

**Foreign Affairs, Defence and Trade  
Legislation Committee**

**Examination of additional estimates  
2001–2002**

**Additional information received**

**Volume 3**

**DEFENCE PORTFOLIO**

(Department of Veterans' Affairs)

May 2002

# Information relating to additional estimates 2001–2002

## Examination of expenditure for the Defence portfolio

### DEPARTMENT OF VETERANS' AFFAIRS

Senator      Ques no ..... Page no

#### Answers relating the portfolio budget statement 2001–2002 and the annual reports of the Department of Veterans' Affairs and the Repatriation Commission 2000–2001

#### Outcome 1—Compensation

<i>Bishop</i>	06	Timing of the release of the Gulf War Health Study.....	01
<i>Bishop</i>	09	Assessment of veterans' entitlements in relation to trusts and companies ...	01
<i>Bishop</i>	10	Outstanding overpayments due to DVA; debt management.....	02
<i>Bishop</i>	11	Estimated cost of extending benefits as a result of Mohr report .....	10
<i>Bishop</i>	12	Rating of personnel deployed to East Timor; claims in respect of service in East Timor; relevant legislation .....	11
<i>Bishop</i>	13	Conditions of service for ADF personnel who served in Kosovo; ministerial determinations; compensation and disallowable instruments ....	13
<i>Bishop</i>	14	Car parts for veterans; GST; relevant regulations .....	15
<i>Bishop</i>	15	SMRC's second review of Malignant Neplasm of the Prostate .....	15
<i>Bishop</i>	16	Restoration of pension for remarried war widows; cost to budget.....	16
<i>Bishop</i>	17	Departmental advocates employed by DVA in each state; qualifications ....	17
<i>Bishop</i>	18	Management of the Home Loan Support program .....	19
<i>Bishop</i>	19	Claims by Defence Service Homes for damage and loss in the recent fires in NSW .....	19
<i>Bishop</i>	25	Error rate in income support claim processing; percentage in favour of the veteran; cost to the taxpayer; remedial measures; performance targets.....	20
<i>Bishop</i>	26	Variation in acceptance rates of disability claims between states .....	21
<i>Bishop</i>	28	Repatriation Commission and DVA lease of vehicles .....	22
<i>Bishop</i>	29	Grants of special rate (T&PI), and other benefits, to Vietnam veterans.....	22
<i>Bishop</i>	35	Housing rental assistance reassessment for 'POW payment' recipients.....	24
<i>Bishop</i>	39	Defective administration payments for the last three years .....	24
<i>Bishop</i>	40	Applications for invalidity service pension by allied servicemen .....	25

**Outcome 2—Health**

*Bishop* 02 Assessment of veteran and widows; offset of savings for those assessed under/transferred to, Home and Community Care .....26

*Bishop* 03 Savings to department and removal of prior approval processes for private hospital access; payments to, claims from, private hospitals .....32

*Bishop* 04 Health Promotion Strategic Plan for the veteran community .....34  
*Attachment:* Booklet entitled ‘Choose health—Health Promotion Strategic Plan for the veteran community, 2001–2005’  
*(Not reproduced in printed form; not available from the website. Contact the secretariat for details.)*

*Bishop* 05 Repeat of the Vietnam Veterans’ Mortality Study.....34

*Bishop* 20 Current funded health research projects under the Health and Medical Research Program; proponent, time frames, costs and identified outcomes.....35

*Bishop* 21 Cost of development of DMIS; cost for the current year; evaluations to date; original cost/benefits identified and what has been achieved..... 41

*Bishop* 22 Veterans who achieved employment under the VVRS.....42

*Bishop* 27 veteran usage of private hospitals; evaluation to compare price relativities .....43

*Bishop* 32 Status of negotiations with each state on hospital agreements .....44

*Bishop* 33 DVA involvement in helping displaced veterans and widows due to nursing home closures .....46

*Bishop* 34 Sturt Nursing Agency legal claim against the Repatriation Commission....47

*Bishop* 41 Nursing home audits; estimated total savings .....47

*Bishop* 42 Link between the initiative on mental health with the activities of VVCS and DVA; DVA mental health policy and strategic directions..... 48

*Bishop* 43 Modules of DMIS which have been put into production; evaluation on potential savings; original cost/benefits estimates .....49

**Outcome 3—Commemoration**

*Bishop* 36 Arrangements with insurance companies concerning public liability on Anzac Day.....50

**Outcome 4—Service delivery**

*Bishop* 01 National approach to service delivery; contracted agents for DVA in Emerald and Bendigo.....51

*Bishop* 38 Contract negotiations with IBMGSA; funding of total price increases .....53

*Bishop* 44 Beneficiaries and payments made under each grant scheme in 2000–2001 .....53

**Outcome 5—Military compensation**

*Bishop* 37 Status of proposed legislation to implement the recommendations of the Tanzer report into military compensation .....54

## Output group 6

<i>Bishop</i>	23	Sum spent on development of the IDMS (integrated document management) system for the last three years .....	55
---------------	----	---	----

## All outcomes

<i>Bishop</i>	07	Financial measures agreed to with DoFA; departmental resourcing measures .....	57
<i>Bishop</i>	08	Percentage of budget consumed by information technology; cost of out-sourced services; total down time of mainframe services .....	58
<i>Bishop</i>	24	Items of savings identified in the review of corporate services and health services; efficiencies agreed to with DoFA .....	59
<i>Bishop</i>	30	DVA Chief Executive Instructions relating to procurement; competitive processes; consultancies .....	60
<i>Bishop</i>	31	Starcom contract for media advertising; purpose of advertising; tendering process used .....	63

## Answers to questions arising from the additional estimates hearing 22 February 2002

### Outcome 1—Compensation

<i>Bishop</i>	01	War widows receiving income support from DVA; rental status.....	64
<i>Bishop</i>	02	Payment of rent assistance above the income support supplement .....	64
<i>Bishop</i>	03	Value of waivers and write-offs for financial years 1996—2001 .....	65
<i>Bishop</i>	04	Appeals at the Administration Appeals Tribunal .....	66
<i>Bishop</i>	05	POWs of Europe and Korea seeking one-off payment .....	66
<i>Bishop</i>	06	Meetings between T&PI association and the Repatriation Commission.....	67
<i>Bishop</i>	07	Cost to index special rate pension .....	67
<i>Bishop</i>	08	Licensed medical officer referrals for allied or complementary health services for veterans.....	68
<i>Bishop</i>	09	Cost of extending benefits as a result of the Mohr report.....	69
<i>Bishop</i>	10	Service status of ADF personnel conducting training in East Timor .....	70
<i>Bishop</i>	11	Suicide rates for Vietnam veterans and Gulf War veterans.....	70
<i>Bishop</i>	12	List of grants under the BEST program 00-01 and 01-02 financial years...	71
<i>Bishop</i>	13	Cost to Centrelink of exempting all disability pensions from means test ....	77
<i>Bishop</i>	14	Denunciation by DVA of T&PI veterans.....	78
<i>Bishop</i>	15	Number of Australian civilians interned in Europe during WWII .....	78
<i>Bishop</i>	16	Cost of MTAWA indexation of the 'above general rate' portion of T&PI pensions .....	79
<i>Bishop</i>	17	Actuarial value of the 'above general rate' post 65 for a T&PI veteran .....	79
<i>Bishop</i>	18	Widows on full income support supplementary (ISS), and, no ISS .....	80
<i>Bishop</i>	19	Intermediate rate veteran applications for invalidity service pension.....	80
<i>Bishop</i>	20	Veterans over 70 years who have Gold Card due to 50% disability.....	81
<i>Bishop</i>	21	T&PI veterans who have a Gold Card .....	81

<i>Senator</i>	<i>Ques no</i>	<i>Page no</i>
<i>Bishop</i>	22	Prisoners of war (POWs) who have a Gold Card ..... 81
<i>Bishop</i>	23	Veterans of post World War 2 conflicts to get a Gold Card..... 82
<i>Bishop</i>	24	Average annual cost of the Gold Card to date per veteran by category..... 83
<i>Bishop</i>	25	Budgeted outcome for expenditure on Gold Card in 2000–01 ..... 83

### **Outcome 2—Health**

<i>Bishop</i>	26	Tendering process for optometry supplies ..... 84
<i>Bishop</i>	27	Number of tier 1 and tier 2 hospitals have agreements with DVA in each state..... 85
<i>Bishop</i>	28	Veterans length of stay in both the private and public hospital systems ..... 86
<i>Bishop</i>	29	Average daily cost for a veteran in both the private and public hospital systems (tables included) ..... 87
<i>Bishop</i>	30	Visits per veteran to a hospital, from age 65, state by state, nationally ..... 94
<i>Bishop</i>	31	Proportion of private hospital use paid for by Gold Card..... 94
<i>Bishop</i>	32	Disabled children of veterans ..... 95

### **Outcome 3—Commemoration**

<i>Bishop</i>	33	“Enlarged zone”—size of the proposed new war graves area at Le Somme, France, affecting Commonwealth war graves ..... 95
<i>Bishop</i>	34	Chronology of the process of Australian Government’s consultation with the French Government; expressions of concern; objections to the proposal; seeking clarification ..... 95
<i>Bishop</i>	35	Protocols that the Australian Government is party to that regulate the issues of relocation of war graves or war cemeteries..... 97

### **Outcome 4—Service delivery**

<i>Bishop</i>	36	Government Actuary Analysis done on DVA hospital health models ..... 99 <i>Attachment:</i> Australian Government Actuary, May 2001— <i>Review of DVA expenditure projection models. (Available in electronic form.)</i>
---------------	----	--

### **All outcomes**

<i>Bishop</i>	37	Public liability costs for Anzac Day ceremonies ..... 100
<i>Bishop</i>	38	Number of mobile phones for each year of the contract with IBMGSA .... 100
<i>Bishop</i>	39	Number of replacement phones due to loss or upgrade..... 101
<i>Bishop</i>	40	Cost of mobile phone supply paid to IBMGSA for years 1997–2002..... 101
<i>Bishop</i>	41	Guidelines for the supply and use of mobile phones in DVA ..... 102
<i>Bishop</i>	42	Total rent calls charge for from mobile phones ..... 107
<i>Bishop</i>	43	Arrangement for reimbursement to DVA for personal calls on mobile phones ..... 108
<i>Bishop</i>	44	Amount of reimbursement to DVA for personal calls on mobile phones .. 108
<i>Bishop</i>	45	Palm pilots—number leased, to whom, guidelines for procurement..... 109
<i>Bishop</i>	46	Number of offices who have dial-in access; annual cost of the service..... 114
<i>Bishop</i>	47	Number of laptop computers leased from IBMGSA—1997–2002 ..... 114
<i>Bishop</i>	48	Number of replacement phones due to loss or upgrade..... 115
<i>Bishop</i>	49	DVA staff access to the Internet ..... 115
<i>Bishop</i>	50	Internet sites visited by DVA staff for the year 2000–2001 ..... 116
<i>Bishop</i>	51	Supervision of sites visited by DVA staff; policy guidelines for use ..... 117
<i>Bishop</i>	52	Cost of Internet use by DVA for 2000–2001 ..... 117

<i>Senator</i>	<i>Ques no</i> .....	<i>Page no</i>
<i>Bishop</i>	53 Cost of running the rural service delivery through expanded network; cost of initial set-up and on-going administration of the network.....	118
<i>Bishop</i>	54 National evaluation of service delivery arrangements .....	119
<i>Bishop</i>	55 Types of agency arrangements that distinguish different types of service..	120
<i>Bishop</i>	56 Contractors engaged by the Commission .....	124
<i>Bishop</i>	57 Impact of the GST on DVA's car rental arrangement .....	125
<i>Bishop</i>	58 Number of SES staff upgraded to a higher model car since GST .....	125

### **Australian War Memorial**

<i>Bishop</i>	59 Underspend in the outcome 1.3—National Collection.....	126
<i>Bishop</i>	60 Level of employee expenses and capitalisation .....	126

---

## Volumes of additional information relating to 2001–2002 estimates

### **Budget estimates**

*Additional information, volume 1, October 2001 contains answers to questions on notice relating to Defence all outputs and business processes. The volume also contains answers relating to the Department of Veterans' Affairs Outcomes 1–4.*

*Additional information, volume 2, August 2001 contains answers to questions on notice relating to Foreign Affairs and Trade Outcomes 1 and 3, The Australian Trade Commission (Austrade), Australian Agency for International Development (AusAID), and, Australian Centre for International Agricultural Research (ACIAR).*

### **Additional estimates**

*Additional information, volume 1, May 2002 contains answers to questions on notice relating to the Defence Organisation.*

*Additional information, volume 2, May 2002 contains answers to questions on notice relating to Foreign Affairs and Trade, The Australian Trade Commission (Austrade), and the Australian Agency for International Development (AusAID).*

*Additional information, volume 3, May 2002 contains answers to questions on notice relating to Department of Veterans' Affairs.*

---

The following answers to questions on notice are available on the Senate Foreign Affairs, Defence and Trade website ([www.aph.gov.au/senate\\_fadt](http://www.aph.gov.au/senate_fadt)):

- Additional estimates 1999–2000: 9 and 10 February 2000
- Additional supplementary estimates 1999–2000: 3 May 2000
  
- Budget estimates 2000–2001: 29, 30 and 31 May 2000
- Budget supplementary estimates 2000–2001: 23 November 2000
- Additional estimates 2000–2001: 21 and 22 February 2001
  
- Budget estimates 2001–2002: 4–6, 20 June 2001
- Additional estimates 2001–2002: 20, 21, and 22 February and 12 March 2002

---

**Note:** Departments sometimes provide thick reports, large maps and bulky documents as attachments to answers to questions on notice. Large attachments are not incorporated into volumes of additional information in order to conserve paper and electronic storage space. However, the title page, ISBN/ISSN (if provided) and table of contents of each document are included with the relevant answer. If you wish to examine a particular document, please contact the estimates officer in the secretariat.



**Foreign Affairs, Defence and Trade  
Legislation Committee**

ADDITIONAL INFORMATION RECEIVED  
ADDITIONAL ESTIMATES 2001—2002

**Defence portfolio—Department of Veterans' Affairs**

**Volume 3**

**May 2002**