phone: (226) 664-1672 email: veteran@VeteranswithCancer.com

«HON» «FIRST_NAME» «LAST_NAME» — «Department»

Member of Parliament for: «RIDING»

House of Commons Ottawa, ON K1A 0A6

June 27, 2025

Subject: Urgent Need for Increased Funding to Address Veterans Affairs Canada Disability Claims Backlog

Dear «GENDER» «LAST_NAME»,

During his campaign and in his early statements as Prime Minister, Prime Minister Carney rightly acknowledged Canada's duty to provide meaningful support to those who have served in uniform. He spoke candidly about the historic neglect faced by veterans and committed to addressing systemic failures—not merely with words, but with concrete action. He also noted that expanding access to services, while essential, increases administrative strain—an issue that now demands urgent attention.

Today, Veterans Affairs Canada (VAC) continues to struggle under an unsustainable volume of disability claims. Processing delays remain widespread, and adjudicators are expected to navigate complex medical, service-related, and policy information under intense pressure. This environment has led to high error rates, inconsistent decisions, and unacceptable delays. The cost is borne by veterans: prolonged hardship, deteriorating mental health, and growing mistrust in the very institutions meant to serve them.

These systemic issues and their human consequences are detailed in the attached policy paper. While your government has acknowledged the problem, acknowledgment alone is not enough. To fulfill the commitments you have made, I respectfully urge you to recommend that the government take the following actions:

- 1. **Immediately increase funding to VAC** to expand its staffing capacity, particularly in the adjudication and case management units.
- 2. **Invest in training and modernization of claims systems** to reduce error rates and improve the transparency and consistency of decisions.
- 3. Implement a clear service standard for maximum wait times, with public accountability for delays that exceed it.

The current backlog is more than an administrative failure—it represents a breach of Canada's moral obligation to its veterans. No one who has served this country should be left in limbo, awaiting decisions that directly affect their health, livelihood, and dignity.

«FIRST_NAME», your leadership as a member of the Cabinet offers veterans renewed hope. Now is the time to match that hope with decisive action by supporting the above recommendations.

Thank you for your attention to this urgent matter.

Sincerely,

Commander (ret'd) James P. Hutton rmc, CD, BSc, MSc, MBA

Director, Veterans with Cancer Inc.

Attachment: Policy Paper: In Defence of the Veterans Review and Appeal Board

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In Defence of the Veterans Review and Appeal Board:

A Rebuttal and a Call for Government Action on VAC Underfunding By Commander (ret'd) James P. Hutton, rmc, CD, BSc, MSc, MBA.

A recent CBC article titled "<u>Veterans board grants or improves benefits in 9 of 10 cases reviewed</u>" questions the integrity of the Veterans Review and Appeal Board (VRAB), suggesting that its high approval rate is a sign of political interference or leniency. The article implies that a 90% rate of granting or improving benefits must stem either from widespread errors at Veterans Affairs Canada (VAC) or from bias in the appeal system. It gives disproportionate weight to the latter interpretation—accusing VRAB of overreach—while barely examining whether the root problem lies in VAC's initial adjudications.

This paper seeks to correct that imbalance, not only by reaffirming the legitimacy of VRAB's function, but by underscoring the **real issue**: **systemic failure at the first level of adjudication due to chronic underfunding and resourcing shortfalls at VAC**. Rather than scapegoating the Board tasked with correcting injustices, Canadians should demand urgent increases in federal funding to restore integrity to the disability benefits system.

The Real Problem Lies with Under-Resourced Processes

The high rate of VRAB reversals is not proof of its bias—it's evidence of a **broken front-end system** that consistently fails to provide fair and accurate disability assessments. The report by Veterans with Cancer Inc., "Improving Assessment Consistency for Veterans," exposed deep flaws in the assessment phase of VAC's benefits process. Although this stage is meant to be objective—using standardized guidance from the Table of Disabilities—the results are anything but consistent. The report found that **91.5% of veterans who appealed had their assessments increased** by VRAB. This is not a statistical anomaly; it is systemic failure.

VAC's inability to render consistent assessments is not the result of incompetence, but of capacity. The department is overwhelmed by a 92% surge in disability claims in recent years, all while operating under a government-mandated three-year financial restraint directive. **The system is not designed to function under this volume without added investment.** Staff are stretched thin, timelines are compressed, and quality suffers—veterans pay the price.

Worse still, this dysfunction is set to deepen. <u>VAC's projected budget</u> is facing an \$11.5 million reduction in fiscal year 2026–27. Cutting resources at a time of rising demand is not fiscally responsible—it is **morally indefensible**. It guarantees more inaccurate assessments, more appeals, and more unnecessary suffering for the people who have already sacrificed for their country.



The Role of VRAB: Not Bias, But Safety Net

Despite the CBC's insinuations, VRAB is not undermining VAC; it is protecting veterans from an underresourced bureaucracy. VRAB decisions are guided by legal precedent, medical evidence, and the legislated benefit-of-the-doubt standard—a principle that exists precisely because of the challenges veterans face in proving service-related injury decades after their service. Its 90% approval rate does not reflect political influence, but the **sheer volume of wrongs that need to be righted**.

To argue that this rate proves bias is to misdiagnose the disease and blame the symptom. VRAB is functioning exactly as intended—what's broken is the first point of contact for veterans seeking benefits.

Underfunding VAC: A Policy Failure with Real Consequences

The consequences of underfunding are anything but abstract. In its follow-up report, "Failing Those Who Served," Veterans with Cancer Inc. documented a case study of one veteran whose assessment was severely underrated—an error that set off a chain reaction affecting extended timelines, financial support and the need for yet another VRAB Review. This is not a one-off case; it is emblematic of systemic dysfunction. I encourage readers to examine the case study closely to understand how an under-resourced assessment system and overburdened staff create conditions ripe for such failures.

Reframing the Public Narrative

The CBC article's framing is not only misleading—it is damaging. By casting suspicion on VRAB's role, it distracts the public from the true problem and risks undermining trust in the only mechanism many veterans have to correct bureaucratic errors.

The real scandal is not VRAB's correction rate—it is that the government has allowed the initial assessment process to degrade through years of financial neglect. This is not a story about a board run amok; it is a story about a department set up to fail by insufficient political will and resourcing.

A Call to Action: Invest in the Front End

Canada owes its veterans more than just remembrance and rhetoric. It owes them a system that works the first time. That means properly funding the assessment process, staffing it adequately, training decision-makers rigorously, and ensuring consistency across the board. The solution is not to criticize VRAB for fulfilling its mandate; it is to fix the broken system that sends veterans there in the first place.

The government must:

- Reverse the planned \$11.5 million cuts to VAC in 2026–27;
- Increase core funding to match the 92% increase in claims;
- Invest in decision-maker training and hiring to reduce the error rate at the assessment phase;



• Create performance benchmarks tied to consistency and fairness, not just speed.

Conclusion

VRAB's high rate of favorable decisions is not evidence of misconduct—it is evidence of **compensatory justice** in a failing system. If anything, it should serve as an indictment of how far VAC has strayed from its mandate to serve those who served.

Until the federal government meets its obligations by properly funding the initial stages of the disability benefits process, VRAB will remain the last line of defence for fairness. But that is not how a just system should function. We should not need a backstop—we should get it right the first time.

Veterans deserve more than a lifeboat after drowning in red tape. They deserve a government that prioritizes their well-being with the funding necessary to deliver timely, consistent, and fair decisions. That starts with reinvesting in Veterans Affairs Canada—now.

Sources:

- CBC News: "Veterans board grants or improves benefits in 9 of 10 cases reviewed"
- Veterans with Cancer Inc.: "Improving Assessment Consistency for Veterans"
- Veterans with Cancer Inc.: "Failing Those Who Served: A Case Study of a Broken Assessment Process"
- Departmental plan at a glance 2024-2025: Departmental plan at a glance 2024-2025 | Veterans Affairs Canada
- Veterans Review and Appeal Board. "A Guide to Review and Appeal Hearings."
- Canadian Legal Information Institute (CanLII). <u>VRAB Decisions Database</u>.
- Parliamentary Standing Committee on Veterans Affairs. "Restoring Confidence in The Veterans Review and Appeal Board" (2012).

Commander (ret'd) James P. Hutton, rmc, CD, BSc, MSc, MBA



James Hutton began his career in the Canadian Navy in 1968, serving as an electronics technician aboard multiple HMC ships, including NATO deployments. Selected for commissioning, he earned a BSc from the Royal Military College, followed by a master's degree in Applied Physics from the University of Victoria, and later pursued systems engineering studies. Rising to the rank of Commander, he played a key role in naval systems engineering, software policy, and shipbuilding, notably overseeing west coast operations for

the Navy's \$10B fleet renewal program. After retiring in 1997, he transitioned to public service, introducing early dispute resolution initiatives, and later served in senior administrative roles in higher education, including Vice-President Finance & Administration at Cambrian College. Now retired in Owen Sound, he remains active in community and business mentorship.