just to see if there would be an improvement. What we saw, if you look at the median, was that it actually got much better. With the files that were further down, the extension went even longer. There was some improvement, yet other files waited longer.

It was really hard to know if it was timing, if it was data or if it was application. There is a need to have a better handle on the information and where the bottlenecks are.

• (1640)

Mrs. Rechie Valdez: Thank you. I just want to make a comment. The recommendations you made regarding the data... Obviously, whenever we have better data, it's easier for you to measure the service levels, etc. I appreciate your recommendations around that.

You suggested that VAC and the RCMP work together more closely. Can you clarify in what ways they could do better? You kind of touched on it, but could you elaborate a bit on those details?

Ms. Karen Hogan: Absolutely. There are two areas. Some is sharing medical information, which needs to be done in a timelier way. There are service standards, but oftentimes they are not met in sharing medical information. That's a really key step in getting to the place where you declare an application is complete and you can actually start processing it.

The second area has to do with funding, because Veterans Affairs receives funding from the RCMP in order to process RCMP applications. It puts aside a dedicated unit to deal with only RCMP applications, but it was just not able to keep up with the volume.

They need to work better together to get the right funding and to understand the application volumes that are coming, so there's progress toward meeting service standards.

Mrs. Rechie Valdez: Thank you.

The Chair: Thank you, Mrs. Valdez, and thank you, Ms. Hogan.

Now let's go for a subsequent round of questions.

I'd like to invite Mrs. Anna Roberts, for five minutes, please.

Mrs. Anna Roberts (King—Vaughan, CPC): Thank you, Mr. Chair.

Thank you very much for all the hard work you've done.

Before I dig into my comments, I'd like to wish everyone a happy Thanksgiving. It's a time of the year when I have to do a lot of reflection. One of the things I reflect on is how to protect the people who protect us.

Recently I've had the pleasure of meeting with numerous veterans who shared their stories with me, and I will tell you that it was very emotional. I don't think there was a dry eye in the house.

One of the things they mentioned was that they felt that Canada let them down, that there was no support for them. As soon as they left their posts, they were abandoned.

I spoke with one particular gentleman extensively and in private. I promised not to use his name. I'm going to keep it confidential, as he requested. He was on suicide watch. His friend wasn't so lucky; he waited 17 months and then gave up.

The individual I'm speaking about was encouraged not to give up. He decided to seek private help, which he did. Through the generosity of the community, they were able to raise money to send him to a program that was able to help him understand that his life was valued.

Here is my question. It's been seven years. When we go to the hospital and we are in danger, I'd like to think we would get immediate attention. Do you think that by continuing...? It's like doing the same thing over and over again and expecting a different result. We're not getting it. We have funded. We have given them money. There is no accountability, as far as I can see from this report, to help us understand what we need to do to change it. How do we make a difference so that we can encourage these veterans to believe that we're not abandoning them?

Ms. Karen Hogan: As I mentioned in my opening remarks, that is a real consequence of it taking so long to get benefits to veterans. They feel a lack of respect for their service, and sadly, there are some terrible consequences, as you've outlined.

What can the department do differently? I agree with you. I'm a huge proponent for... You can't keep repeating the same thing and hoping that the outcome will be different, so it's really about doing something differently.

The department launched, as we mentioned, 16 initiatives to try to improve its processing. It set targets for two. You track. You measure only what you set out to track. If you don't set any targets, then you won't know whether you are achieving what you set out to do. I really think it's about doing things differently.

I can't tell the department how to run itself day to day, but it is clear that something needs to improve, and I don't believe it's just changing the service standard. I think it's about actually figuring out the issues and tackling them one at a time in order to get there.

Another member mentioned a possible solution, but I'm not a medical professional, and I don't have all the information that the department has. They really do need to sit down and find creative, maybe out-of-the-box solutions, rather than just repeating the same things.

• (1645)

Mrs. Anna Roberts: I'm trying not to keep my private hat on; I was in private industry. If I were given a budget to work with, my boss would expect results. In order to prove my results, I would have to have data. I would also have an independent eye overseeing my performance. Do you think this would help, if we were to have someone on a more regular basis to analyze the backlog, so that this situation wouldn't continue to occur?

Ms. Karen Hogan: I'm 100% there with you on data. You need it. You need disaggregated data—they could do a better job there too—in order to help identify areas to target and to support different approaches.

As for an independent oversight, every department has an internal audit shop they can turn to, and every department should be able to get that external help if they need it.

I think there are lots of ways that should be explored by the organization.

Mrs. Anna Roberts: If we—

The Chair: I'm sorry, Ms. Roberts, that's time.

Mrs. Anna Roberts: Oh. I didn't see the red card. I'm sorry. I should pay more attention. I apologize.

The Chair: Mr. Tolmie used to look at me to see if I was using it.

Voices: Oh, oh!

The Chair: I'd like to invite Mr. Sean Casey to go ahead for five minutes, please.

Mr. Sean Casey (Charlottetown, Lib.): Thank you very much, Mr. Chair.

The audit period for this study was an 18-month period that ended in September 2021. Is that right? Everything that's in the report is basically a snapshot in time that's now a year ago.

Ms. Karen Hogan: Absolutely. Every audit has to end at some point. That's where we ended it.

Mr. Sean Casey: Yes. I'm not pointing it out as a weakness at all. I understand.

Any investments that were made, any hiring that was done, any changes in practice, any reduction in the backlog over the last year were not the subject of your audit.

Ms. Karen Hogan: No, they were not. My audit period ended September 30, 2021.

Mr. Sean Casey: All right.

On page 6, you indicate that the service standard “had not been met for 7 years”. If we go back seven years from the September 2021 end of the audit period, can I then conclude that the last time the service standard was met was in fiscal 2014?

Ms. Karen Hogan: I would say that's probably accurate. We gather evidence all the way until January 31, 2022, so it's give or take a few months; I don't know the exact date it would go back to in terms of hitting the seven-year point.

Mr. Sean Casey: Okay.

I heard you say earlier that one of the keys to improving the performance at the department would be more full-time people. Is that right?

Ms. Karen Hogan: I believe that a stable, permanent workforce would help improve the processing of applications, yes.

Mr. Sean Casey: Would the converse also be true? If there was a decision made to downsize, to fire, to let go, to lay off permanent, full-time people, would that have a negative impact on meeting the service standard?

Ms. Karen Hogan: Well, I would only be presuming now, but if you terminate the employment of permanent employees who are training and onboarding your temporary employees, it's likely to have a really huge impact on processing times, yes.

Mr. Sean Casey: I don't think you need to presume it. History has told us that. Something called the “deficit reduction action plan” resulted in a dramatic downsizing of the civil service, including Veterans Affairs. That downsizing was actually greater in the Atlantic region, where many of these claims are processed. We see the results starting in 2015, starting when the impact of those severe cuts began.

Let me take you to page 7 and to the point that Ms. Wagantall made. At page 7, when you made a comparison to 2014, which is right around the time that the deficit reduction action plan was landing at Veterans Affairs, 2,160 decisions were within the 16-week period for mental health. If I read it correctly, you indicate that in 2021, 3,802 decisions were within the service standard.

Despite the drastic cuts that were made at that time, there was an increase of 76% from 2014 in the number of mental health claims being dealt with within the service standards. It went from 2,160 to 3,802. Is that right?

• (1650)

Ms. Karen Hogan: That's correct. The first mention is our previous audit, and then there is an increase in the demand and an increase in the processing, absolutely—with still a large portion not meeting the service standard, however.

Mr. Sean Casey: Yes. A massive number of files, a lot more files, are being processed within the service standard. There are a lot more files being processed in total. The increase there is more than double—221%, by my calculation.

Ms. Karen Hogan: Yes. These are just the mental health files.

Mr. Sean Casey: Thank you, Mr. Chair.

The Chair: Thank you so much, Mr. Casey, and thank you, Ms. Hogan.

[*Translation*]

The next two members will have two and a half minutes of speaking time each.

We will start with Luc Desilets.

The floor is yours, Mr. Desilets.

Mr. Luc Desilets: Thank you, Mr. Chair.

Mr. Casey, you are an exceptional politician. I say that sincerely. I hope to have your skill one day. You said something that particularly struck me.

Despite all these figures, all these tables, all these reports saying the same thing, we have failed to achieve the targets for seven years.

I have a little memory that has come into my mind, going back two weeks. I went to a veteran's funeral. I spoke with his wife, who was heartbroken. I just wanted to say that. We have the figures. We are going to have more figures. I am an eternal optimist, but there is something that is not working in this system.

If we are not capable of achieving these targets after seven years, targets that are not as extraordinary as all that, it is because something is not right.

To come back to that woman, she told me that her late husband no had longer believed in the system, because he felt rejected by his employers, by the Government of Canada, by the Department of Veterans Affairs. It need not be said that he committed suicide. I do not want to get dramatic, but what you said has galvanized me, Mr. Casey. I just wanted to let you know that.

Ms. Hogan, given that not much time is left, would you have a recommendation to make to the committee? I know you have already made a lot in the report, which is excellent. I want to thank you again.

However, would you have a recommendation we could apply, that might help us achieve our objectives?

Ms. Karen Hogan: I would just like to say that I am saddened and frustrated by the results.

We did observe some improvement. The number of applications processed has risen. However, I always come back to the fact that the wait time is unacceptable. It is far from what is set out in the service standard.

The government therefore needs to change its approach and improve how applications are processed. That is really an unkept promise to veterans.

Mr. Luc Desilets: Thank you, Ms. Hogan.

I have finished, Mr. Chair.

The Chair: Thank you, Mr. Desilets.

Ms. Blaney, the floor is now yours for two and a half minutes.

• (1655)

[English]

Ms. Rachel Blaney: Thank you so much, Chair. That was a really great intervention. I was really moved by it. I just wanted to say that. I will also say that the interpreter was phenomenal in interpreting the passion. They did a very good job in English for you, Luc.

One of the questions I have is around the RCMP applicants. I appreciated the information you gave, but I noticed that for the RCMP applications, the medical information was that it was 85 days in the 2020–21 fiscal year and 35 days the following year. For the Canadian Armed Forces, it was 67 days and then down to 23 days in those

two years. I'm wondering if that directly related to the fact that we were experiencing a pandemic, or if there was any explanation for those significant changes.

Ms. Karen Hogan: I believe we heard that some of the information was that it was due to the pandemic, but the rest could be due to delays in obtaining the files or how many conditions they're trying to gather information about. There were many factors that could have contributed to the delay, but the pandemic was absolutely one of them.

Ms. Rachel Blaney: We also heard that, overall, RCMP veterans are having to wait significantly longer than the rest of the veterans. It sounds as though there's a desire to see a better contract, maybe to have enough staff to support them. I'm wondering if you know what the difference is. Where is that? What I hear again and again is that identifying those bottlenecks is almost impossible. I'm wondering about that.

Ms. Karen Hogan: You're right that we found that RCMP veterans waited about 38% longer than Canadian Armed Forces veterans did. We think one of the reasons was some of the funding, but again it's really difficult to nail down exactly why there are so many bottlenecks. The information's not there to tell us if it sits somewhere longer or it gets blocked in a different spot. We were left to conclude that this could be one of the reasons that RCMP veterans are waiting longer.

Ms. Rachel Blaney: I just keep thinking about the impact of the bottlenecks here and the impact they have on other areas. I think of the Veterans Review and Appeal Board.

I'm just wondering if you have any reflection on where it gets stuck here. How about those other places veterans go to get help? That must delay them in being able to access those resources as well.

Ms. Karen Hogan: The majority of our statistics relate to the first-time application, but yes, there's more time if you ask for a re-assessment or if you try to challenge the decision. We didn't go that far, but I know that the veterans ombudsman went there in its report.

The Chair: Thank you, Ms. Hogan.

Now, for five minutes, let's go to Mr. Fraser Tolmie, please.

Mr. Fraser Tolmie: Thank you, Mr. Chair.

You have to forgive me. I'm a vet as well, so my passion for this report could maybe be expressed as disappointment—not in what you've produced, but in what you've revealed. I would echo the sentiments of a number of people around this table. We seem to have gotten report after report, and yours is the cherry on the top.

You're also the last one to be giving us this information. When we continually get that message that service is failing and then I, as a member for only one year, hear that it's been failing for seven years, it is very disappointing.

I go back to the comments you've made in your report, where you're concerned about the data. When I look at that, I'm concerned about the integrity of how we move forward. How do we translate what you're saying about how this is a failed service, and how do we fix the problem?

We can throw money at the situation, but if we don't know what the key mechanisms of that failure are, we're just going to keep throwing money at it. We're going to be told by the minister that it's going to be better, but we're going to continue to get reports like the one you've just given us.

I have a question for you. For you, in your report, what is the finish time—from start to finish—for when a file is closed?

• (1700)

Ms. Karen Hogan: First, I want to start by thanking you for your service. You mentioned that you were a veteran, so I think it's important to do that.

We followed along the lines that the department follows. We hold the department to what it says is its objective. For the department, a file is completed once it has all of the information. It ended at different dates, but we ended it normally where the department ended it, which was when a decision was rendered.

Like anyone, as you sit back and look at it in a common-sense way.... That is why we talked about what happens before the file is determined to be completed and the bit after they render that decision. A veteran thinks about that as the whole wait time, not just the wait time that the department measures. That's why we felt it was important to talk about the front end and the back end.

Mr. Fraser Tolmie: I appreciate your validating that, because that was my thought when I was reading the PBO report from September 28, 2020. On page 1 it says, "In March 2017, the number of pending applications was 20,693, [but it] had reached 49,216 by March 31, 2020."

That was prior to the pandemic. It almost doubled.

It continues, saying, "Of these, 22,138 were considered complete [and were] waiting for a decision from the department."

Well, that vet is waiting to find out what that decision is, when they're going to get service and when they're going to be looked after. Would you agree with that?

Ms. Karen Hogan: I would agree that if I send an application anywhere, as a vet would do here for benefits, the second I've handed it over the clock starts ticking for me. That's why I think it was important to talk about the before and after, as I mentioned.

The department does delineate its service standard calculation as a smaller area. Again, it is even more concerning when it can't meet that service standard when it's a smaller area.

Mr. Fraser Tolmie: There were comments, earlier, around this seven-year period. It is my understanding, on good authority, that some of the offices that may have closed down were moved to Service Canada offices, and that offices were opened one year later, in 2016.

There was a promise made by this government to improve services. Could you expand a little on what you were saying about the broken promise?

The Chair: Excuse me, Mr. Tolmie. Your time is up. I'm so sorry. There will be a possibility to ask your question a bit later.

Right now, I'd like to invite Mr. Wilson Miao to participate virtually for five minutes.

Please go ahead, Mr. Miao.

Mr. Wilson Miao (Richmond Centre, Lib.): Thank you, Mr. Chair, and thank you, Ms. Hogan, for all the work you and your team have done.

First, I would like to get into the backlog that has built up over the past seven years, and which has not met the target.

Do you know how much, exactly, the government funded VAC on this part, causing all these delays over the past seven years?

Ms. Karen Hogan: Is the question about how much money they've contributed to deal with the backlog?

Mr. Wilson Miao: It's not just the backlog. It's also not meeting the standard delivery time in the past seven years.

Ms. Karen Hogan: We did not look at the budget spent over the last seven years to see how much was directed toward the backlog versus the processing of applications in general. We weren't able to dissect the information that way. All I can refer to is the funds they've spent. You'd have to ask the department if they could break it down between backlog and regular processing.

• (1705)

Mr. Wilson Miao: Thank you.

I would like to get into the CSDN system—the client service delivery network—being used.

Do you know how old the system is, right now, that deals with the processing of applications?

Ms. Karen Hogan: No, I'm sorry. I don't have that information. We didn't look at the IT system itself. We looked at the management of the files and the adjudication process.

Mr. Wilson Miao: The delivery time could be caused by a system issue. That may cause inconvenience in serving veterans who have served us in the past.

Ms. Karen Hogan: I can't comment on whether the IT system is causing delays. I think files are mismanaged, in some cases. We definitely saw that. An IT system should support you and facilitate case management, so I can't comment on whether it contributed directly or not. I'm sorry.

Mr. Wilson Miao: Thank you very much.

Referring to page 23 of the report, one of the responses to recommendation 2.52 mentioned that the current system will be decommissioned in five years and moved to a new system called GCCase. Do you feel this will help prevent applications from being missed, or parts of the form not being filled in correctly?

Ms. Karen Hogan: I can't comment on that. I did not audit GC-case. I don't know the way it's configured or how it will be used by the department, so I don't have any intelligence to offer on whether it will improve the process.

Mr. Wilson Miao: That's no problem, Ms. Hogan.

I believe our colleague Mr. Desilets mentioned that. Money might not solve all the problems we have, but something is pretty broken in this system and causing the delays we're experiencing right now. With the recommendation brought forward, we did see a change and an improvement. Since the report was tabled—even though, right now, it's only a few months in—we have seen an improvement in some of the services provided to our veterans.

Am I correct?

Ms. Karen Hogan: I really can't comment on how the IT system—the aging system—is contributing to this, but I would think that any system that can't give you complete and accurate information to help you understand where a file is slowing down in the process is not a system that's serving you well, if you're trying to manage files.

Mr. Wilson Miao: I'm aware that over 50% of the staff who are helping with the application processes are temporary workers or under a term contract.

Ms. Karen Hogan: About 50% of the employees in the whole unit that treats all of the applications are temporary employees, yes.

Mr. Wilson Miao: I'm not sure whether or not you can give me an answer, since you told me this might not be something you studied. Do you feel that the support of technology will integrate the application process in the future as well?

Ms. Karen Hogan: In general, I think you hope that your IT systems make you more effective and efficient at what you do. I think that's just a foundational place. I would hope IT would support everyone in that way.

Mr. Wilson Miao: Okay, thank you.

How much time do I have, Mr. Chair?

The Chair: Your time is over.

Thank you so much.

[*Translation*]

Ms. Hogan, we are going to move on to a fourth round of questions.

Mr. Caputo, the floor is yours for five minutes.

[*English*]

Mr. Frank Caputo: Thank you very much, Mr. Chair.

Following up on my colleague Mr. Casey's intervention, he referred to a deficit reduction plan. We also have to realize that in seven years, the budget has changed. I believe the budget now is certainly higher than it was in 2015. I will just make that note for the record.

In any event, one thing I was struck by when I was looking at this report was the data. We are dealing with what I would call highly quantifiable issues.

What I mean is that the date somebody applies is quantifiable. If it's April 1, you know it's April 1. The date that somebody's file is completed is quantifiable. If it's May 30, we know it's May 30. With regard to the date the decision is made, you understand what I mean when I say the completion date. We'll call it that.

With all that in mind, how is it that we don't have good data?

Again, I'm looking at this from the outside, looking in. How is it that we don't have good data when what we're tracking is so simple?

• (1710)

Ms. Karen Hogan: You're absolutely right. A date is a very quantifiable thing. As long as there is no human error in inputting that date, it's a very easily measurable system.

An adjudication process goes through many steps. When you're trying to understand what elements within a process are causing delays or slowdowns such that you can't meet the service standards, you need to be able to measure as something moves through all of the steps in the process. That's where the quality of the data starts to break down. The department doesn't know how long something might sit in one area or what's causing the delay.

We use data as a real general term. It's about having information about where the file is. If you can put a tracker on it, finding out where it goes, when it slows down and when it doesn't slow down, it would help you to identify measures to target the slowdowns.

Mr. Frank Caputo: If I understand you correctly, we know what happens at the beginning and the end, but we really don't know what happens in the middle.

Ms. Karen Hogan: You know when they decide that it's complete, and then we start calculating. There's some confusion in the middle, absolutely. It's a messy middle. Let's call it that.

Mr. Frank Caputo: I'm even more despondent, and here's why. We don't really know what's causing—correct me if I'm wrong—the issues, right? We've put money into this. It doesn't seem to have worked. Hopefully, we'll have more efficiency.

However, we don't know where the lag time is. Is it waiting for documents? Is it waiting for somebody to look at something after documents are received? That's the source of my despondency.

Does that make sense? We don't even know what's causing these delays in the middle, so how are we to ameliorate them?

Ms. Karen Hogan: The department did an external review, and they identified some areas that they thought were problem causes. That's why there were 16 actions that they were trying to implement to improve the processing times.

The issue is that they didn't do a very good job at tracking whether this one initiative improved the processing time, and then whether this other one maybe counteracted that and went the other way? There was a lot put in place without being able to know whether or not it made things better.

I think it's a few things. We're not really sure what initiatives improved or slowed down.... We couldn't say, and neither could the department.

Mr. Frank Caputo: Are we still at that point today, then, where we still don't know?

Ms. Karen Hogan: We were at that point in September 2021, yes.

Mr. Frank Caputo: When I say today, I mean as of the date of your report.

The point I'm trying to get at is this: I'm quite worried, moving forward, because we have identified that we have a problem, the backlog. From a moral standpoint this backlog is too big, as in people are waiting too long, and from a policy standpoint having the backlog means we don't meet the standard we expect to meet, which is 16 weeks in 80% of the cases.

You also have an efficiency problem with retaining workers, and then on top of that, we don't really know what is causing the internal delays. I suppose I'm feeling a bit hopeless.

Please, make me feel hope.

Ms. Karen Hogan: If I may, Mr. Chair, I'd point the member to paragraph 2.21. We actually targeted 33 files. We didn't do a random sample, so we couldn't tell you that it was the whole population to try to get exactly what you're saying—why and where it slowed down. We listed some areas, but you'll see that sometimes it was that something was sitting in the wrong queue.... There are a whole bunch of reasons.

I point the member to that paragraph.

Mr. Frank Caputo: Thank you. I appreciate that.

[Translation]

The Chair: We started the meeting a little late, so I would like to inform committee members that if they want to make that time up after this fourth round, there would have to be unanimous consent.

For now, Mr. Iacono has the floor for five minutes.

• (1715)

[English]

Mr. Angelo Iacono: Thank you, Mr. Chair. Please note that I'll be sharing my time with my colleague, Sean Casey.

Ms. Hogan, throughout your audit, were there any overarching themes that you noticed with regard to Veterans Affairs, the processing of disability claims or the backlog?

Ms. Karen Hogan: Are you looking for themes as to why things were so slow? I guess I'm trying to make sure I understand the question.

Mr. Angelo Iacono: Yes.

Ms. Karen Hogan: I would say what we saw as contributing to the long wait times was the following: There was the waiting for information, the back and forth, and some file mismanagement in some cases. As well, there was a large increase in applications. Also, funding was temporary, and half of the employees processing these applications were temporary. Those are the three things I would highlight as contributing to the long wait times.

Mr. Angelo Iacono: Thank you.

Since your report has come out and money hasn't been injected, what do you foresee as future trends at VAC? Will the number of incoming applications continue to rise or to drop? Is the department doing enough to increase its output? Do you have any recommendations and so on?

Ms. Karen Hogan: I don't believe I'm in a good position to be able to predict whether applications will grow. Over time, applications have grown. I think we can also predict that as our service men and women are deployed, we would expect that when they return there will likely be an increase in applications.

I really couldn't predict that, but I believe the department should be able to do that. It really is the department's job to know and to make sure it has the manpower in place to handle the applications.

Mr. Angelo Iacono: Your comments are always well appreciated. Thank you.

I turn it over to my colleague, Sean.

Mr. Sean Casey: Thank you very much, Mr. Iacono.

I should start by responding to Mr. Caputo's indication that the budgets at Veterans Affairs increased in 2015. Indeed they did. Members of the government that took office in 2015 felt that cutting budgets and staff was a very cruel way to treat our veterans, and they fixed that.

I'd like to turn to page 12 of the report, specifically the paragraph in which you reference "public service capacity". What I take from this is that in the middle of your audit term, in January 2021, spike teams were introduced to deal with the simplest of cases, the least complicated cases. This happened in the middle of your audit, yes?

Ms. Karen Hogan: Yes.

Mr. Sean Casey: Then, in paragraph 2.48, you did an analysis of three distinct six-month periods during the course of your audit, and—lo and behold—what you found was that the spike teams worked. What you found was that there was a significant increase in the processing of less complex cases.

Is that a fair conclusion for me to reach, that the spike teams that were introduced in January worked?

Ms. Karen Hogan: I don't know if I would attribute it to the spike teams, but there were many initiatives ongoing throughout the period of time, so there was clearly an improvement in the median time to process applications. However, to meet the 80% of files, that pushed out further months. That's why I say there are some initiatives that improved processing and there are clearly some initiatives that didn't improve processing, but the department is unable to identify which ones those were.

Mr. Sean Casey: Okay. I take your point.

At page 1 you referenced the pain and suffering compensation benefit that came into effect on April 1, 2019, so one year before you started your audit there was a brand new benefit that came into place.

Did that have any impact on processing times, the fact that there was a previous benefit that had been there since 2006 under the new veterans charter, which was replaced a year before you commenced your audit?

• (1720)

Ms. Karen Hogan: Yes. I believe that what you're referring to is the fact that a benefit was replaced with another one. That would likely, I imagine, have had an impact on the determination at the end, but I'm not sure if it would have had an impact on the actual processing of an application. I don't know that information. We didn't triage our work based on that.

Mr. Sean Casey: Thank you.

[*Translation*]

The Chair: I would like to correct the statement I made a little earlier, that unanimous consent of committee members is required. That is not the case. We started the meeting 12 minutes late. The committee is therefore entitled to continue for another 12 minutes.

Mr. Desilets, the floor is yours for two and a half minutes.

Mr. Luc Desilets: Thank you, Mr. Chair.

I am a former school principal. If I had had to keep a school running where 50% of the employees were temporary, it would have been impossible. I see an important potential solution here that we have in fact proposed at the committee in the past.

Employees are the most important resource in an organization. This has to be remembered. After listening to what has been said at this meeting, I realize that veterans are not being respected and employees' needs are not being taken seriously.

It makes no sense that half of the employees are temporary.

Ms. Hogan, you said that 43 employees had quit their job during the period covered by your audit. That does not make sense, and that is not counting all the time it took to train them. It is illogical.

How can you explain this situation?

Why does an organization like that agree to resort to temporary employees in such large numbers?

Ms. Karen Hogan: You are right to say that public service employees are exceptional, and I believe Veterans Affairs Canada employees are as well. They work very hard, and they genuinely want to improve the lives of Canadians.

I do not know whether it is the department's decision to have temporary employees. I can only say that the budget gave it temporary funds. You cannot hire full-time employees without long-term funding.

It is indeed difficult to manage an organization when employees may leave their position...

Mr. Luc Desilets: ... when they may leave it at any time.

I do not see where the logic is in having employees who will still be temporary after several years. They will always need staff to process applications. Ultimately, this does not save any money, and it seems to me, most importantly, it cannot perform its mission.

I have no other questions.

Ms. Hogan, do you have a final comment to make?

Ms. Karen Hogan: I will just add that hiring temporary employees leads to staff turnover, and that is expensive.

Mr. Luc Desilets: Thank you very much.

The Chair: Thank you, Mr. Desilets.

Ms. Blaney, the floor is yours for two and a half minutes.

[*English*]

Ms. Rachel Blaney: You said five, and I'm going to take it.

Voices: Oh, oh!

Ms. Rachel Blaney: You mentioned the challenges for women, and you talked about the name change. For my first question, was that the only issue you could find, or was there any idea that there might be other challenges for women and other reasons they were waiting longer?

Ms. Karen Hogan: Again, it was difficult for us to identify. It was clearly one of the issues that had been identified through the gender-based analysis plus, which the department had done. We saw it materialize in the length of time, and they're trying to fix it.

I think there might also be a challenge on the medical side of treatment. There are not a lot of women in service, so all the impacts of post-traumatic stress syndrome and other issues on female service members are really not that well known or understood, so there is some of that information missing that might cause other delays.

Again, we couldn't really pinpoint them all, but I think those were two areas I would point to that would cause delays for women.

Ms. Rachel Blaney: In your time there, do you know how many of the files that were processed were denied? Do you have that number at all?

Ms. Karen Hogan: No. I'm sorry. I don't have that number.

Ms. Rachel Blaney: That's fine. I just wanted to check.

One of the things we keep hearing is... A lot of veterans organizations have been very clear that they would like to see automatic approval, with a review process after and then a fixing up of the system. This way, veterans get the services immediately, even if it's a baseline and additions may then be added.

Do you have any thoughts on that sort of idea—of the process being one of automatic approval and then a review—to make sure veterans get their needs met?

• (1725)

Ms. Karen Hogan: I think that process has some merit when it's founded with some information. As I mentioned earlier, if you know there are certain conditions that, for the majority, are always approved, there is a base level, and then it's adjusted based on the severity of the injury. That is a likely solution.

I caution against no upfront vetting and payment controls. There is some due diligence that needs to happen. No upfront vetting comes with a cost, a need to make sure you look at it in a fulsome manner post payment.

Ms. Rachel Blaney: Chair, I'm sorry to bother you, but it has come to my attention that the documents from StatsCan that we received for the survivor pensions benefit study that we did are not published on the website. The testimony is, but those documents are not.

I wonder if we could get that fixed, so that we have that information publicly. I'll leave it to you. Maybe next time, you guys can let me know.

Thank you so much.

The Chair: Thank you so much. I'll get back to you on that.

Now, for five minutes, I'd like to invite Mrs. Cathay Wagantall. The floor is yours.

Mrs. Cathay Wagantall: Thank you so much, Chair.

I'd like to comment and get your feedback on your final recommendation, which says:

Veterans Affairs Canada should work with central government agencies to establish a sustainable long-term resourcing plan for processing disability benefit applications in a timely manner. This plan should consider the number of applications the department expects to receive and the efficiency it expects to gain from its process improvement initiatives.

You do a lot of studies, I assume, of different departments. In this case, I thought the response from VAC was very telling. The comment is that between 2015–16 and 2019–20, it “experienced a significant increase in disability benefits applications”. There were 40% more overall, and 75% more first-time applications. It talked about bringing in temporary funding on a number of occasions to hire staff to try to address the issue.

However, I thought this next sentence was important, and I'd like your feedback on it:

[T]he Department was not able to fully assess the impact that would result from the introduction of new programs and other commitments.

That to me, as someone in business, says they're making decisions without fully looking at the potential negatives and the potential positives, the highest cost to them and possibly the lowest. This to me says that as they brought these programs in, there wasn't enough consideration given to what they were going to cost. Clearly, what they have cost is a significant backlog in veterans receiving their reports.

Ms. Karen Hogan: I encourage you to invite Veterans Canada to explain its response in more fulsome detail. What I believe it's pointing to is that some of the funding that was received was used to put in place those 16 strategies that we talked about, which it hoped would improve processing times. I don't think it was able to

know whether that would help or not and how to assess it all. That's why I think it needs to work with the central agencies.

Getting temporary funding is a solution for certain issues, absolutely. However, this is a really long-standing one, so I think you need some foundational information to know what the right level of resources is that you need to treat the applications, and there's been a sizable increase in applications.

What do you need to deal with the backlog and what do you need to implement improvements? Some of that can and should be temporary funding if you're just trying to implement measures that will then have a long-term, enduring effect.

Mrs. Cathay Wagantall: Thank you.

Do I have some time left? I do.

In the process that you went through over that time frame, it was the COVID time frame. Is that correct?

Ms. Karen Hogan: Do you mean the audit period?

Mrs. Cathay Wagantall: Right.

Ms. Karen Hogan: It did include part of COVID, yes. We started April 1, 2020.

Mrs. Cathay Wagantall: Did you have any sense of the dynamic around all of these files and the public servants' not being in their place of work, having to transition to home? I've had situations where a file was needed, and unfortunately they had missed getting it. They had to wait their turn in the queue to come back and get what they had missed—that type of thing. Are they back in their offices, do you know? Do you think that plays a role in giving good service to our veterans: having the public servants and all of that paperwork and whatnot in the same place at the same time?

• (1730)

Ms. Karen Hogan: I did not assess that, and I cannot comment on whether or not the employees for Veterans Affairs are back in their workplace and the impact that might have. I believe that individuals can be very effective from a workplace, whether it be at their home or whether it be in a building downtown. I believe there are efficiencies to be gained.

I know that some of the impacts we saw were that if the files were onsite and an individual was at home, then, yes, that would probably cause a delay. You need to protect the confidentiality of information.

Mrs. Cathay Wagantall: Exactly.

Ms. Karen Hogan: Likely, it's caused some issues in the processing of applications.

Mrs. Cathay Wagantall: I know they said, when they spoke with us, that the virtual training side of it was actually very effective.

I appreciate that. Thank you very much.

The Chair: Thank you so much. You have 15 seconds left.

Mrs. Cathay Wagantall: I'll just comment that all the offices were opened in 2016 by the current government, and here we are.

The Chair: Thank you so much.

Now, for five minutes, I'd like to invite Mr. Churence Rogers, please.

Mr. Churence Rogers: Mr. Chair, given the time and that I have further obligations after 5:30, I move adjournment.

The Chair: Thank you.

We have a motion of adjournment on the floor. I have no choice but to move it.

[*Translation*]

There is no objection.

On behalf of committee members and on my behalf, I would now like to thank the witnesses who have travelled to come and meet with us today: Karen Hogan, Auditor General of Canada, who is also a chartered professional accountant, Martin Dompierre, Assistant Auditor General, and Isabelle Marsolais, Director.

Is it the will of the committee to adjourn the meeting?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.

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