



Veterans Affairs  
Canada

Anciens Combattants  
Canada

Canada

**PROGRESS REPORT**

# Red Tape Review

2025

ISSN 2819-6236

## From the Minister

Veterans have served our country whole heartedly. As Canadians, we have a collective duty to ensure they receive the respect, care, and support they need to lead fulfilling lives after their military service. Central to our mission is recognizing the value of their service and sacrifice while promoting the well-being of Veterans and their families.



My mandate as Minister of Veterans Affairs and Associate Minister of National Defence is to:

- support the post-service transition and well-being of Veterans and their families;
- promote the recognition and remembrance of their achievements and sacrifices; and
- work with the Minister of National Defence to prepare for the needs of Canada's current and future Veterans.

At Veterans Affairs Canada, we have the responsibility to ensure all interactions with Veterans and their families continue to be caring and respectful, while also seamless and efficient. This means providing timely services that are free from unnecessary administrative burdens.

On July 9, the Government of Canada launched a Red Tape Review exercise seeking to modernize outdated regulations to support Canadians, promote growth and spur the economy. This timely exercise has led our department to review the regulations, policies, and processes through which our programs and services are delivered and to identify tangible actions that will enhance and expedite our service delivery.

This report outlines our plans and priorities to advance this mission. We will improve and modernize the delivery of programs and services for Veterans to promote the health and well-being of all those who have and continue to protect Canada's sovereignty.

Sincerely,

The Honourable Jill McKnight, P.C., M.P.  
Minister of Veterans Affairs and Associate Minister of National Defence



## Context

Veterans Affairs Canada (VAC) is mandated to support the well-being of Veterans, their families, and other eligible clients through a comprehensive suite of benefits and services, combined with initiatives that promote recognition and remembrance of Veterans, their successes, and their sacrifices.

Most VAC programs and services are authorized under acts and/or regulations; this legislation provides the legal authority for the Department to deliver benefits to Veterans and establishes the rights and responsibilities of Veterans and other clients. Currently, VAC administers 17 sets of [regulations](#) that govern the delivery of a wide range of programs including:

- Career Transition Services;
- Disability Benefits;
- Education and Training Benefits;
- Financial Benefits
- Home and Long-Term Care
- Rehabilitation Services; and
- Treatment Benefits;

VAC regulations outline program design, and decision frameworks, in addition to parameters for program and service delivery. As such, VAC's regulations include rules about:

- eligibility criteria;
- what information is to be submitted with an application;
- what information is to be provided to maintain eligibility;
- how benefits are calculated and increased; and
- what rights clients have for reviews of decisions.

VAC's regulations are supported by [policies](#) which guide decision-makers on how the regulations are to be interpreted, business processes and procedures which outline how to document decisions, and IT systems that enable benefit processing and service delivery.

To inform the Regulatory Red Tape Review, VAC assessed input that was gathered from Veterans and their families, through multiple channels,

including VAC's "[Let's Talk Veterans](#)" consultation platform, direct engagement sessions, stakeholder forums, and the [2024 VAC National Client Survey](#). Additional insights were drawn from Veterans' organizations, the Office of the Veterans' Ombud, and findings from previous program audits and evaluations. Internally, VAC consulted program specialists and decision-makers to further examine operational challenges and identify opportunities for improvement. This comprehensive process revealed several key themes and issues:

- recurring delays in Disability Benefit decision-making;
- limitations in program awareness and access for equity-seeking groups;
- complex program application and eligibility requirements, including ongoing requirements for Veterans to report information to VAC;
- inefficient business processes;
- existence of spent and outdated regulations;
- complicated financial benefit calculations; and
- an urgent need for modernized and integrated IT systems to support efficient program and service delivery.

## **Our commitment**

VAC is committed to streamlining its regulatory and internal frameworks to ensure that those we serve receive the support and services they expect, without unnecessary burdens.

Our highest priority continues to be that Veterans are rightfully recognized and compensated for service-related disabilities through VAC's Disability Benefits program. As such, we are taking action to reduce the backlog, make faster decisions, and pursue longer-term solutions to meet future demand for benefits. We will introduce more digital tools and employ technology to modernize the way we administer our programs and services. By leveraging advanced technology and artificial intelligence (AI), we aim to enhance decision-making processes, allowing our skilled workforce to focus on complex cases and to deliver the highest quality outcomes for Veterans.

VAC will also work to reduce barriers and inequities faced by Canada's equity-deserving populations, including Veterans who are women, Indigenous, and those who identify as 2SLGBTQI+. They have a long and impressive history of

supporting the Canadian Armed Forces yet they may face systemic inequities in accessing VAC services and benefits. In this regard, VAC will pursue targeted outreach to these groups and seek more in-depth engagement, work in partnership with equity deserving Veterans to conduct research, support organizations that address their needs, and share information about VAC programs and services to improve accessibility and help more people understand and use them.

This Regulatory Red Tape Review has identified areas where we can reduce reporting burdens on Veterans and their families while we continue our efforts to streamline benefit applications, modernize benefit processing, and update information and tools for decision-makers. By modernizing service delivery, VAC will improve the overall client experience, reduce processing times, and enhance operational efficiency.

In response to this review, we will work to achieve two main objectives, reducing paperwork for Veterans and reducing wait times for Veterans. Our successes and progress will be evidenced in improved [Service Standard Performance](#) and results from our [National Client Satisfaction Survey](#).

## **Reducing paperwork for Veterans**

Reducing paperwork for Veterans is a powerful way to cut through red tape and make accessing benefits faster and less stressful. When forms and documents are simplified or digitized, Veterans spend less time navigating complex processes and more time getting the support they need. It also helps employees process applications more efficiently, reducing delays and minimizing errors. Ultimately, streamlining paperwork means fewer bureaucratic hurdles, clearer communication, and a respectful and responsive experience for those who have served.

We have already made progress in this area. In July 2025, VAC implemented changes to “[My VAC Account](#)” to better support Veterans with their post-military career goals as they transition to civilian life. As a result of this work, Veterans can now track their applications for the Education and Training Benefit, monitor VAC decisions for program approvals, check their eligibility start and end dates, and view program documents. Having direct access to this information will help minimize red tape for Veterans, provide better

access to information and empower Veterans to better plan and achieve their educational goals.

We will continue our efforts to reduce paperwork for Veterans and make the experience better through the following:

**Item 1: Streamline the delivery of health care benefits**

**Context:** As part of the planning for the next Federal Health Claims Processing Services contract, extensive consultations were held. These consultations identified opportunities for improvements and helped the Department better understand where process enhancements could be made. This work supports efforts to make VAC's Treatment Benefit Program and the administration of benefits, including Health Related Travel coverage, more accessible, efficient, and effective.

**Action:** As part of the implementation of VAC's next Federal Health Claims Processing Services contract, VAC will introduce an enhanced client portal (available online and via an application) by August 2027 that will:

- empower Veterans to access clear information about what treatment benefits and services they personally qualify for;
- enable Veterans to submit Treatment Benefit and Health Related Travel claims, and view benefit eligibility and coverage balances;
- facilitate better communication with Veterans via access to live chat and messaging features;
- provide a dedicated toll-free number so Veterans can reach the contractor directly; and
- enable Veterans to access their health card electronically so they can store their card in their mobile phone's wallet for easy access and use.

**Outcomes:** These initiatives are expected to contribute to an enhanced overall experience due to increased awareness of available treatment benefits and improved satisfaction with service delivery. Feedback will be monitored via various tools including

VAC's National Client Survey – particularly the following indicators:

- Percentage of Veterans and clients who report they can access the health care benefits and services they need; and
- Percentage of Veterans and clients who indicate the reimbursement time for treatment benefits and services was reasonable.

**Item 2: Streamline the administration of financial benefits**

**Context:** Veterans have asked for clear and easy to understand information regarding how VAC's financial benefits are calculated. These programs are administratively complex, requiring Veterans to provide information about their income when applying, each year, and whenever income changes. Delays or omissions in this reporting can lead to benefit suspension, overpayments, and complex recovery efforts. As well, for Reserve Force Veterans, Income Replacement Benefit (IRB) calculations are particularly challenging, as VAC must consider multiple periods of military service to determine the correct military salary to complete calculations.

**Action:** To help address red tape issues, by April 2027, VAC will:

- obtain income information directly from the source, where possible, to lessen reporting burdens;
- develop functionality in My VAC Account to allow IRB recipients to view income information currently on file used to calculate program payments, and make the income information we use more transparent to recipients; and
- amend the *Veterans Well-being Regulations* to streamline benefit calculations for Veterans whose final release was from the Reserve Force.

**Outcomes:** These initiatives will contribute to VAC's ongoing service improvements and internal efficiencies, increase the accuracy of

benefit calculations, and reduce the number of overpayments. In addition, they will contribute to improved performance within two key metrics associated with the Red Tape Review:

- Financial Benefits Service Standard performance; and
- Satisfaction with service delivery.

## **Reducing wait times for Veterans**

Reducing wait times for Veterans helps eliminate red tape by making services more accessible and responsive. Long delays can create unnecessary barriers to accessing other benefits, forcing Veterans to follow up repeatedly or navigate complex systems to get updates. By shortening wait times, we streamline the entire process—decisions are made faster, communication improves, and Veterans can focus on their well-being. It is a practical step toward a more efficient, respectful, and Veteran-centric approach to service delivery. We will continue to reduce wait times through the following actions:

### **Item 1: Improve the Disability Benefits experience for Veterans and their families**

**Context:** Veterans Affairs Canada (VAC) is committed to continuously improving how services are delivered to Veterans and their families. As a gateway to a wide range of supports, Disability Benefits plays a critical role in connecting Veterans to the services they need. As such, enhancing the application process remains a top priority for us to ensure the program is accessible, efficient, and responsive to the diverse needs of Veterans. Building on recent progress, we are taking further steps to make the Disability Benefits process easier, faster, and more inclusive. These changes are based on feedback from Veterans and health professionals; it is part of VAC's ongoing efforts to strengthen service delivery.

**Actions:** To improve the Disability Benefits experience, VAC will:

- **Redesign the Disability Benefits application form** - the application form will be updated to focus on essential information, use clearer and more inclusive language, and better reflect the diversity of Canada's Veteran population by January 2026;
- **Simplify and standardize medical questionnaires** - medical questionnaires will be made shorter, easier to understand, and aligned with VAC's Table of Disabilities to support more consistent assessments by September 2026; and
- **Use technology to support decision-making** - we will implement new and improved technologies to help summarize information and present it clearly for decision-makers by April 2027. This will allow our employees to spend less time reviewing documents and more time on the high-impact work like making decisions for Veterans and their families.

**Outcomes:** These initiatives will help improve performance in the following areas:

- Disability Benefit - Service Standard performance; and
- Satisfaction with service delivery.

**Item 2: Streamline access to Rehabilitation Services**

**Context:** The majority (69%) of Veterans surveyed who are participating in VAC's Rehabilitation Services and Vocational Assistance Program have told us that the program has helped them improve their quality of life and how they function in personal and social situations. However, some Veterans face challenges in navigating VAC systems, along with a lack of clarity in our application forms and decision letters. For the Rehabilitation Program, this has highlighted the need for us to communicate more clearly and be more transparent in our decision-making.

**Action:** To address these red tape challenges we will, by April 2027:

- streamline Rehabilitation Program eligibility and decision-making processes;
- invest further in training for staff; and
- introduce information packages and educational videos for Veterans so they know what to expect when accessing rehabilitation services.

**Outcomes:** These initiatives will contribute to improved performance in two key areas:

- Rehabilitation Program - Service Standard performance; and
- Satisfaction with service delivery.

### **Ongoing modernization of VAC's regulations**

The Government of Canada has a [Cabinet Directive on Regulation](#) that outlines how federal regulations should be developed, managed, and reviewed. This means departments like VAC must regularly examine their regulations throughout their entire life cycle, from creation to ongoing management and review.

VAC follows this directive by reviewing its regulations and sharing the results in its [Regulatory Stock Review Plan](#). If changes are planned, they are listed in VAC's [Forward Regulatory Plan](#).

Reviews conducted in 2024–25 found that some regulations, which were originally created to support Veterans returning from the Second World War, may no longer be needed due to changes in VAC's client population. We will work to repeal these outdated regulations and modernize our regulatory framework. As VAC updates its programs in the future, any related regulatory changes will be published in VAC's Forward Regulatory Plan to ensure transparency and allow Veterans and others to participate in the process.

### **Ongoing modernization of VAC client service delivery**

We have recently created the Chief Digital Service Transformation Office to lead our service modernization work, aiming to improve efficiency and align

our digital, policy, and program efforts. The current modernization phase of our work focuses on understanding the Veteran experience through research, journey mapping, and service design to better identify needs and improve services.

VAC is also reviewing efforts across other federal departments to identify and adopt best practices to further reduce red tape. Our future efforts include additional streamlining of processes, simplifying forms, and enhancing transparency to improve client experiences. These insights will guide our long-term Service Modernization Strategy, and help us integrate our digital, AI, data, and service management strategies into one coordinated plan to deliver a seamless, digital-first experience, while maintaining personalized support.

VAC will publish its Service Modernization Strategy in April 2026 and will follow up in March 2027 with its first progress report, demonstrating VAC's ongoing commitment to transparency, accountability, and continuous improvement.