



Military Grievances
External Review Committee

Comité externe d'examen
des griefs militaires

Quarterly financial report for the quarter ended December 31, 2025

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Military Grievances External Review Committee

Statement outlining results, risks and significant changes in operations, personnel and program

For the quarter ended December 31, 2025

1. Introduction

This quarterly financial report was prepared by management as required by section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by Treasury Board. It should be read in conjunction with the 2025-2026 Main Estimates and the 2024-2025 Quarterly Financial Report for the quarter ended December 31, 2024. It has not been subject to an external audit or review.

A summary description of the Military Grievances External Review Committee (Committee) core responsibilities can be found in [Part II of the Main Estimates](#).

Basis of Presentation

This quarterly financial report was prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Committee's spending authorities granted by Parliament, and those used by the Committee consistent with the Main Estimates for the 2025-2026 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts, or through legislation, in the form of statutory spending authority for specific purposes.

The Committee uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

2. Highlights of the fiscal quarter and fiscal year-to-date (YTD) results

Statement of Authorities

In fiscal year 2025–26, the authorities available for use decreased by \$88,245 mainly due to compensation adjustments linked to the 2024–25 collective agreements. In 2024-25, the Committee received additional funding that covered both in-year salary adjustments and retroactive payments. Beginning in 2025-26, only the in-year compensation adjustments are included in the authorities, resulting in a lower overall amount.

While the Statement of Authorities shows that 71% of available funding has been spent as of December 31, 2025, this higher utilization rate compared to last year (68%) remains within a healthy spending range. Being closer to 75% at this point in the fiscal year suggests that spending is progressing slightly faster but still in line with planned activity. Importantly, this level of utilization still leaves sufficient room for year-end pressures and a reasonable carry-forward into the next fiscal year, if needed. Overall, the trend reflects deliberate and controlled spending rather than overspending.

Statement of Departmental Budgetary Expenditures by Standard Object

During the third quarter of 2025-26, total operating expenditures increased by \$40,947 compared to the same period in the previous fiscal year. This variance can be explained by personnel

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expenses that increased by \$71,027 due to higher salary costs resulting from collective bargaining adjustments and the addition of two full time equivalents (FTE) at the Committee.

This increase was partially offset by lower spending on professional services and rentals, largely due to reduced training and temporary help services expenses.

Year-to-date (YTD), total operating expenditures increased by \$230,307, primarily driven by the cumulative impact of higher personnel costs. Similar to the quarterly variance, this increase has been partially offset by lower expenditures on professional services, rentals, and IT licensing, as these costs have either declined or been absorbed centrally by Shared Services Canada.

3. Risks and uncertainties

In the third quarter of 2025-2026, the Committee focused on operational output and reducing the number of active cases in its portfolio. The Committee implemented changes to its grievance review process to gain efficiencies in April 2025 and after six months of this new process, the changes yielded significant results. However, there are risks associated with these changes and high volume of output. For example, the great number of changes could lead to “change fatigue”, which may tax employees and result in a temporary decline in output as adjustments are made. Additionally, the Committee’s part-time Governor in Council (GIC) position remains vacant since the first quarter. This has posed a risk to long term operational productivity and created uncertainty as to when a new appointment would take place.

The Committee is mitigating the impact of delays in GIC appointments within the Operations program through workforce capacity management. It will continue to review and refine its grievance review process to effectively manage the current caseload, streamline operations, and maximize output with existing resources. Lastly, fostering work-life balance and implementing engagement strategies to sustain motivation and adapt to change continues to be a focus. This includes a leadership program that began in the third quarter to assist managers in helping their employees adapt to change.

4. Significant changes in relation to operations, personnel and programs

There were no significant changes in relation to operations, personnel and programs in the third quarter. As significant changes were implemented in the first quarter of 2025-2026, more time is needed before considering any additional changes.

Approved by:
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