

Introduction

Upon evaluation of the past year, the NCVA and our 72 member associations continue to have significant concerns with respect to veterans legislation, regulations and policies. Our Legislative Program for 2025-26 underlines the essential steps required of the Government and VAC to address and correct the persistent inequity and injustice affecting veterans and their families.

In 2025, there were many political changes with the appointment of the Right Honourable Mark Carney, prime minister of Canada, and the new cabinet of ministers. We welcome the Honourable Jill McKnight as the new minister of veterans affairs/associate minister of national defence, who we hope to work alongside in 2025-26 after many different ministerial shuffles in the previous years.

We are hopeful that under new leadership we will see meaningful change that will work toward remedying the long-standing inequities and systemic injustices that have adversely impacted veterans and their families, ensuring they receive the recognition, support and benefits they rightfully deserve.



The NCVA continues to assert that considerable progress is still required to improve federal legislation impacting Canada's veterans, particularly in addressing the comprehensive financial and wellness needs of this diverse and often vulnerable population.

While some measures have been introduced in recent years, NCVA remains especially concerned with the ongoing limitations of the Pension for Life (PFL) provisions – first announced in December 2017 and officially implemented on April 1, 2019. Despite their intent to simplify and enhance support for veterans, these provisions have not fully addressed key gaps in compensation, support services and long-term care, especially for seriously disabled veterans. We believe that a more thorough and inclusive legislative review is essential to ensure veterans and their families receive equitable treatment, adequate financial security and access to meaningful wellness programs.

In our considered opinion, the PFL policy falls short of fulfilling the former prime minister's original commitment made in 2015 following the Equitas lawsuit to comprehensively address the significant inadequacies and shortcomings that are inherent in the New Veterans Charter and the Veterans Well-being Act (NVC/VWA).

Despite the intentions expressed at the time, the PFL policy does not effectively resolve the fundamental issues that have long been recognized within these legislative frameworks. Prior to 2006, under the Pension Act, disabled veterans received a lifetime indexed disability

pension that integrated both economic and non-economic compensation into a single benefit stream. This pension was provided in addition to any military service pension, without any offset or reduction.

Moreover, the PFL policy under the NVC/VWA continues to overlook the critical and persistent challenges that have consistently overshadowed and complicated the discourse surrounding veterans' compensation and support. This omission undermines the policy's ability to deliver meaningful improvements for veterans, particularly those with serious and complex disabilities, and highlights the urgent need for a more robust and transparent approach to reform.

As stated in our many submissions to VAC and Parliament, the Government has not met veterans' expectations regarding the fundamental mandated commitment to "re-establish lifelong pensions" under the Charter to ensure that a comparable level of financial security is provided to all disabled veterans and their families over their lifetimes regardless of where or when they were injured. The financial disparity between the Pension Act and NVC/VWA compensation was fully validated by the Parliamentary Budget Office's report issued on February 21, 2019, which clearly underlined this long-standing discrimination.

The challenges facing Canada's veterans are complex and deeply rooted, and previous initiatives have not always met the full range of needs experienced by the veterans' community. We remain cautiously optimistic that, with the appointment of the new

Minister of Veterans Affairs Jill McKnight and Prime Minister Mark Carney, the new Liberal government will bring renewed attention and a practical commitment to improving veterans' support systems. At the same time, we will continue to closely monitor policy developments and engage constructively with the Government to ensure that commitments lead to meaningful, lasting outcomes for those who have served and sacrificed for our country.

In this context, it is important to remember that during the Conservative government of former prime minister Stephen Harper, substantial cuts were made in veterans' programs for the purposes of decreasing the federal deficit by closing departmental district offices and dramatically cutting back staff, to the detriment of veterans and their families. It will be of significant interest to see if Prime Minister Carney will prioritize veterans' issues in his term as prime minister with the announcements of upcoming cuts within the federal government. Indeed, the prime minister has already announced a proposal for an increase in spending on Canada's defence, yet we await announcements for meaningful change within veterans legislation.

We intend to work closely with the new minister and underline that much more is required from VAC to fully respond to our ongoing legislative agenda for the betterment of veterans and their families. Our 2025-26 NCVA Legislative Program sets forth our "plan of action" for VAC, including the following fundamental NCVA recommendations with respect to major topics of concern:

1. Our essential proposition that veterans legislation should equate to a “one veteran – one standard” approach. We have strongly recommended that the best parts of the Pension Act and the NVC/VWA should be utilized to produce a comprehensive compensation/pension and wellness model for all disabled veterans, regardless of where or when they were injured.

NCVA takes the position that VAC, working together with relevant ministerial advisory groups and other veteran stakeholders, should think “outside the box” by jointly striving as an ultimate objective to create a program model that would essentially treat all veterans with parallel disabilities in the same manner as to the application of benefits and wellness policies – thereby resulting in the elimination of artificial cut-off dates that arbitrarily distinguish veterans based on whether they were injured before or after 2006.

2. NCVA continues to have a fundamental concern as to whether the Department of National Defence (DND) Service Income Security Insurance Plan (SISIP) policy for service-related disabilities should be continued at all, or whether it should be completely replaced by parallel VAC programs due to the multiple restrictive standards that exist not only with the SISIP Long Term Disability (LTD) program

but also with the SISIP Vocational Rehabilitation (VOC-REHAB) program. These negative distinctions are fully delineated in this chapter of our NCVA legislative report.

One of the priority recommendations of NCVA, the Ministerial Policy Advisory Group, the Standing Committee on Veterans Affairs (ACVA) and the Office of the Veterans Ombud for many years has been to suggest that the insurance culture needs to be removed from the compensation made available to veterans and their families. The compensation of veterans and their dependants should not be a function of the insurance industry whose mandate, in many situations, is to minimize exposure of the insurer’s policy when applied to injured or disabled individuals.

As a matter of background, a fundamental commitment made by the Government at the time of the enactment of the New Veterans Charter in 2006 was the recognition that the SISIP LTD program should be eliminated and fully replaced by a liberalized income replacement loss benefit administered by VAC for all disabled veterans.

It is to be noted that the “wellness program” strongly advocated by VAC is clearly impacted by the fact that the greater majority of medically released Canadian Armed Forces

(CAF) members are compelled to utilize the SISIP VOC-REHAB program as a first responder. In effect, VAC does not have the capacity to control and operate this portion of the VOC-REHAB program and is left with little accountability as to the impact the SISIP program will have on veterans in regard to this essential element of the VWA.

3. (i) The need to replace the current inadequate Caregiver Recognition Benefit by introducing a new caregiver allowance based on the eligibility criteria from Attendance Allowance in the Pension Act, together with the DND Attendant Care Benefit as to the amount payable to informal caregivers. This fine-tuned caregiver allowance would better recognize and more generously compensate veteran caregivers for their significant effort and economic loss in supporting injured veterans. This is particularly so in circumstances where the seriously disabled veteran requires



their spouse to be a primary caregiver who in turn must relinquish their employment with the consequential negative impact on the overall family revenue.

- (ii) The adoption of the Ombud's recommendation as endorsed by the ACVA that family members and caregivers should have an independent right to benefits and well-being provisions rather than the restricted derivative rights that have existed in veterans legislation for many years.

The further implementation of an independent right for family members and caregivers to gain access to the Education and Training Benefit and the Veterans Independence Program (VIP) benefits, as supported by the findings of the 2024 joint ministerial policy and family advisory groups.

As well, the adoption of two new recommendations from the Ombud's 2025 report. These include amending the Veterans Well-being Regulations to include discretion to exceed the maximum rate when circumstances warrant for Additional Dependant Care for clients attending rehab services other than training, and ensuring that the regulatory provisions for Additional Dependant Care maximum rates do not result in clients bearing more of the cost over time.

- (iii) The creation of a new family benefit for all veterans in receipt of

Pain and Suffering Compensation to parallel the Pension Act provisions relating to spousal and child allowances, so as to recognize the impact of the veteran's disability on their family.

4. The establishment of a new Career Impact Allowance for life based on the future loss of income strategy employed for many years by the Canadian courts in lieu of the current VAC Income Replacement Benefit or the CAF SISIP income policy. The fundamental principle that should be followed by the department lies in the monetary evaluation as to what the disabled veteran would have earned in their military career if they had not been injured.

A number of members of NCVA have strongly indicated a serious concern that the current income replacement program leaves lower-ranked CAF members at a minimal level of income replacement for life. This is a particularly significant concern where a seriously disabled veteran is deemed to be permanently incapacitated and where such a veteran qualifies for the VAC Diminished Earning Capacity (DEC) program or the SISIP LTD benefit. In these circumstances, we would underline that the overall income of such a family is often doubly impacted in the event the spouse of such a veteran is a primary caregiver and is compelled to give up their employment income to take care of the veteran.

In conjunction with the implementation of a future loss of income philosophy, VAC should fully revamp the DEC post-65 policy so as to establish a formula that does not reduce the amount of the income replacement from 90 per cent to 70 per cent (of 90 per cent) at age 65, with accompanying setoffs. It is quite clear that the financial requirements of a seriously disabled veteran in receipt of DEC do not decrease at the age of 65 and the parallel to private pension plans, as often posited by VAC, is not an acceptable justification for this reduction.

5. A recognition that systemic change is essential to tackle the backlog/wait-time crisis, including the adoption of fast-tracking protocols and a form of automatic entitlement for common disabilities. Notwithstanding slight improvements over recent months, the latest Auditor General's report and the Parliamentary Budget Officer's report of 2020 make clear that increased temporary staffing and augmented digitization alone are not sufficient to resolve this ongoing problem. It is to be noted that our 2025-26 Legislative Program, in addressing the totally unacceptable backlog and wait times for veterans' disability claims, contains the essential elements of our proposals to alleviate this intolerable situation sooner rather than later.

The fact that more than 80 per cent of veterans with physical injury

claims and more than 94 per cent of post-traumatic stress disorder claims are ultimately approved at first level and that more than 90 per cent of appeals are granted by VAC or the Veterans Review and Appeal Board supports our call for systemic change.

6. For many years, Canadian veterans with cancer conditions have faced significant challenges when applying for VAC disability and health-care benefits with regard to demonstrating that their cancer is related to their military service, which involved exposure to toxic chemicals, burn pits, aircraft exhaust fumes, carbon tetrachloride and similar noxious agents.

Unfortunately, it has been NCVA's experience going back decades that the greater majority of veterans with cancer have been unsuccessful with their disability or health-care claims or, alternatively, the cases have taken months, if not years, to obtain proper entitlement due to the stringent evidentiary requirements imposed by VAC. In 2025, the U.S. and U.K. are taking steps to provide automatic entitlements for different exposures during service instead of requiring veterans with cancer to prove their condition is service-related.

NCVA takes the position that these readily apparent obstacles and delays need to be addressed by VAC to ensure that the claims of these veterans with cancer who have been exposed to toxic environments while

serving Canada are recognized as service-related.

It is our recommendation that the presumptive provisions of Section 50, sub (g) of the Regulations to the VWA be immediately expanded to create a form of automatic entitlement for veterans with cancer (and other enumerated conditions) who have served in conflict zones or operational duty areas where environmental hazards are known to exist, including toxic elements, burn pits and other noxious agents.

Members of the NCVA spoke with Trudie MacKinnon, director general, centralized operations division, service delivery of VAC, who stated that disability applications submitted on behalf of veterans for cancer claims do not require the burden of proof to demonstrate that their cancer was service-related.

On March 7, 2025, this statement was confirmed by former minister of veterans affairs Darren Fisher, stating "where links have been established through evidence between a military occupation or location, an environmental exposure and a medical diagnosis, it is only necessary for a member or veteran to demonstrate that they served in a given occupation or location for a sufficient period of time and that they have a related diagnosis in order to be eligible for disability benefits."

Therefore, under the new agreement from the director general, case adjudicators are instructed to assess cancer types based on chemical exposure.

7. We have been encouraged by the enactment in April 2022 of an immediate treatment benefit policy for veterans suffering mental health challenges, which has been a major breakthrough in accord with the long-standing position of NCVA in this context. We have also been encouraged to see that, in 2024-25, VAC committed an additional \$6 million over three years to the Veterans and Family Well-being Fund, with a focus on supporting projects for Indigenous, women and 2SLGBTQIA+ veterans.

There is still work to do, though, and going forward, we will continue to pursue an extension of the April 2022 treatment benefit policy so as to ensure that it applies to all disabled veterans in urgent need of treatment or health care.

8. NCVA acknowledges recent steps taken by the DND and the CAF in addressing long-standing concerns related to harassment, sexual misconduct and the broader need for cultural reform within the military.

Over the past year, we have observed encouraging signs of progress, including a fourth and fifth report by Madame Jocelyne Therrien, which



indicates that all 48 recommendations are on track to be addressed by the end of 2025. These developments are critical in laying the foundation for lasting institutional change.

We will continue to press the government to fully implement, without further delay, all of the salient recommendations contained in the Independent External Comprehensive Review report of former justice Arbour in 2021.

We are encouraged that the essential proposal concerning the appointment of an independent external auditor was implemented for the purpose of overseeing the progress required to address this ongoing crisis.

We are further recommending that the minister of national defence:

- i. Extend the appointment of the external monitor for at least three years;
- ii. For the purpose of more meaningful oversight, establish

a fully independent Office of the Inspector General for DND and the CAF reporting to Parliament; and

- iii. Ensure that the Military Justice System Modernization Act enacted in March 2024 is fully enforced, wherein the military will no longer retain legal jurisdiction over individual claims and the civilian/criminal courts will have exclusive authority. In conjunction with this positive legal development, adopt remedial steps to address any challenges encountered by individual claimants in the transition of their cases to the civilian/criminal courts.

While this is a positive step forward in modernizing and enhancing the military justice system, there is more work to be done especially in the area of resolving how the investigation and prosecution of sexual offences committed outside of Canada will be conducted, as well as ensuring that the needs of victims of military sexual trauma come first.

This recommendation continues to gain traction, particularly since the 2024 introduction of Bill C-66, which mandates referring sexual misconduct cases to civilian authorities. While the military retains

jurisdiction, it now defers to civilian systems. The NCVA will monitor developments through 2025-26.

9. In June 2024, the ACVA tabled their study on the experience of women veterans, titled “Invisible No More. The Experiences of Canadian Women Veterans,” in the House of Commons.

This landmark report, the largest study ever carried out by the committee, records for the first time the lived experiences of over 60 women veterans with service from today to over the past 40 years. Their testimony documents the horrific sexual abuse women CAF and RCMP members and veterans endured, the abuse of authority and the discrimination they suffered. Their testimony overwhelmingly highlighted how women veterans have encountered barriers and challenges to have their service-related injuries recognized by VAC for access to care, support and benefits. The lack of acknowledgment of the physical and mental injuries resulting from their service left many women feeling invisible and that they are not a veteran.

The 42 recommendations in the report provide a starting point for the CAF, RCMP and VAC to finally be held accountable for the experiences and life-long injuries that women veterans have endured. Now the

Government must implement these recommendations and begin the process to ensure that all women who have served, are serving and who will serve Canada receive the care and support to meet their unique health needs as a result of injuries from their service.

This report is long overdue and must not, like the many other reports of this committee, sit on a shelf collecting dust. It is too important. Women who serve need to know that they matter, that abuse will not be tolerated, that they will receive care and support if injured, and that the process to receive that care and support shows compassion and respect.

On October 10, 2024, the federal government tabled its formal response to the ACVA report's recommendations, agreeing or agreeing in principle with 38 out of 42 recommendations, taking note of three and disagreeing with one (Recommendation 18). At first glance, the response seems supportive, but without timelines in place to address these recommendations, the NCVA will continue to monitor the ongoing changes.

10. The marriage after 60 dispute and our demand that the so-called “gold digger’s clause” be eliminated from the Canadian Forces Superannuation Act (CFSA) after many years of advocacy. It is noteworthy that the ACVA

recently carried out an extensive study of this long-standing grievance. On balance, the report contains a strong set of recommendations, particularly Recommendation 9, which calls for the Government to repeal the marriage after 60 clause in the CFSA and the RCMP Superannuation Act.

When Parliament is prorogued, all bills that have not received royal assent “die on the order paper.” That includes both government bills and private members’ bills – even those at advanced stages. They must be reintroduced from scratch if pursued again. Currently, no repeal has yet occurred; veterans who marry after age 60 remain ineligible for automatic survivor pension benefits under the current law. The NCVA will continue to monitor whether Prime Minister Mark Carney or Minister of Veterans Affairs Jill McKnight address plans for the marriage after 60 clause. As of today, there is no public address by either regarding this policy.

With respect to the authority and jurisdiction of VAC, we would propose that the Veterans Survivors Fund, initially announced in the 2019 budget in the amount of \$150 million, should be established to address the inequities and injustices created by the current CFSA legislation. The principles to be applied are detailed in this chapter of our NCVA Legislative Program.

11. In relation to the ongoing issue of long-term care, VAC must ensure that the adult residential care needs of the veteran are addressed through the expansion of the current VIP program and long-term care policy of the department so as to provide a continuum of care and financial assistance in this area of intermediary institutionalized care.

In addition, a flexible policy should be implemented immediately to provide veterans with the freedom of choice between a community bed and a priority access bed for purposes of admission to long-term care facilities without distinction between traditional and modern-day veterans.

We will continue to work with the hierarchy of VAC on behalf of Canadian veterans and their families.

In our considered opinion, the new minister and VAC must recognize that time is of the essence for Canadian veterans and their families who continue to wait for this fundamental legislative and policy reform so as to allow them to better cope with their service-related disabilities and injuries.

Our NCVA Legislative Program 2025-26 sets out the essential components of our agenda as we address Parliament, VAC and DND.