

RECORD OF DECISIONS

**NATIONAL UNION-MANAGEMENT CONSULTATION COMMITTEE (NUMCC)
VETERANS AFFAIRS CANADA (VAC)
and
THE UNION OF VETERANS AFFAIRS' EMPLOYEES (UVAE)**

Tuesday, September 18, 2012

Chairperson:

Mary Chaput
Deputy Minister

In attendance:

UVAE

Yvan Thauvette
Kim Coles
Debi Buell
Edie Boyles
Daniel Allard
Jayne Quinn
Bonnie Heidt
Pat Mason
Ray Bailey

Management:

Mary Chaput
Anne-Marie Smart
John Larlee
Keith Hillier
Lieutenant-General Walter Semianiw
Don Love
Krista Locke
Charlotte Bastien
Gisèle Toupin
Rachel Gravel
David Robinson
Deborah Bethell

1. Welcoming Remarks

Following a round table, the Deputy Minister introduced new management representatives, including Associate Deputy Minister, Anne-Marie Smart and Lieutenant-General Walter Semianiw, Assistant Deputy Minister, Policy, Communications and Commemoration.

In her opening remarks, the DM stated that:

- since the last meeting, departmental challenges have not diminished and change continues, requiring a more flexible, nimble style of operation, and more fluidity in the workforce.
- the Department continues to make efforts to reach its resourcing targets, using attrition to the degree possible, and WFA as a last resort.
- management will continue to keep the Union informed.

In his opening remarks, the President, UVAE:

- stated that, while the Union recognizes that the Department is undergoing change, a Veteran is a Veteran regardless.
- thanked management for the opportunity for the UVAE Executive to tour the Western Region; the tour confirmed that employees are frustrated, moral is low, and these issues need to be addressed. An example cited was the partnership with Service Canada.
- requested that management advise the Union of situations when the decision is made, rather than learning about it from members.
- thanked C. Bastien for her work on the SERLO process, but suggested that management could have chosen a process that did not have a national scope and requested that it reconsider its approach in similar situations in the future.
- introduced the newest members of his team, Daniel Allard, National Vice President, Quebec Region and A/Edie Boyles, National Vice President, Atlantic Region.

2. Approval of Minutes and Review of Follow-up Items from April 26, 2012

The Union requested that the minutes be amended on p.4, under Transformation and Budget, to read, "Attrition was not an option in the case of the CSA case given the **demographic profile**."

Action Item: Corporate LR to amend the minutes to reflect the new wording and resend.

The Union asked that the agenda be revised to reflect the joint undertaking of agenda items.

Action Item: Corporate LR to amend the agenda to reflect the joint undertaking of agenda items and resend.

Regarding Action Item #6, the ADM SD indicated that there was concern expressed the previous week regarding the CSA work description and indicated that the matter is likely a version control issue. The ADM SD agreed to have an off-line conversation with the Union to confirm and provide a copy of the latest version.

Action Item: ADM SD to provide a final version of the work description to the Union and schedule an off-line meeting to resolve any misunderstandings.

3. Branch Updates

a) Corporate Services

The DG HR, on behalf of the ADM HR and CS Branch, shared the following update:

- mobile technology is currently being tested in both Winnipeg and Montreal by Case Managers.
- the ground work is being laid to introduce a new Electronic Content Management System.
- the roll-out of the Microsoft Office Suite began back in August.
- the branch continues to work closely with Shared Services Canada (SSC) in order to meet technological goals.
- the HR Toolbox is now available online for employees, managers/supervisors and HR professionals.
- additional employee supports have been put in place to assist employees during this period of change, such as a dedicated 1 800 line to a comprehensive Wiki space.
- a National Learning Strategy has been developed and will assist in ensuring the Department has the capacity to fulfill learning commitments under Transformation.

The Union requested clarification on the Department's relationship with SSC.

Management explained that:

- when it was established, approximately 80 VAC employees transferred to SSC.
- the Department is currently in the process of defining roles and developing Memorandums of Understanding (MOU) for the provision of services that are common to all Departments, for example e-mail.
- those programs unique to the Department, such as CSDN, will be retained and administered by the Department.

b) Service Delivery

The ADM SD shared the following update:

- the Electronic Health Records project (transfer of health records from Canadian Forces (CF)) is ahead of schedule.
- it is anticipated that the Centralized Mail project will go live Monday, September 24, 2012.

- the Department is working with SSC to expand the ICE system to at least 10 of the largest offices by December 31, 2012.
- the "My VAC Account" will be relaunched, with a soft launch happening the week of September 17, 2012, enabling those clients who use the "MY VAC Account" to download letters.
- the Department is working with Canada Post to take over the bulk mail-out process.
- the Department will continue to provide telephone service to clients.

The Union sought clarification on the following:

- will employees receive a business process and training prior to the implementation of the ICE system?
- will Canada Post hold letters?
- will SC employees see which VAC employees are available through the ICE system?
- how will the Department manage those clients without any technical knowledge or resources?
- with the impending office closures, will the Department pay for clients to travel to offices to get forms?
- how will the Department deal with limited technology in the smaller communities (i.e., no cell phone service)?

Management clarified that:

- the ICE system roll-out is an expansion of the existing system.
- training programs and business processes will be in place before the system goes live.
- Canada Post will release mail-outs daily.
- it is still uncertain at this time whether or not SC employees will be able to see which VAC employees are available through the ICE system.
- clients will always have the choice of using paper or technology.
- the Department will not pay clients' travel to pick up forms as SC will carry them.
- no offices will be closing prior to late 2013 with the exception of Prince George.
- Transformation is a multi-year project that will put a foundation in place for how clients will be served into the future, recognizing that there may be some technological limitations.

c) Policy, Communications and Commemoration

The ADM PCC shared the following update:

- John Oliver has been appointed as interim DG, Communications.
- Parliamentary Affairs now falls under the PCC Branch under the direction of Bernard Butler.

- the PCC Branch will continue to work closely with the SD Branch in order to pursue its mandate.
- the Branch's organizational structure will be modified to support this partnership.
- the Branch will be holding a town hall in October.

d) Veterans Review and Appeal Board

The Chair, VRAB shared the following update:

- the VRAB has a number of initiatives underway.
- year to date, the VRAB's service standard results are the best in the history of the Board.
- the workload remains steady, with no backlogs.
- the VRAB is undergoing a Business Process Redesign (BPR) project, similar to the Transformation project at VAC.
- the VRAB will be implementing its new Organizational Code of Conduct later this month.
- the Chair, VRAB is leading a review of VRAB's mission, vision and values statement with staff and member volunteers.
- the VRAB is undertaking actions to respond to the PSES results.
- the VRAB is responding to recommendations made by Veterans Ombudsman on judicial review of some of its decisions, specifically making its letters more clear using plain language.
- in late October, there will be a staff awards and recognition event.
- staff is positive and the Board has a good vision of where it is heading.

The Union asked for clarification on the following:

- VRAB's mission statement.

VRAB clarified that it refers to the Board's mission as defined on its website to ensure that it is still applicable and recognizes the needs of its clients.

4. Ste. Anne's Hospital

Management provided the following update on the Ste. Anne's Hospital Transfer Project:

- all parties remain committed to the transfer and a March 31, 2013 date.
- the 180 days notification would have to happen by the end of October if the transfer is on track for March 31, 2013.
- SAH employees remain committed throughout this process and continue to make patient care their number one priority.
- The WFA-ADI committee was scheduled to meet on September 13, 2012 but was postponed due to the Quebec election.

The Union advised that its position is to preserve as many jobs and services as possible, recognizing that not all employees will be transferred with the hospital.

5. Transformation

The DG, Transformation provided the following update:

- the Department is now in year two of a five year plan.
- the goal of transformation is to cut red tape and communicate with clients in new and innovative ways.
- the Department has made progress on three fronts: 1) decisions on first applications, 2) decisions on rehabilitation cases, and 3) decisions made by front-line staff, and in the following areas:
 - speed and accessibility
 - communicating with Veterans
 - internal improvements
 - partnership and outreach; and
 - improved benefits and services.
- upcoming initiative include:
 - integration of new initiatives (i.e., Federal Budget 2012)
 - further enhance functionality of online services
 - offer more training to front-line staff
 - achieve greater progress in reducing turnaround times for disability benefit first application decisions
 - centralize the department's mailing system
 - incorporate the results of public opinion research conducted on how much knowledge Canadians have about the department's benefits and services; and
 - consult with Veterans organizations and stakeholders using the latest technologies.

The Union sought clarification on the following:

- when are the VIP Grants expected to come into effect and when will the NCCN receive the business process?
- what is being done with regards to the CSA workload, and what will the CSA caseload look like (i.e., number of cases); or, more specifically, what work is leaving the CSA job?
- will widows/survivors be included in the CSA caseload numbers; and, if so, this needs to be communicated better to front-line staff.
- that the grade of service and response rate be looked at again in December due to the reduction of staff.
- how *not* submitting receipts for VIP and health-related travel would improve service to clients.

The Union also made the following comments with respect to Transformation:

- members have received concerns from the field that clients aren't happy about the new VIP Grant.
- the Union is concerned with how the money from the VIP Grant will be used by clients.

Management clarified that:

- first payments for the VIP Grants will be made in January 2013. Veterans will receive a letter in October/November explaining the new system to them. This information will be communicated to NCCN staff, prior to clients being notified.
- the NCCN statistics is a constant monitoring process and follow-up will occur in December as requested.
- there is a workload indicator being developed for the CSAs and it is expected to be implemented in the coming months.
- while the CSA caseload number is unknown (widows/survivors will not form part of this equation), the CSA work description clearly defines what work the CSAs will be asked to do. The Union was invited to participate in the process for developing the CSA workload intensity tool.
- with respect to the VIP Grant, it is a balance between being fiscally responsible to the Canadian taxpayer while at the same time making the program easily accessible to those who need it. The process will be monitored and support provided to clients who may be at risk.
- the process of not having to submit receipts lays the foundation for submitting health-related travel claims electronically.

Action Item: ADM SD to follow-up on when the business process for the VIP Grants will be made available to NCCN staff.

Action Item: ADM SD to follow-up on the grade of service and response rate in the NCCN in December.

Action Item: ADM SD to provide a breakdown of the 75 positions being eliminated (the ingredients).

Action Item: ADM SD to include the Union in the development of the CSA workload intensity tool.

Veterans Review and Appeal Board

The Chair, VRAB provided the following information related to Transformation at the Board:

- the Board's transformation initiative is called the Business Process Redesign (BPR) Project, the focus of which is to identify how best to respond to clients' changing needs.
- the project is not tied to a reduction in funding.
- input into the project comes from both staff and stakeholders, including Veterans' organizations, Bureau of Pensions Advocates and VAC. The local UVAE President receives regular updates on the project.
- Phase one, which is now complete, resulted in a number of recommendations.
- Phase two is the validation and implementation of those recommendations.
- the Board will continue to keep the Union informed on the progress of these initiatives.

6. Budget

Management provided the following update on the Departmental budget:

- the vast majority of the Departmental budget is spent providing services to clients.
- the Department's planned spending for 2012-13 is approximately \$3.57 billion, which is an increase of \$44 million over last year.
- the increased spending is mainly the result of VAC's programs under the New Veterans Charter and inflation.
- the Department routinely reports on spending through the Departmental Performance Report (DPR), quarterly financial reports, and public accounts.
- while VAC expects to end the year with a balanced budget, it does need to prepare now to meet the challenges ahead next fiscal year.

The Union asked the following questions:

- with the house now re-sitting, there is an understanding that the government is setting up committees to look at further reductions. As such, is it anticipated that this will result in impacts on the current budget?
- how will the budget be impacted with Ste. Anne's Hospital if it is not transferred on time?

Management provided the following additional information:

- management's understanding is that the committee is interested in further efficiencies. Every department is under the jurisdiction of the committee. While not exempt, for VAC, given what's already underway, it is believed that the Department has already done this work.
- Ste. Anne's Hospital, as a unique institution, would receive its own budget.

Veterans Review and Appeal Board

The Chair, VRAB provided the following information with respect to the Board's budget:

- the Board continues to move forward with the BPR project.
- while the Board's budget is very tight, it continues to examine all discretionary spending and review its staffing plans in order to stay on track.

7. Current and Future Staff Reductions

Management advised that a number of initiatives are underway, all aimed at transformation, streamlining processes and providing more efficient ways of serving clients. Across the country, this translates to approximately 800 positions. The goal is to take the work out of the system so that those remaining aren't doing the same amount of work with fewer people.

The primary focus on meeting reductions has been through attrition. While the Department has made some progress (about 130 people have exited the Department as of August 31, 2012), it must accelerate departures in order to meet targets.

Management is left in a position where it will need to conduct a very detailed workforce analysis, from which options, recommendations, and finally, decisions are made. WFA and alternation are important tools.

Once management has concluded its analysis, it will advise the Union of its decisions. The expectation is that this analysis will be completed in approximately one month.

The Union requested:

- that, if it is anticipated that there will be further reductions, that employees be told now as opposed to later as employees want to know what their future holds.
- that alternation be communicated and explained to employees.
- to receive the data that shows how many people have left each region.
- information related to the current situation with CSA terms and whether or not terms and casuals would be used after November 30, 2012.
- that management look for volunteers in WFA situations.

Management provided the following additional information:

- while, with Budget 2012, management had a reasonable idea of what would happen, it did not know which proposal would be approved. Announcing reductions prematurely would be speculation only, which could have an even greater negative impact on employees.
- management has to come up with a strategic way to meet the numbers and make appropriate use of the tools available, including alternation, WFA and SERLO.
- there have been efforts made to explain the alternation program to staff and more communication will follow.

- management agreed to provide the Union with a report that shows the departures by region on a monthly basis.
- the CSA SERLO process was a huge process, national in scope. It was run that way in order to be fair and consistent. That said, it is uncertain at this time if that will be the same approach used in the future. Management learned things from this process and will try to improve the process.
- management clarified that, at this time, it is not planning a national SERLO process for Case Managers.
- CSA terms are being retained until surplus employees choose an option (to ensure there is enough staff in place to handle the workload) or, if backfilling for an employee on leave, until that employee returns. With respect to using terms and casuals after November 30, 2012, management will have to assess each situation. People will be brought in to backfill if necessary. While management does do forecasting, it can only forecast what it has a sight line to.

Action Item: DG HR to provide the Union with a report that shows departures by region on a monthly basis.

Veterans Review and Appeal Board

The Chair, VRAB provided the following information:

- VRAB is considered a micro-agency with very few employees.
- VRAB does not have, at present, any current or future staff reductions planned; however, should a position become vacant, it will be reviewed to see whether or not it will be staffed.

8. Service Canada Partnership

Management indicated that Phase II of the Service Canada (SC) partnership was implemented on July 16, 2012; whereby it began providing general information on VAC programs and services at more than 600 SC Centres across the country. This partnership increases the number of locations where VAC clients can go to receive information. Early on, it was recognized that a high number of calls were being returned to the NCCN, about 80 - 90%. That number is now down to about 62%. Five new business processes are currently being developed to reduce the number of calls being transferred back to the NCCN for resolution. As well, the messaging continues to be reviewed. As the ICE telephony system is expanded, it should provide the Department with much more flexibility.

The Union offered the following comments:

- NCCN Analysts are currently managing a lot of the calls received; therefore, no transfer is required.
- analysts are dealing more with family members now.

- death notifications being handled by SC is not good service.

The Union also asked the following questions:

- how are SC employees managing those VAC clients that complete a paper form and take it back to SC?
- what type of support will be provided to clients who require assistance with form completion?

Management provided the following additional information:

- management recognizes that there are still issues to work out with the process.
- the Department continues to work with SC to reduce the number of calls that are returned to the NCCN.
- the message that clients hear when they call the 1-800 line is being reviewed.
- SC employees have been trained on how to complete our forms.
- there is a commitment for ongoing communication between management and the Union around the SC partnership, recognizing that the goal of the partnership is to ensure that Veterans receive quality service and to reduce the number of call backs.

The Union asked whether or not the Department is currently pursuing other partnerships. Management confirmed that there is currently a homeless initiative that is being piloted in London, Calgary and Victoria.

Action Item: ADM SD and RDG, Atlantic to coordinate a discussion with a smaller group to address the issues raised.

9. Medavie Blue Cross

Management provided the following update on the Medavie Blue Cross Contract:

- health related travel claims preparation activity will be transferred to Medavie Blue Cross on October 1, 2012 from the Winnipeg unit and October 9, 2012 from the Kirkland Lake unit.
- VIP annual follow-up and survivor renewals work will be transferred to Medavie on November 1, 2012 using a phased-in approach.
- client phone inquiries regarding claims associated with treatment benefits, VIP and health related travel will be responded to by Medavie on December 1, 2012.
- the Department has reached an agreement with the contractor and the paper work is currently being prepared by PWGSC (as the owner of the contract).

The Union asked the following questions:

- what is management's definition of 'assessments'?
- will annual follow-ups result in a work item?

- once the work is transferred, will clients be given a new number to call or will they continue to call the 1-866 number with an option 3 or 4?
- will a business process be provided?

Management provided the following additional information:

- assessments refer to annual follow-ups. The assessments will be bar coded and scanned, providing Veterans with the ability to track their applications online. A set of criteria has been developed in terms of what criteria Medavie are using (recognizing that those assessments that require a greater degree of expertise will be returned to the department).
- annual follow-ups refers to the annual reviews. The business processes are currently being developed.
- clients will be provided with a new number to call for questions related to the work being transferred to Medavie. Clients will also be able to go to "My VAC Account" to check on the status of VIP and HRT related claims.

Action Item: ADM SD to provide a briefing to the Union on the Medavie criteria being used, as well as the draft business process.

10. FHCPS

Management provided the following update on the FHCPS Contract:

- this contract is very different in that the Department is not telling contractors how to do the work, but rather, what the outcomes should be.
- the next step in the process is that the final Request for Proposal (RFP) will be posted in December 2012.
- the industry will have about 6 months to respond (formal bids).
- each bid will then be assessed by a team from the Department, PWGSC, RCMP and CF, who will in turn make recommendations.
- PWGSC will then seek government approval to award a contract. It is anticipated that this will take place in December 2013.
- the contractor will then have about 18 months to put the contract in place.
- a whole host of criteria will be used to award the contract, including cost, however, it is not unusual in a large government contract to weight price higher than other criteria.

11. Workload Management in District Offices

With respect to workload in the District Offices, management advised that it would have a better sense of the issue following an upcoming meeting with all Area Directors. While workloads are decreasing on a national basis, it is recognized that there are some challenges in certain areas. As well, it is important to take into consideration movement in the workforce (i.e., employee on leave). The key is for Area Directors to balance the

workload and if there are challenges, the process is for the Area Director to talk to the RDG and, if necessary, the ADM.

The Union informed management that employees continue to encounter workload issues and advised that the duties being removed (i.e., transferred to Medavie) will not make a significant difference. The Union will follow-up in December to assess the situation.

The Union further stated that, when the announcement went out in April to the CSAs, they initiated regional teleconferences with their local presidents to relay information related to the WFA process. The Union will continue to use that forum to discuss workload issues, and then relay those concerns back to management using the bi-weekly WFA committee meetings. The DG HR advised that HR Advisors would continue to attend these meetings.

Management advised that the Facts and Figures book, which provides client projections, is posted on the intranet. The Union requested that it be provided with the monthly reports/projections that management used to make decisions around office closures.

Action Item: DG HR to provide the monthly reports/projections of client numbers.

The Union inquired as to whether or not a contractor had been hired to hear final level grievance presentations. The DG HR indicated that he was unaware but would follow-up.

Action Item: DG HR to follow-up with the Union on contract hiring in HR.

12. Work Descriptions

The ADM SD advised that the CSTM, CSA and CM work descriptions should be finalized by the end of October 2012 and provided copies of each to the Union for input. He further advised that, with respect to the OGS, there is work happening being led by TBS and OCHRO. A communiqué went out in January advising that more information would be available this fall. VAC is involved and feeding into it.

13. Next Meeting

The next meeting is tentatively scheduled for April 17, 2013.