

Remarks by Secretary Eric K. Shinseki

79TH National Convention, Military Order of the Purple Heart

St. Paul, MN

August 9, 2011

Jack, thank you for that kind introduction, and thank you and Clayton for inviting me to join you this evening. Let me also acknowledge:

Mayor Christopher Coleman—Thank you and the good people of St. Paul for your hospitality in welcoming us all to your beautiful city.

Thanks also Wally Lind, your Minnesota Department Commander, for hosting this 79th national convention.

William Hutton and Bruce McKenty, your Vice Commanders;

Legislative Director, former Acting Secretary of Veterans Affairs, the Honorable Hershel Gober;

National Service Director, Frank van Hoy, and Service Foundation President, James Blaylock;

Ladies Auxiliary President, Karen Haltiner, and Vice Presidents Barb Cherone and Elaine Rey;

Members of the Military Order of the Purple Heart, fellow Veterans, ladies and gentlemen:

I am honored to address your 79th annual national convention. I am thankful to President Obama for giving me the opportunity to serve you and all Veterans.

You don't get many do-over's in life, and for me, this is a do-over. I get to care for the folks I went to war with 40 years ago in Vietnam. I get to care for the youngsters I sent to war as Army Chief of Staff. And I get to care for true giants who saved the world during World War II, and who marched to the guns in Korea in 1950.

Like some of you, I grew up in Vietnam. I went to war with a generation of patriots who were equally tough, determined, courageous, and capable of unbelievable acts of courage and sacrifice. It is sometimes said that we honor the fallen by how we care for the living—the ones who made it home. And that's what President Obama and VA have been committed to for the past two-and-a-half years.

Holding your conference here in St. Paul helps create jobs and provides a much-needed shot in the arm for this great city during a tough economy. VA joins you in this effort. Our infrastructure here in Minnesota is extensive—VA delivers needed care and benefits to 381,000 Veterans, employs 6,376 Minnesotans, and infuses \$377 million dollars in wages into the state and local economies each year.

In addition, there are 43,500 Veteran-owned firms—part of the 3.7 million Veteran-owned small businesses across the Nation that are doing their part to win the future for our country. VA is there for them. Next week we will conduct our National Veteran-Owned Small Business Conference and Exposition in New Orleans—a training event that will provide an unprecedented opportunity for both Veteran-owned and service-disabled Veteran-owned small businesses to build capacity, grow their businesses, and connect directly with VA procurement decision-makers. Over 3,400 people are already registered to attend, 1,500 of whom represent Veteran-owned small businesses.

We recently awarded seven of our 15 major T-4 [[Transformation Twenty-one Total Technology] information technology contracts to service-disabled Veteran-owned or Veteran-owned small businesses, and we are requiring the awardees of all the contracts to meet aggressive subcontracting goals for service-disabled and Veteran-owned small businesses on their teams. Historically, Veterans hire Veterans. So, in boosting the number of Veteran-owned small businesses, we do intend to increase Veterans employment opportunities.

Incidentally, 30% of our own VA workforce—over 100,000 employees—are Veterans, and our goal is to up that to 40%.

These are tough economic times, and that's especially true for Veterans. As of June of this year, one million Veterans were unemployed, and the jobless rate for post-9/11 Veterans was 13.3 percent—a particularly hard-hit generation. And, as troops return from Iraq and Afghanistan, an additional one million servicemembers are projected to leave the military between 2011 and 2016.

So last Friday, the President again demonstrated both his unwavering commitment to those who have defended our Nation and his deep concern about the unique challenges facing them, and he took action—announcing four new initiatives to directly impact these conditions:

- First, a returning heroes tax credit for firms that hire unemployed Veterans—a maximum of \$2,400 for every short-term unemployed hire and \$4,800 for every long-term hire. Also, the existing wounded warriors tax credit for all Veterans with service-connected disabilities [a maximum of \$4,800] will continue, with an increase for firms that hire Veterans with service-connected disabilities who are long-term "unemployed"—a maximum credit of \$9,600 per Veteran.
- Second, a presidential call for a career-ready military: VA will work closely with the Department of Defense, other federal departments, and the President's economic and domestic policy teams to develop reforms to ensure that every member of the service receives the training, education, and credentials needed to successfully transition to the civilian workforce or to pursue higher education. This includes the design of a "reverse bootcamp," extending the transition period to give servicemembers more counseling and guidance to prepare them for civilian careers.

- Third, better transition to the private sector for all Veterans. The Department of Labor will establish an enhanced career development and job search service package for transitioning Veterans.
- And last, a challenge to the private sector to hire or train 100,000 unemployed Veterans or their spouses by the end of 2013.

President Obama handed me two priorities when he offered me this appointment two-and-a-half years ago. First, make things better for Veterans—that's what Friday's job announcement was about—and then, transform the Department of Veterans Affairs so that it better serves Veterans throughout the 21st century.

Pretty strategic guidance—serve Veterans, do it better, transform for the future. He didn't say what or how or when. He expected me to figure that out.

Well, I didn't grow up in VA, and I'm not a clinician, so there was a lot of learning that first year. You watched me struggle a bit in implementing the new 9/11 GI Bill, without any automation tools for what was, in 2009, a massive, brand new program. The new law directed VA to implement it on the fly—and we did.

Everything had to be done by stubby pencil, but we put 173,000 youngsters into college that fall—the hard way. At the same time, we fast-tracked development of IT tools that are, today, administrating the education of over 518,000 Veterans and family members under the new GI Bill program. And when VA's other educational assistance programs are added, that number of Veteran and family member students exceeds 840,000.

This fall, we will expand that GI Bill program to provide vocational training and other non-degree job opportunities for Veterans who want to work, but who aren't necessarily interested in spending four years in a college classroom—another opportunity for Veterans to add value to their communities.

There are clear lessons from implementing the new GI Bill: First, VA is tough and agile enough to implement a new program on the fly. Second, as it does that, it is also innovative enough to simultaneously develop new tools to better administer that new program for the long haul. What that told me is that we have good, dedicated, and creative people who come to work at VA every day. My job is to grow and develop them for long-term leadership responsibilities to this important department and to provide them the right tools, which have been lacking.

Now, the President provided not only strategic guidance—he also provided his personal support; assured the availability of much needed, scarce resources to address longstanding issues; and then allowed me, as Secretary, the freedom to act.

Well, two-and-a-half years ago, there were some of the things you told me and asked me to go to work on: Too many Veterans could not access VA's services and benefits. And when they tried, the claims process was difficult to navigate—some said "near impossible"—creating a massive backlog in disability claims. In fact, some Veterans suggested that VA was waiting for them to die so it wouldn't have to pay them their benefits—pretty strong stuff for a new secretary to hear. But OK, I got the picture. I asked you to give me a chance to try to fix a backlog that had been years in the making. I just needed resources and a little time.

You also told me that it was wrong for any Veteran in this country to be homeless, and I agreed with you. In fact, the President was ahead of both of us on this, based on his insights from his time on the Senate Veterans Affairs Committee, and he decided to do something about it.

Some of you also told me that VA had an attitude problem—that we didn't always treat Veterans with dignity and respect—and that women Veterans, in particular, were not being well served in many cases. It was not that we were doing anything disrespectful, but that our entire system was heavily male-oriented, so women Veterans didn't feel comfortable or welcomed. OK, we needed to do something about both of these perceptions.

Finally, you felt we were too slow to react to real changes in Veterans lives. An example here might be the impact of rising gas prices or the cost of medications. Three-and-a-half years ago, the beneficial travel rate was 11 cents per mile; today, it is 41.5 cents per mile. And we have controlled co-pay costs on medications to the benefit of all Veterans for the past one-and-a-half years.

In response to our budget proposals to address all these concerns, among others, President Obama increased VA's 2010 budget to \$115 billion—a 16% increase over the \$99.8 billion budget I inherited in 2009, the largest single-year increase in over 30 years. This year, the 2011 budget grew to \$126.6 billion, and the President's 2012 budget request for next year, currently before the Congress, is for \$132.2 billion. Very few organizations—public, private, profit, non-profit—have had this kind of resourcing support over the past three budget cycles. And every bit of it is needed to fix longstanding issues in this department.

Thanks to the President, we have a clear direction, predictability in resourcing, and unwavering leadership support. Now, it's up to us to deliver. While there will likely be some adjustment to the President's 2012 budget request currently before the Congress and our 2013 budget proposal, Veterans remain a very high priority with President Obama. I know that personally, and it goes deep with him. That commitment will be reflected in the care and benefits VA continues to provide the men and women who served us in our Nation's darkest hours—and their families and our survivors.

In keeping his promises to Veterans, the President's past budgets have enabled us to address some of the early concerns you asked me to take on when I arrived:

Access: To your concerns from 2009, that not enough Veterans could access VA's benefits and services, we have made measurable progress in outreaching to Veterans who did not know about VA or their earned benefits, or who had lost faith in us some time ago. Streamlining initiatives to improve Veterans' access to healthcare has increased the number of enrolled Veterans by nearly 800,000 in the last two-and-a-half years—a 10 percent uptick.

We will continue to press in this area and to broaden our appeal to women Veterans. With women program coordinators at each major medical center, with over 1,200 providers having received advanced training in women's healthcare, and with our efforts to give women Veterans their own larger voice through a National Women's Summit, we believe we are anticipating the coming surge in women Veterans.

And with two operational campaigns still underway and continuing economic challenges at home, VA's mission is clear and compelling for Veterans' long-term well-being. We, in VA, must be more demanding on ourselves to get every penny and every second of return on the investments we make on behalf of Veterans. And when the last combatant comes home from Iraq and Afghanistan in a few years, DoD's missions may be over, but VA's requirements will still be growing—something that is likely to continue for another decade or more beyond that point. We must be vigilant to not create another Vietnam generation, whose unaddressed medical needs continue to challenge its members, even today.

Homelessness: In 2009, you told me that no Veteran should live homeless in this rich and powerful country. Well, I've never been able to fix a problem that I couldn't see, so we have begun creating a registry of homeless Veterans. We cannot help them unless we know who and where they are, and what they need, so we are working with HUD, Labor, Education, Defense, state and local governments, non-profits, and volunteers to get a reliable registry so we can attack the root causes of the homeless problem.

VA's progress has been significant. Since 2008, VA has helped permanently house over 29,000 homeless Veterans. Another 30,000 have been assisted through the Homeless Call Center, and we have hired approximately 330 homeless or formerly homeless Veterans to provide peer support and to help ease the suffering of other Veterans who find themselves homeless. We intend to reduce the number of homeless Veterans to below 60,000 by June 2012, with the goal of ending this national embarrassment in 2015.

What we have learned over the past two-and-a-half years is that we cannot end Veterans homelessness through street rescues alone. We must develop robust prevention initiatives that protect an "at risk" population that is difficult to define and see. But we know this "at risk" population exists because Veterans lead the Nation in homelessness, depression, substance abuse, suicidal ideation,

and are well up there in joblessness as well. Unless we are conducting a full-court press in all these areas, street rescues of the estimated 80,000 homeless Veterans alone will not be enough.

VA is leading the fight against homelessness with all of our substantial capabilities—primary medical and dental care, mental health, substance abuse treatment, education, case management, housing, and jobs counseling. Importantly, street rescues must continue, but they have never defined the entire problem. We are outreaching to states and communities to collaborate at the local level with non-profit partners who know the homeless situation first hand.

We are also conducting justice outreach to support the creation of Veterans courts, which would remand Veterans—those facing minor charges, petty crimes, and repeated substance abuse offenses—to VA for treatment in lieu of incarceration. And we're working with state and federal prisons to afford Veterans being released from prison an opportunity to break the cycle of incarceration—homelessness—incarceration, which plagues many of them. We are committed to ending Veterans homelessness by 2015, and we are after it.

Claims backlog: You asked me to fix the backlog in disability claims, and I have committed to ending it in 2015 by putting in place a system that processes all claims within 125 days at a 98% accuracy level. Of the things you asked me to take on, this one's taking longer to achieve momentum. But we have a host of promising options being piloted today, and expect them to begin paying off in 2012 as we begin fully automating the disability claims process. Our success in automating the new GI Bill program on the fly gives us a measure of confidence that we will soon have the automation tools needed to begin beating the backlog in the short term.

Attitude: Two years ago, you told me that some in VA had an attitude problem. And so, since last December, with input and recommendations from a variety of panels, work groups, and VA senior leaders, we have settled on five core values that underscore the moral obligations inherent in VA's mission: integrity, commitment, advocacy, respect, excellence.

For the past two months, VA leaders have been leading discussions and answering questions about these core values and how we came to settle on these five. Teaching what they mean is important, if we are to achieve the long-term cultural change that assures Veterans that they will always be treated with dignity and respect. This is an educational process that will go on indefinitely--routine reinforcement by leadership for the present workforce and required instruction for all new employees.

Our values are more than just words. They represent our commitments to Veterans, family members, and other beneficiaries we serve. Taking the first letter of each word—integrity, commitment, advocacy, respect, excellence—creates a powerful acronym, "I CARE," that reminds each VA employee of the importance of their role in this department. Now I know at least some will wonder whether this is a cute marketing device to spur conversation. It is not. These core values come together as five promises we make as individuals and as a department to those we serve:

- Integrity—Because "I CARE," I will act with high moral principle, adhere to the highest professional standards, and maintain the trust and confidence of all with whom I engage.
- Commitment—Because "I CARE," I will work diligently to serve Veterans and other beneficiaries, be driven by an earnest belief in VA's mission, and fulfill my individual and organizational responsibilities.
- Advocacy—Because "I CARE," I will be truly Veteran-centric by identifying, fully considering, and appropriately advancing the interests of Veterans and other beneficiaries.
- Respect—Because "I CARE," I will treat all those I serve, and with whom we work, with dignity, showing respect to earn respect.
- Excellence—Because "I CARE," I will strive for the highest quality and continuous improvement, be thoughtful and decisive in leadership, and be accountable for my actions, willing to admit mistakes, and rigorous in correcting them.

In time, I hope you will see our core values demonstrably at work in our daily conduct of business. You have my assurance that these are promises VA has embraced with serious dispatch.

With your help and support, we've had more than two good years for Veterans. There's still much to be done, but we have momentum in key areas and clear directions for the future. We will not fail to honor the dedication and selflessness of the men and women we serve—warriors like Army Ranger Sergeant First Class Joe Kapaczewski, who was severely wounded by an Iraqi grenade, which shattered his right leg, extensively damaged the entire right side of his body, severing a nerve and an artery in his right arm.

Doctors feared he would never walk again, let alone fulfill his wish of returning to the Ranger Regiment and becoming a squad leader. Then, again, most of us don't fully appreciate iron-will. In Sergeant Kapaczewski's words, "I don't like people telling me I can't do something."

Kapaczewski had been serving with the Rangers since May 2002. When he was wounded in 2005, he was on his fifth combat deployment. After multiple surgeries, slowly regaining use of his right arm, and enduring unimaginable pain, he made the courageous call to have his right leg amputated below the knee, opting for greater mobility and faster recovery with a prosthetic leg.

In March 2007, the leg was removed. Five months later he was running. After six months, he rejoined the Ranger Operations Company at Fort Benning. Ten months after surgery, Kapacziewski completed an Army PT test, a five-mile run, and a 12-mile road march with 40 pounds of gear. In March 2008, one year after his surgery, he became the only amputee ever to assume combat duties in the Ranger Regiment, as a squad leader. He has since deployed four more times, he's been promoted to platoon sergeant, and he's received a Bronze Star with "V" device for helping to save a severely-wounded comrade.

Sergeant Kapacziewski is a member of the "9/11 Generation." More than five million Americans have served in the military during the past decade. Three million of them joined after 9/11, knowing full well that they would be deploying to combat. Their accomplishments are extraordinary—unseating the Taliban, pushing al Qaeda from its sanctuaries, capturing Saddam Hussein, delivering justice to Osama bin Laden, and training Iraqi and Afghan forces to defend their own countries.

The 9/11 generation includes more than a million spouses and two million children of servicemembers, many of whom have lived their entire lives in a Nation at war. More military women have served in combat than ever before. Hundreds of thousands of troops have deployed multiple times. They have all borne a heavy burden on behalf of the Nation. But despite the enormous strains of ten years of continuous operations, our military remains as strong as it has ever been. Sergeant Joe Kapacziewski's 9/11 Generation is defined, just as every previous generation of America's Veterans has been defined, by the virtues of selfless service, sacrifice, and devotion to duty. These men and women who serve and have served, are the flesh and blood of American exceptionalism—the living and breathing embodiment of our National values and our special place in the world.

God bless our men and women in uniform; God bless our Veterans; and may God continue to bless our great Nation. Thank you.