

Chapter 1

Introduction

Referral

1.1 On 9 November 2016, the Minister for Veterans' Affairs, the Hon Dan Tehan MP, introduced the Safety, Rehabilitation and Compensation Legislation Amendment (Defence Force) Bill 2016 (the bill) into the House of Representatives.¹

1.2 On 9 February 2017, the Senate, on the recommendation of the Selection of Bills Committee, referred the provisions of the bill to the Foreign Affairs, Defence and Trade Legislation Committee for inquiry and report by 20 March 2017.²

Context to the inquiry

1.3 Arrangements for pensions, compensation, rehabilitation and other benefits for current and former members of the Australian Defence Force (ADF) and their dependents have changed incrementally over time. This has resulted in some ADF members and veterans being covered under different and multiple schemes. In particular, the *Veterans Entitlement Act 1987* (VEA) and the *Safety, Rehabilitation and Compensation Act 1988* (SRCA) may apply to those with service before 1 July 2004.

1.4 SRCA currently provides compensation coverage to all Commonwealth employees and is administered by Comcare on behalf of the Department of Employment. SRCA is also administered by the Department of Veterans' Affairs (DVA), with Part XI extending coverage to ADF members and former members for injuries and illnesses linked to service between 1 December 1988 and 1 July 2004.³

1.5 Following the Tanzer Review into military compensation, the *Military, Rehabilitation and Compensation Act 2004* (MRCA) was enacted to provide rehabilitation and compensation for a range of persons who served on or after 1 July 2004.

1.6 At the public hearing, DVA officers described the bill as originating from earlier attempts at legislative reform including the Safety, Rehabilitation and Compensation Amendment (Improving the Comcare Scheme) Bill 2015 (Comcare bill).⁴ These included amendments to the Comcare scheme to make it 'more sustainable over time'. Key changes were intended to reduce the types of injuries that were compensable, reduce the costs of the scheme and create a sanctions regime through a concept of 'obligations of mutuality'.

1 House of Representatives, *Votes and Proceedings*, 9 November 2016, pp 319-320.

2 *Journals of Senate*, 9 February 2017, p. 880.

3 *House of Representatives Hansard*, 9 November 2016, p. 3279.

4 Ms Lisa Foreman, DVA, *Committee Hansard*, 15 March 2017, p. 21.

1.7 However, in recognition of the unique nature of military service, ADF members and veterans were to be made exempt from most of the changes.⁵ The Comcare bill lapsed at the prorogation of the 44th Parliament.

Other inquiries

1.8 The Senate Foreign Affairs, Defence and Trade References Committee is currently conducting an inquiry into suicide by veterans and ex-service personnel, including examining DVA administration of claims. Many submitters and witnesses referred to evidence received for that inquiry in their commentary on the bill.

Conduct of inquiry

1.9 The committee advertised the inquiry on its website and wrote to individuals and organisations likely to have an interest in the inquiry and invited them to make written submissions. The committee requested that submissions to the inquiry be received by 24 February 2017.

1.10 The committee received 10 submissions for the inquiry which are listed at [Appendix 1](#). The committee held a public hearing in Canberra on 15 March 2017. Witnesses who appeared at the public hearing are listed at [Appendix 3](#). Published submissions and the *Hansard* transcript of the public hearing are available from the committee's website: www.aph.gov.au/senate_fadt.

Structure of the report

1.11 Chapter 2 provides a brief overview of the bill. Chapter 3 discusses the key issues raised during the inquiry. Chapter 4 contains the committee's conclusion and recommendations.

Acknowledgments

1.12 The committee acknowledges the short period of time available to make submissions to the inquiry. In this context, the committee thanks all those who assisted the inquiry by providing submissions and giving evidence at the public hearing.

Note on references

1.13 References to the committee *Hansard* are to the proof transcript. Page numbers may vary between the proof and official *Hansard* transcript.

5 Minister for Veterans' Affairs, Senator the Hon Michael Ronaldson and Assistant Minister for Defence, the Hon Stuart Robert MP, 'Veterans and ADF members exempt from changes to workers' compensation legislation', *Media release*, 25 March 2015.