Question 2

Outcome 1 (Compensation)
Topic: Atomic Test Ex–service people
Hansard page 5

Senator Mark Bishop asked:
Do you have figures on the costs to date of the cancer and mortality study of the atomic test?

Answer:
The estimated cost to 30 September 2003 is $837,760. As indicated in evidence before the Committee on 5 November 2003, some of this estimate represents a calculated proportion of staff salary expenditure.

Question 3

Outcome 1 (Compensation)
Topic: Atomic Test Veterans
Hansard page 8

Senator Mark Bishop asked:
Provide a more detailed response as to those numbers—to which groups the recommendation of Justice Clarke would apply in terms of which areas they served in, numbers affected at the time, numbers now surviving and the nature and quantum of entitlements, compensation or benefits that they might be legitimately entitled to claim.

Answer:
This question is taken to refer to the recommendations of the Clarke Review in respect of those members of Australia's Defence Forces who were participants in the British atomic tests in Australia. The Review's recommendation was that their service be declared non–warlike hazardous.

A population estimate of these Defence Force members has been based on the draft nominal roll being compiled by the Department of Veterans' Affairs of those who participated in the atomic tests at Maralinga, Emu Field and the Monte Bello Islands, as it stood at 1 September 2003.

It is estimated that 2334 participants would be deceased. The remaining 5248 were taken to be alive and about half of these have claimed benefits under the *Veterans' Entitlements Act 1986* (VEA) in respect of other periods of service. None are currently eligible to claim under the VEA in respect of this particular service, but may claim compensation through the military Rehabilitation and Compensation Service.

Assuming they become eligible to claim under the VEA, estimated beneficiaries can be considered in three groups:

- living participants who might successfully claim a disability pension and treatment benefits.
- living participants who would be eligible only for limited treatment entitlements (cancer, pulmonary tuberculosis, and post traumatic stress disorder).
- widows of participants who might successfully claim a widows pension, an income support supplement and treatment benefits.

Question 4

Outcome 1 and Output 6 (Compensation)
Topic: Special Rate Pension Indexation
Hansard page 11

Senator Mark Bishop asked:
Can you take on notice how many letters or phone calls the minister has received on this issue in the last 12 months—that is, splitting the special rate into the two components, as suggested by Justice Clarke?

Answer:
In the 12 months, from 6 November 2002 to 5 November 2003, the Minister received a total of 1,304 letters (including e–mails) from individual veterans and their organisations concerning the Special (Totally and Permanently Incapacitated–T&PI) rate of disability pension. Of those letters, 1,180 were campaign letters about three issues: the treatment of disability pension by Centrelink, indexation of the T&PI rate pension to the greater of the Male Total Average Weekly Earnings (MTAWE) and the Consumer Price Index, and the bench–marking of the T&PI rate pension to 75 per cent of MTAWE.

Some 117 of the total 1,304 letters were about the T&PI veterans' rally concerning the three issues contained in the campaign letters. The final seven letters were about some aspects of the T&PI rate pension, including personal matters.

A large proportion of letters from individuals and ex–service organisations were about the overall adequacy of the level of T&PI rate pension and some were about the general concept of splitting T&PI rate pension into economic and non economic components. The correspondence recording system does not record sufficient detail to enable an accurate count of their number.

During the same period, there were some telephone calls about T&PI rate pension but records of these calls were not kept.

Question 5

Outcome 1 (Compensation)
Topic: Section 125 of VEA
Hansard page 13

Senator Mark Bishop asked:
Can you take on notice whether the department has legal advice and whether a copy of that legal advice can be provided to the committee? Could you provide the internal and external advice on that issue to the committee?

Answer:
The Department has legal advice on this matter from the Australian Banking Industry Ombudsman. A copy of that advice is attached.

A copy of the internal legal advice cannot be provided as it contains material which is subject to a claim for public interest immunity.

Attachment: Correspondence from the Australian Banking Industry Ombudsman Limited, dated 24 January 2001, with an extract from ABIO bulletin no 23, December 1999.
[This document is available on the Committee's website.]

Question 6

Outcome 1 (MCRS)
Topic: Commonwealth Superannuation
Hansard page 15

Senator Mark Bishop asked:
Do these issues apply only to direct employees of the relevant service at the time they enjoyed the benefits of being a member of the fund? Or does it also apply to employees who today we would categorise as outsourced or contracted employees doing a task or job for the Commonwealth but who are members of another superannuation fund? Could you take it on notice and advise us of the policy response of the government, if there is one?

Answer:
Offsetting is made against incapacity payments where the Commonwealth is already paying (or has paid in the case of a lump sum benefit) a superannuation benefit for effectively the same period when the injury/condition arose.

In the case of outsourced or contracted employees the Commonwealth no longer provides compensation cover so the question of offsetting would not generally arise.

If the outsourced employee was previously an ADF member and the incapacity related to an incident during their ADF service, the superannuation they received upon leaving their Commonwealth employment would be offset against any incapacity payment being made. Case law (*Mirkovic v Telstra)* makes it clear that if a person elected to rollover or preserve their superannuation then the Commonwealth considers it received and should be offset.

Question 14

Outcome 1 (Compensation)
TOPIC: TPI

Senator Bartlett asked:
Have any estimates been done on the cost of lifting the TPI special rate, for example to 60 per cent of total average weekly earnings or to 75 per cent? If so what were the findings?

What is the average amount of TPI pension paid to TPI recipients?

Answer:
The special (T&PI) rate of disability pension on and from 20 September 2003 is $762.60. The amount is tax free and is not subject to income or asset testing.

Indicative estimates have been done on increasing the special rate to either 60 or 75 per cent of Male Total Average Weekly Earnings (MTAWE). The calculations for one year are:

- for an increase to 60 per cent of MTAWE, $205.1 million; and
- for an increase to 75 per cent of MTAWE, $394 million.

These figures represent the gross cost to DVA and do not take into account any reduction in income support payments at Centrelink. Therefore the net cost to the Commonwealth is less than indicated above.

Question 7

Outcome 2 (Health)
Topic: Specialists
Hansard page 16

Senator Mark Bishop asked:
Can you take that on notice to provide the detail by specialty of specialists not accepting the Gold Card.

Answer:
As at 11 November 2003, the Department is aware of 323 medical specialists who no longer provide services or who intend to withdraw or restrict services to veterans. The breakdown, by advised specialty, is as follows:

Specialty	**Number**
Consultant Physician – Internal medicine	2
Consultant Physician – Psychiatry	12
Consultant Physician – Intensive care	1
Consultant Physician – Clinical Haematology	1
Consultant Physician – Thoracic medicine	6
Consultant Physician – Rheumatology	3
Consultant Physician – Neurology	3
Consultant Physician – Gastroenterology	3
Consultant Physician – General medicine	8
Consultant Physician – Nephrology	1
Oncology	3
Psychiatry	13
Otorhinolaryncology	15
Ophthalmology	48
Obstetrics and Gynaecology	7
Dermatology	12
Anaesthetist	7

Diagnostic Radiology	1
Vascular Surgery	1
Urology	21
Plastic and Reconstructive Surgery	14
Orthopaedic Surgery	73
Neurosurgery	16
Cardio Thoracic Surgery	1
General Surgery	21
Surgery	7
Special Pathologist	1
Rheumatology	3
Nephrology	1
Gastroenterologist	3
Intensive Care	1
Cardiologist	1
Unknown	13
TOTAL	**323**

Question 8

Outcome 2 (Health)
Topic: Central Coast
Hansard page 18

Senator Mark Bishop asked:
Could you take that on notice—if you have received any correspondence or complaints as to problems in the Central Coast area—and, if so, advise us when they were made and what the department's action or response, if any, has been.

Answer:
The Department of Veteran's Affairs is not aware of any current complaints on the Central Coast regarding access to GP services. As at 25 November 2003, in the region that includes Gosford, Terrigal, Woy Woy, Wyong and Erina there are a total of 136 registered LMOs.

The Department is not aware of any issues regarding the transfer of patients or non-acceptance of the Gold Card at North Gosford Private Hospital.

The Department is aware that two specialists in the North Gosford area may no longer be providing services to veterans under the Department's arrangements. The Department received notification about these specialists from veterans in October this year. Only one complaint was made about each practitioner. The veterans were provided with advice on alternate practitioners. There are a number of alternative specialists in the North Gosford area within the specialties concerned.

The Department has not received any further complaints directly from veterans about specialist services in the Central Coast area. However, the Minister has received correspondence from an ex-service organisation regarding specialist services for veterans in the Central Coast area. The Minister has responded to this letter, offering the Department's assistance to individual veterans.

Question 9

Outcome 2 (Health)
Topic: Centre for Military and Veterans' Health
Hansard page 19

Senator Mark Bishop asked:
I turn to the Centre for Military and Veterans' Health. I refer you to page 10 of the annual report, where it refers to the creation of the new Centre for Military and Veterans' Health. What is the stimulus for this proposition? What is the term of the contract.

Answer:
The Department of Defence (Defence) in partnership with the Department of Veterans' Affairs (DVA) is establishing a Centre for Military and Veterans' Health (CMVH). The CMVH will be operated by Queensland University in a consortium with other institutions.

The CMVH is intended to provide Defence and DVA with access to a range of services and improved capability including:

- provision of a continuum of learning, access to post graduate education, continuing professional training and clinical placements for Defence Health Service professionals;
- facilitation of the conduct of health research for Defence and DVA;
- e-health capability; and
- facilitation of the operation of a Strategic Think Tank.

Defence has entered into a 10–year contract with the university to provide CMVH services. DVA may approach the CMVH directly for services under the provisions of the contract.

DVA will contribute $1 million per year for the operation of the CVMH. Defence will contribute $900,000 in the first year to enable establishment of the CMVH and will contribute five military positions and one civilian position to the Centre.

In addition, CMVH services specifically tasked by Defence will be funded by Defence and CMVH services specifically tasked by DVA will be funded by DVA.

Question 10

Outcome 2 (Health)
Topic: Narrabeen
Hansard page 19

Senator Mark Bishop asked:
Is the department aware of development proposals on vacant land at Narrabeen?

Answer:
Yes. We understand that RSL Veterans Retirement Villages Limited has lodged a development application with the Warringah Shire Council in respect of land at Narrabeen.

Question 11

Outcome 2 (Health)
Topic:VVCS
Hansard page 20

Senator Mark Bishop asked:
Can you provide VVCS-Western Australia Expenditure?

Answer:
The allocations and expenditure of administered funds by the VVCS in Western Australia during the past two financial years and year to date in 2003–04 are as follows:

	Initial Allocation	Expenditure
2001- 02	$1,050,000	$1,172,451

	Initial Allocation	Expenditure
2002- 03	$1,230,000	$1,647,749

	Initial Allocation	Expenditure (YTD @ 31 Oct)
2003- 04	$1,300,000	$615,390

* NB: Response to Question on Notice Q2368 also refers.

The above table also shows a general trend of increasing allocations year by year to WA to meet actual demand such as outreach services, primarily contracted psychologists and social workers, and VVCS group programs such as Heart Health,

lifestyle management, anger management and other programs of education, information and support.

As officers explained at the Senate Estimates hearing, expenditure at the state and national level is regularly monitored throughout the year and funds are re-allocated between states if necessary. The re-allocation of funds did not affect the services provided by the VVCS in other states.

This process will be undertaken again in 2003–04.

However, the initial allocation in 2002–03 did not meet actual expenditure. The shortfall was funded from a re-allocation of Heart Health funds ($350,000) and general VVCS funds ($68,000).

In 2002–03, VVCS in Western Australia continued to meet the high level of demand for group programs with participation based on detailed screening and assessment of clinical need and readiness. In addition, centre based and outreach counselling services are provided on a demand basis.

In the case of Heart Health a veteran's desire to participate may be overridden by a medical assessment that might indicate special consideration of risk factors and some prior treatment to promote readiness. Another difficulty faced by all VVCS centres is the potential for members of the veteran community to register an interest, then drop out prior to commencement of a program. There are many reasons for this—family issues, ill health, the intervention of other personal priorities.

The overriding principle is to ensure that veterans have access to the services they need. VVCS continues to meet its targets with regard to waiting times for counselling appointments and will continue to monitor and manage waiting times and lists for group programs in order to ensure adequate service delivery.

Question 12

Output 6 (Corporate),Outcome 2 (Health) and OAWG
Topic:VVCS; Media
Hansard page no 24

Senator Mark Bishop asked:
Take on notice and provide the committee with
(a) a full report of this instance at the VVCS in Western Australia,
(b) provide copies of the guidelines and
(c) provide detail as to how they are applied.

(d) provide details over the last six months on how many occasions have State Offices, VVCS, Office of Australian War Graves and Australian War Memorial

media/promotional functions been referred to this central monitoring point, and on how many occasions has a government members availability been tested.

Answer:

(a) On 12 September 2003, a participant in Heart Health Program who is a volunteer of Men's Health Peer Education Program facilitator contacted the VVCS WA office about a request from a local television station to promote the DVA-funded Bunbury Heart Health Program (HHP). This would involve the current HHP participants to promote the program to other veterans in the area. The event was of a type that required that agreed program protocols regarding the privacy and confidentiality of the participants be invoked. The request also indicated that the involvement of DVA staff might be required. The advice of DVA National Office was required for these reasons.

The Minister's Office was advised of the proposal and indicated that the involvement of the relevant Federal Member or Duty Senator should be canvassed and this was conveyed to the program facilitator. However, a participant in Heart Health Program was advised by VVCS WA that the interviews could proceed, subject to the privacy confidentially protocols for participants being met. A copy of the Clients Rights and Responsibilities for VVCS is attached.

It appears that the need to seek the advice of National Office (regarding the protocols and the involvement of DVA staff) and the Minister's preference for the local Federal Member's involvement was misinterpreted by the veterans involved as an instruction from the Department that the request was refused unless the local Federal Member was involved.

Mr Robertson wrote to the Minister on 2 October. The Minister's adviser replied on the Minister's behalf on 5 November, advising that the Minister's Office encouraged opportunities for local Members to promote important initiatives and that in this case the Member was not available. The letter expressed regret that an apparent misunderstanding meant that Mr Robertson had not been informed of this.

At no stage did the VVCS WA office, DVA National Office, including the Media and Communication Section, or the Minister's Office advise that the media event could not go ahead without the involvement of the local Federal Member.

(b) & (c)

This matter was handled as a media request involving staff, in accordance with the Department's guidelines for *Contact with individual Members of Parliament and media about departmental business* ***(Attachment A at the end of the answer).***

Media requests for information or comment about departmental business are referred to the Media and Communication Section. However, on occasion, staff may be approached by a journalist while attending a commemorative or promotional event in the field. In such cases, staff are asked to inform the Media and Communication Section after the event.

In all other cases, media requests are assessed by the Section in consultation with relevant program areas and the Minister's office, generally through the Media Adviser. The Minister is the primary spokesperson for the portfolio, but relevant staff may be asked to undertake interviews on factual matters involving programs or initiatives. The Minister's office decides on the availability of the Minister or a representative for interview or involvement in a media opportunity.

(d)
In the six months to 5 November 2003, 15 media/promotional functions were referred to the Media and Communication Section by DVA National Office, State Offices, VAN offices, VVCS and the Office of Australian War Graves. No functions were referred to the Section by the Australian War Memorial, as it has its own Marketing and Public Affairs Section. The Media and Communication Section did not check the availability of any Federal Members or Senators.

- 9 May—Request for Newcastle VAN interview with Taree Aboriginal community radio station about DVA services for local indigenous members of the veteran community. VAN staff member interviewed.
- 23 June—Queanbeyan Community Radio request for a factual interview with DVA Branch Head, Commemorations. Interview proceeded.
- 27 June—release of the draft Military Rehabilitation and Compensation Bill. The Bill was released by the Minister at a meeting of ex-service organisations.
- 1 July—VVCS WA request for a newspaper interview with the Heart Health Program group in Bunbury. Staff involvement approved.
- 1 July—Queanbeyan Community Radio request for a factual interview with the Men's Health Peer Education project officer. Interview proceeded with the Department's Branch Head, Younger Veterans and VVCS.
- 3 July—ABC Radio Longreach request to Queensland State office for an interview about the Cooking for One or Two program. The Minister's office asked the Member for Maranoa to do the interview.
- 7 August—presentation of the ACT winner of the Anzac Day Schools' Activities Awards. The Minister's office invited Senator Gary Humphries to take part.
- 10 August—Channel Nine *Brisbane Extra* request to Queensland State office for access to local veterans taking part in the Cooking for One or Two program. Contact was facilitated with a local veteran couple.
- 15 August—*Age* request for an interview with VVCS Victorian Sons and Daughters project officer and veterans' children for Vietnam Veterans' Day. Interviews proceeded.
- 18 August—Radio 3RRR request for an interview about Sons and Daughters Project for Vietnam Veterans' Day. Contact was facilitated with the daughter of a Vietnam veteran.
- 19 August—ABC Radio Brisbane request to Queensland State office for an interview with a veteran Men's Health facilitator as part of a broadcast from the Southbank Seniors Expo. No veteran representative was available.

- 12 September—Request from Bunbury Men's Health facilitator for Bunbury Heart Health Program participants to be interviewed by local television. The interview did not proceed, as noted at **(a)**.
- 23 September—ABC Mildura request to VVCS Victoria for an interview about proposals to start up a Heart Health Program in the region. The Minister's office asked the Member for Mallee to do the interview.
- 25 September—*Sunday Age* request to VVCS Victoria to interview VVCS psychologist and Vietnam veteran about the post-war experience of Vietnam veterans. Interview proceeded.
- 3 November—Farewell for the London commemorative mission. Senator Mark Bishop and all Federal Government and non-Government Members whose constituents were members of the mission party were asked by the Minister to attend.

Attachment A

EXCERPT OF DEPARTMENTAL GUIDELINES FOR STAFF ON CONTACT WITH MEDIA ABOUT DEPARTMENTAL BUSINESS

"Requests from News Media

All requests for information/comment from the news media about departmental business (commemorations and promotions are dealt with differently) should be referred to the Media Section at national office. Contact the Director Karen Jones 02 6289 6578.

The person taking the initial call should find out briefly what issue it is that the media wishes to raise, the name of the newspaper, radio or television station, the name of the journalist and the contact number. An assurance should be given that someone from the Minister's Office or national office will return the call. **No discussion of the matter the journalist has raised should be entered into and no opinion or information should be volunteered.**

The information from the journalist should then be relayed to National Office immediately and your NO Branch Head or Deputy Commissioner informed. The Media and Communication Section provides support to program areas in preparing and implementing promotional strategies for special projects.
For further advice on media management contact Karen Jones on 02 6289 6578 or 0411 107 261."

Question 13

Outcome 2 (Health)
Topic: Psychiatric Treatment

Senator Bartlett asked:
Has DVA considered authorising full psychiatric treatment of veterans to be undertaken at newly appointed Tier 1 hospitals at Joondalup, Armadale, Bunbury and Geraldton?

Answer:
The Department is not aware of any of the recently appointed Tier 1 private hospitals in outer metropolitan Perth and Mandurah offering a full psychiatric service. These new Tier 1 hospitals are:

- Joondalup Private Hospital (Joondalup)
- Peel Private Hospital (Mandurah)
- Galliers Private Hospital (Armadale)
- Rockingham Family Hospital.

The Department is not aware of either of the other Tier 1 private hospitals in country Western Australia (contracted in 2002), namely St John of God Health Care at Bunbury and Geraldton, offering a full psychiatric service.

Veterans requiring psychiatric services have a number of options. The Commission has in place arrangements for veterans to access the full range of mental health services provided by the Western Australian Department of Health. In addition, arrangements are in place with the Western Australian Department of Health for Veterans to access psychiatric services through designated units in the public hospitals co–located with the recently contracted private hospitals at Joondalup, Bunbury and Armadale. The Department has no prior approval requirement for eligible veterans to access these services in a public facility where they can elect to be treated as private patients.

Also veterans can access a full psychiatric service (including an accredited Post Traumatic Stress Disorder Program and Drug and Alcohol Programs) at Hollywood Private Hospital.

Question 15

Outcome 2 (Health)
TOPIC: Podiatry

Senator Bishop asked:
(a) I have received representations from my colleague Senator Bolkus on behalf of a SA podiatrist who has been advised that he is now required to provide and maintain a public liability insurance policy of no less than $10 million per item, professional indemnity of no les than $5 million, and workers compensation coverage for all relevant personnel, including himself if he is an employee.

(b) Has this matter now been finalised or is it still in negotiation with the national association?

(c) What is the status of the current deed of agreement – does it remain current until the new one is settled?

(d) To which agreement do the notes circulated for guidance refer – the old or the proposed agreement?

(e) What is the status of the new liability coverage limits – are they negotiable?

(f) Do they only apply to veterans or are they industry wide?

(g) What are the current/ superseded minimum coverage amounts?

(h) On what basis were the new limits calculated? Whose advice was obtained? What has been the claims experience that warrants the increase?

Answer:
(a) (b) When contracting, DVA has always required providers to maintain appropriate levels of insurance. As Commonwealth insurance requirements have changed in the last five years, DVA has gradually implemented minimum insurance levels for all providers contracted to DVA. This has been, and will continue to be part of the re–contracting process of each provider group.

The current minimum levels of insurance required by the Department are:

- Public risk/liability insurance for not less than $10M per claim;
- Professional indemnity type insurance for not less than $5M per claim covering acts or omissions of the Provider in the exercise of his/her profession that give rise to liability (eg negligence); and
- Workers' compensation type insurance as required by State/Territory law, sufficient for any place that the Provider's relevant Personnel are involved with the DVA Deed or, if the Provider is an individual, appropriate disability income insurance for illness and injury.

As part of the recontracting process, all national professional associations representing allied health provider groups contracted by DVA have been informed that these requirements will apply to new contracts as they are signed.

(c) The current Deed of Agreement will remain in force until the group is re–contracted and a new Deed of Agreement, containing the minimum insurance requirements, is offered. However, the insurance requirements documented in (a) (b) already apply to *new* allied health providers entering into Deeds of Agreement with the Department.

(d) Notes for Allied Health Providers are issued with each new Deed of Agreement. These Notes remain in force until such time as providers renew their contracts with the Department.

(e) The minimum limits for public liability and professional indemnity insurance ($10 million and $5 million respectively) are non-negotiable and apply to all contractors signing an Agreement with the Department. Workers' compensation is a statutory requirement.

The Department is aware that certain circumstances may prevent providers from obtaining disability income insurance for illness and injury eg age limitations. The Department will consider variations to the Deed of Agreement on a case–by–case basis. Providers are required to provide written confirmation from an insurance broker or insurance company of their inability to obtain this insurance.

(f) The Department has received professional advice that the current minimum insurance levels reflect current community and insurance industry standards and are in line with the levels of cover recommended by most professional peak bodies.

(g) Under the previous Agreement (still currently in use) providers are required to '*effect and maintain adequate professional indemnity and public liability insurance*'. The Department's current minimum insurance levels have applied to all new contracts for several years.

(h) The levels were set in conjunction with advice received from DVA's insurance advisers.

Claims history was not factored in to the calculation of the levels. When considering appropriate levels of insurance to maintain, it is not prudent to equate the level of public liability insurance required to the number and quantum of public liability awards made against allied health providers to date. Insurance experts have advised that this is not a suitable basis on which to judge the amount of insurance that should be carried as public liability claims are occurrence based and claims for personal injury resulting from occurrences today can take up to seven years to settle.

When they do settle, it is the policy and level of cover held at the time of the occurrence that will respond not the policy held at the time of settlement. Thus, a better guide to appropriate levels of cover now is what an award for damages might be in five years time, rather than the level of past claims. It is also essential to include legal costs in the calculation. Past claims history influences premiums rather than the level of cover required.

Question 16

Outcome 2 (Health)
TOPIC: Nursing Homes

Senator Bishop asked:

(a) Reference is made to representations from South West Sydney where there is said to be a chronic shortage of space for veterans. Likewise North Shore in Sydney. Can this be confirmed?

(b) Some providers such as the RSL in Qld are also feeling some strain financially. Can this be confirmed?

(c) What is the overall policy position of the Government with respect to nursing home accommodation for veterans—understanding that DVA no longer has a budget for this item?

(d) Why is Ferguson Lodge at Lidcombe in Sydney, not registered as a nursing home, noting that there are paraplegic veterans there who can go nowhere else, and who get no assistance except rent assistance?

(e) Is the Department aware of development proposals on vacant land at Narrabeen?

(f) Is it a fact that the land was once resumed by the Commonwealth for the war veterans home? Is that facility about to be sold, and if so, will the resumed land sold too?

Answer:
(a) Responsibility for planning arrangements and the overall management of the Australian Government Residential Aged Care Program lies with the Minister for Ageing and the Department of Health and Ageing.

Planning parameters exist to ensure that places are allocated equitably in accordance with the distribution of Australia's aged population.

Veterans are able to access aged care on the same basis as the rest of the community, although for planning purposes, they are included among the special needs groups.

In the 2003 Department of Health and Ageing Aged Care Approvals Round, applications were invited for:

- 100 aged care places with a focus on veterans in South West Sydney; and
- 80 aged care places and 50 community aged care packages, both with a focus on veterans in Northern Sydney.

(b) Information about the financial position of ex–service residential aged care service providers is not available to the Department.

(c) The overall policy position of the Government with respect to residential aged care for veterans is that they have equitable access to the highest possible standards of care that all aged members of the community deserve.

The Department of Veterans' Affairs' holds the portion of the Australian Government subsidy to aged care facilities to cover the cost of care for entitled veterans and war widows in aged care facilities. In the year ended 30 June 2003 this expenditure amounted to $629.8 million. The budgeted allocation for the 2003/04 financial year is $682.9 million.

In addition to the Australian Government subsidy in relation to the veterans and war widows in residential care, the Government pays the daily care fees for former prisoners of war receiving high level care. In the financial year ended 30 June 2003, the Department paid $1.4 million in daily care fees for ex–POW's. These arrangements recognise the special deprivations suffered by that group of veterans and the lifelong impact those deprivations have on their health and well–being.

The Government's introduction of 'special needs status' for veterans and war widows in aged care planning in May 2001 means that the residential needs of the veteran community are being addressed in a direct and systemic way. The assigning of special needs status is evidence of the Government's commitment to meeting the aged care needs of the veteran community.

(d) Ferguson Lodge, which is operated by the Paraplegic & Quadriplegic Association of NSW, is for people with paraplegia and quadriplegia who require a high level of nursing and medical care. Ferguson Lodge is a New South Wales Government subsidised facility that is purpose built for people with spinal cord damage.

Ferguson Lodge is not registered as a nursing home because it does not operate under the Australian Government *Aged Care Act 1997*.

(e) see question 10.

(f) The Department of Veterans' Affairs is not aware of any action taken by the Commonwealth involving either the resumption, ownership or sale of vacant land at Narrabeen.

Question 17

Outcome 2 (Health)
TOPIC: Home Care

Senator Bishop asked:

(a) DVA at previous Estimates has denied that there are waiting lists for Homecare, or that veterans are being transferred to HACC—or advised to apply. Yet I continue to receive such complaints, the latest being from Newcastle.

The Minister's letter to this veteran actually refers specifically to the waiting list, and furthermore recommends that this person should apply to HACC. Is it now acknowledged that there are waiting lists i.e. periods between assessments and the commencement of services?

(b) Of the $8.6 million extra provided to Homecare in this year's budget, how much of that was consumed by increased prices of delivery and deliverables? (eg Meals on Wheels, agencies, other contracted service providers)

(c) Has additional funding been sent to the Newcastle region?

(d) What other regions have received increased funding?

(e) Any in North Tasmania?

(f) Can it be confirmed that the contracted agency in that area of the Hunter is no longer Home Care Services of NSW; if so who is the replacement agency?

(g) Why did Homecare NSW withdraw—or were they withdrawn? What is the reason for the change in service deliverer?

(h) Finally, there is a rumour abroad that Homecare is to be transferred to the Department of Health and Aged care. Can that be denied?

(i) In the annual report there is reference to 65 148 veterans having received a Homecare assessment—yet the Minister in her letters uses the number 86 000. Which is correct?

(j) How many veterans and war widows have been reassessed in the last 12 months and had services reduced, by electorate?

Answer:
(a) Some Veterans' Home Care (VHC) assessment agencies maintain waiting lists for VHC services. Veterans on an agency waiting list for services are those who have been assessed by the assessment agency but are considered by that agency to have a non–urgent need for services, and for whom services will commence as soon as resources become available.

(b) None of the additional funding has been applied to meet price increases to date. There will be price increases for service provision and assessment fees to take effect from January 2004 and price arrangements for Deeds of Agreement are currently being negotiated with State and Territory Governments. $5.6m is available for these increases.

Of the additional $8.6m, $1.6m relates to the net increase to the 2002–2003 base for new clients brought into the Program late that financial year. $1.4m remains available for new clients for 2003-2004.

(c) Newcastle is covered by the VHC region of Hunter. The Hunter region has received additional funding.

(d) The following regions received additional funding in their regional notional allocations for 2003–2004:

Region Name
NSW
Central Coast
Central Sydney
Far West
Greater Murray
Hunter
Illawarra
Macquarie
Mid North Coast
Mid Western
New England
Northern Rivers
Northern Sydney
South Eastern Sydney
South Western Sydney
Southern
Wentworth
Western Sydney
VIC
Barwon, South-Western
Eastern Metro
Grampians

Region Name
Loddon Mallee
Western Metro
QLD
Central
Darling Downs/South West
Northern
South Brisbane
West Moreton/South Coast

SA
North West Country
North West Metro
South East Country
South East Metro
ACT

(e) No.

(f) Yes. The Department of Veterans' Affairs' contract with Home Care Service of NSW (HCS) ceased on 12 September 2003. HCS was contracted to provide assessment services in ten regions of NSW, including the Hunter region. From 13 September 2003 two existing VHC agencies, Aged Care Housing Group Inc (ACH) of South Australia and RSL (QLD) War Veterans' Homes Ltd (RSL Care), took over the provision of these assessment services in five regions each. The Hunter region is now covered by RSL Care.

(g) The contract with the agency Home Care Service of NSW to provide VHC assessment services ceased on 12 September 2003. Prior to the contract ceasing, HCS notified its intent to withdraw from the Program, with effect from 12 September, due to the level of fees being insufficient. DVA accepted that notification. Home Care Service of NSW continues to remain as a contracted service provider for VHC services.

(h) The Government has made no decision to transfer VHC services to the Department of Health and Ageing.

(i) Both figures are correct. The annual report figure of 65,148 refers to the number of veterans who were assessed during 2002–2003. (Some of these veterans were assessed for VHC services in previous financial years and have been reassessed during 2002–2003 and some of these veterans were assessed for the first time during 2002–2003). The figure of 86,000 veterans represents the total number of veterans

who have entered the program for the first time since the program began in January 2001 until August 2003.

(j) This information is not available by electorate. The VHC operational model, including data collection and reporting, is based on VHC regions and is provided below. Information is provided on assessment activity during the last 12 months (from 1 November 2002 to 31 October 2003). Data in column 2 counts veterans who have received an assessment for the first time, and in column 3 counts the number reassessed (for example in instances where a review falls due or when an agency undertakes a further assessment where necessary, this could be if requested by the veteran). Data is not available on the number of veterans reassessed with reduced services.

Region Name Column 1	Number of Veterans assessed for VHC for the first time[1] Column 2	Number of Veterans reassessed (who had been previously assessed)[2] Column 3	TOTAL Column 4
Central Coast	914	1463	
Central Sydney	256	586	
Far West	37	147	
Greater Murray	291	712	
Hunter	568	1132	
Illawarra	397	843	
Macquarie	94	225	
Mid North Coast	737	1499	
Mid Western	110	319	
New England	237	541	
Northern Rivers	561	1297	
Northern Sydney	999	1823	
South Eastern Sydney	660	1469	
South Western Sydney	416	723	
Southern	300	700	
Wentworth	193	381	
Western Sydney	377	665	
NSW Total	**7,147**	**14193**	
Barwon South-Western	616	1561	
Eastern Metro	1133	2174	
Gippsland	154	873	
Grampians	198	518	
Hume	255	877	
Loddon Mallee	151	1500	
Northern Metro	571	1356	
Southern Metro	1360	3299	
Western Metro	284	634	

Region Name Column 1	Number of Veterans assessed for VHC for the first time[1] Column 2	Number of Veterans reassessed (who had been previously assessed)[2] Column 3	TOTAL Column 4
VIC Total	**4722**	**12450**	
Central	500	900	
Darling Downs/South West	349	546	
North Brisbane	1796	3106	
Northern	278	408	
Peninsula	202	349	
South Brisbane	734	1452	
West Moreton/South Coast	889	1711	
QLD Total	**4748**	**8374**	
North West Country	167	268	
North West Metro	541	790	
South East Country	271	530	
South East Metro (SA)	1031	1722	
SA Total	**2010**	**3033**	
East Metro	248	412	
Goldfields	20	27	
Great Southern	80	159	
Midwest	48	98	
North Metro	625	1164	
Pilbara	1	3	
South East Metro (WA)	415	780	
South West	154	282	
South West Metro	525	1154	
Wheatbelt	24	58	
WA Total	**2140**	**3989**	
North	239	560	
North West	142	233	
South	389	1155	
TAS Total	**770**	**1946**	
Central	5	21	
North	33	46	
NT Total	**38**	**60**	
ACT Total	**329**	**677**	
Australia Total	**21904**	**44548**	**66452**

Notes:
[1] *As assessment agencies perform six monthly review assessments, at least half of the veterans in column 2 would have been subsequently reassessed during this period.*

[2] *Column 3 shows the number of reassessments made during this period. Veterans can be reassessed more than once.*

Question 18

Outcome 2 (Health)
TOPIC: Dental

Senator Bishop asked:
(a) What is the current position with respect to negotiations with the Australian Dental Association?

(b) What is the timetable?

(c) How many dentists and dental clinics have refused to treat veterans and widows in the last 6 months?

(d) Have any new restrictions or limits been placed on dental services; if so, what are they? Are there new limits on bridgework etc?

(e) What consideration is being given to increasing the dental allowance from $676 pa? Does this limitation apply to all Gold Card holders?

(f) If so, what other limitations are there on other non- dental health care services?

Answer:
(a) Officers of DVA met with representatives of the Australian Dental Association (ADA) on 29 October 2003 as part of the review of current dental arrangements.

(b) Discussions between DVA and the ADA are ongoing and a further meeting has been arranged for early in the New Year.

(c) The Department is aware of two dentists who have withdrawn their services.

(d) No.

(e) A review of DVA current dental arrangements is underway. An annual monetary limit applies to Schedule C items for all card holders, except for ex–POWs and eligible beneficiaries with a relevant dental accepted disability who are receiving dental treatment related to accepted war–caused disabilities, or malignant neoplasia involving oral tissues. The annual monetary limit will increase on

1 January 2004 from $676 to $712 in line with the 5.3% increase in the September quarter of the CPI, health, dental services index.

(f) There are no other financial limitations. However, veterans may choose to go outside the DVA arrangements, for example a veteran may choose supplementary spectacle frames, or spectacle frames outside of the DVA/Defence catalogue range, where a co–payment may be required.

Hearing aids are provided to veterans under the Office of Hearing Services' Commonwealth Hearing Services Program. Veterans can receive a quality hearing device which will provide a satisfactory rehabilitation outcome free of charge from an extensive range of devices known as the 'free list'. This range includes behind–the–ear and in–the–ear models, as well as digital aids. Veterans can also choose to make a co–payment and purchase hearing devices with features beyond those necessary to achieve a satisfactory hearing rehabilitation outcome from a range known as the 'top–up list'.

Question 19

Outcome 2 (Health)
TOPIC: Community Nursing

Senator Bishop asked:
(a) On page 75 of the A/R reference is made to a number of community nursing providers who were found to be non–compliant.

(b) What was the nature of non compliance in each case? Was incorrect billing or reconciliation of claims against service delivered an issue?

(c) Have any fraud investigations resulted?

(d) How many community nursing providers in the last 5 years have (i) been subject to fraud investigation, (ii) been prosecuted, and (iii), not been successful in any re–tendering process?

Answer:
(a)(b)(c)(d) Of the initial audits found to be non compliant, all were non–critical and within one or more of the following areas:

- staffing and management;
- care documentation;
- quality improvement; and
- classification and claiming.

DVA has undertaken follow up action with providers.

Non–compliance was **not** due to incorrect billing or reconciliation of claims against service delivery.

No fraud investigations were conducted as a result of the audit program in 2002–2003.

During the past 5 years, four (4) allegations and/or suspicions of fraud were referred to the National Fraud Control Unit (NFCU). There have been no prosecutions. There has been no re–tendering process for community nursing providers.

Question 20

Outcome 2 (Health)
TOPIC: Prior Approval

Senator Bishop asked:
(a) On page 77 of the A/R reference is made to the risks of removing prior approval.

(b) Could the expenditure be provided for each element for which prior approval has been removed over the last 5 years?

(c) The growth in the health budget this year is estimated at almost $450 million (page 69of A/R). Which areas will see most of this growth?

(d) Prior to prior approval being abandoned, what were the annual savings estimated to have been made, for the last two years of operation?

(e) How many staff positions were saved as a result of this initiative?

(f) Has there been any evaluation of the removal of prior approval with respect to those previous claimed savings and outlays post the removal?

Answer:
(a)(b) Below is a set of tables detailing the expenditure over the last 5 years for health service types for which the prior approval requirements have been amended. Prior approval was removed from physiotherapy, occupational therapy, chiropractic and osteopathic services, dietetics, speech pathology and podiatry in October 1999 and from clinical psychology and social work in late 2001. It should also be understood that many factors, including removal of prior approval requirements, affect the service utilisation and expenditure patterns. These other factors include changes to:

- health care practice and technology;
- numbers of eligible veterans receiving services including changes in coverage of the gold card;
- the ageing nature of the eligible veteran population and increases in need for services due to increased frailty; and
- increased emphasis on veterans remaining living in their homes.

Expenditure by Service type

Physiotherapy*

YEAR	COST	% GROWTH
1998/1999	$24,843,811	
1999/2000	$30,195,113	21.5%
2000/2001	$31,435,375	4.1%
2001/2002	$34,253,432	9.0%
2002/2003	$38,028,605	11.0%

Podiatry*

YEAR	COST	% GROWTH
1998/1999	$23,066,872	
1999/2000	$26,966,187	16.9%
2000/2001	$28,761,666	6.7%
2001/2002	$32,049,928	11.4%
2002/2003	$36,967,275	15.3%

Clinical Psychology*

YEAR	COST	% GROWTH
1998/1999	$605,110	
1999/2000	$747,183	23.5%
2000/2001	$878,299	17.5%
2001/2002	$925,289	5.4%
2002/2003	$1,019,552	10.2%

Dietetics*

YEAR	COST	% GROWTH
1998/1999	$205,832	
1999/2000	$306,440	48.9%
2000/2001	$325,784	6.3%
2001/2002	$473,163	45.2%
2002/2003	$498,224	5.3%

Occupational Therapy*

YEAR	COST	% GROWTH
1998/1999	$1,087,591	
1999/2000	$1,810,961	66.5%
2000/2001	$2,734,831	51.0%
2001/2002	$3,668,697	34.1%
2002/2003	$4,796,943	30.8%

Speech Pathology*

YEAR	COST	% GROWTH
1998/1999	$326,077	
1999/2000	$448,673	37.6%
2000/2001	$506,519	12.9%
2001/2002	$492,802	-2.7%
2002/2003	$431,502	-12.4%

Social Work*

YEAR	COST	% GROWTH
1998/1999	$21,640	
1999/2000	$30,983	43.2%
2000/2001	$38,106	23.0%
2001/2002	$46,598	22.3%
2002/2003	$20,159	-56.7%

Chiropractors and Osteopathy*

YEAR	COST	% GROWTH
1998/1999	$2,318,997	
1999/2000	$3,078,154	32.7%
2000/2001	$3,620,219	17.6%
2001/2002	$4,222,790	16.6%
2002/2003	$4,794,152	13.5%

* Notes on the Data Tables

1. Data is based on date of processing at the Health Insurance Commission.

2. A number of health areas, including occupational therapy, dietetics and chiropractic services, have experienced unusual growth patterns. The data for these areas shows a substantial increase in the number of consultations provided in the home, which reflects the Department's aged care policy of encouraging veterans to remain in their homes rather than providing institutionally based care.

A significant reduction in expenditure in social work in 2002/03 is a result of a change in arrangements allowing social workers to claim psychology fees when they provide clinical counselling.

3. % Growth is based on the difference between the annual cost for the financial year and the annual cost for the previous financial year.

As a part of the implementation of Veteran Partnering for private hospitals on a State by State basis between 1999 and 2003, the removal of the requirement to obtain prior financial authorisation was introduced to simplify hospital access and choice. It was also intended to streamline Departmental administration and to decrease administrative cost to the hospitals, medical practitioners and the Department. Prior approval is still required for certain hospital services including non-CMBS procedures as well as services provided by Tier 2 and 3 private hospitals. The total expenditure for Veteran Partnering Tier 1 private hospitals where prior approval has been removed over the last 5 years is as follows:

Table: Private hospital expenditure from 1998 to 2003 where prior approval has been removed in the last five years

Year	**Expenditure ($)**	**% Growth**
1998/1999	$294.1m	
1999/2000	$362.3m	23.2%
2000/2001	$391.5m	8.1%
2001/2002	$410.7m	4.9%
2002/2003	$421.0m	2.5%

Public Hospital and the former Repatriation General Hospitals expenditure has not been included as the removal of prior approval for these facilities was effected well before 1998. A significant part of the growth reflects the progressive introduction of the granting of Tier 1 status to private hospitals on a State by State basis.

(c) Of the estimated $450 million growth, the greatest expenditure will be seen in treatment in non–departmental institutions (public and private hospitals), residential care and pharmaceutical services.

(d)(e)(f) The reason behind the reduction of prior approval was to change the point at which the department intervened to control the services delivered to veterans. Expenditure impact was not a major factor in the policy change. Rather than interventions being carried out before a service, the responsibility for professional decisions about levels of health care was given to the provider and post payment monitoring was introduced to monitor compliance, the advantage being that veterans are able to receive treatment in a more timely and seamless manner.

The removal of the requirement for prior approval meant that while there were salary savings in processing prior approval requests, a number of post payment monitoring roles were created to enhance contract management. Many of the staff positions involved in prior approval were converted to post payment monitoring and provider education related activities. Initial estimates showed a net reduction in staff numbers of 8 Full Time Equivalents (FTE) nationally. In January 2000, it was recognised that there was the need for an increased focus on post payment monitoring and the decision was taken to increase staffing by 12.2 FTE nationally.

Examinations of service delivery expenditure in a small number of areas where prior approval had been removed prior to 1997 were inconclusive as to the overall financial impact. Whilst there has been no formal review of the impact of the removal of prior approval, it is clear that the arrangements have helped to ensure that administrative requirements of the Department for contracted health care providers are kept to a minimum. Satisfaction of veterans with the health services provided through DVA is also very high.

Question 21

Outcome 2 (Health)
TOPIC: WA Partnering

Senator Bishop asked:
(a) Can it be confirmed that two of the new Tier 1 hospitals in WA have psychiatric facilities, but that those facilities are not part of the agreement?

(b) What is the background to this—are the facilities sub standard?

(c) Where else do veterans go?

(d) Is this part of the deal with Hollywood?

Answer:
(a)(b) With the exception of Hollywood Private Hospital, none of the Tier 1 private hospitals in Western Australia have a designated private psychiatric unit or offer a full psychiatric treatment service. The seven Tier 1 private hospitals in Western Australia hold current accreditation with the Australian Council on Healthcare Standards (ACHS).

Joondalup Private Hospital is a 90 bed facility within the Joondalup Health Campus. Joondalup Private Hospital does not have a designated private psychiatric unit. However veterans can be treated as private patients in the designated psychiatric unit in the adjacent public hospital. Programmatic treatment, such as drug and alcohol programs, are not available at Joondalup Health Campus.

Galliers Private Hospital (Armadale), Rockingham Family Hospital (Rockingham) and Peel Private Hospital (Mandurah) do not offer psychiatric services. It is understood that the St John of God Heath Care Hospitals at Bunbury and Geraldton do not have designated psychiatric units.
(c) The Commission has in place arrangements for veterans to access the full range of mental health services provided by the Western Australian Department of Health. In addition, arrangements are in place with the Western Australian Department of Health for Veterans to access psychiatric services through designated units in collocated public hospitals to recently contracted private hospitals such as Joondalup, Bunbury and Armadale Public Hospitals. The Department has no prior approval requirement for eligible veterans to access these services in a public facility where they can elect to be treated as private patients and it is the Department's understanding that there are no limitations to this direct access.

Veterans can also access a full psychiatric service (including an accredited Post Traumatic Stress Disorder Program and Drug and Alcohol Programs) at Hollywood Private Hospital.

(d) The current contracting arrangements with Hollywood Private Hospital for psychiatric services does not proclude the Commission entering into contracting arrangements with any other Perth private psychiatric hospital.

As indicated in answers to (a)(b)&(c), the recently contracted Tier 1 facilities do not have designated psychiatric facilities.

Question 26

Outcome 2 (Health)
TOPIC: DMIS

Senator Bishop asked:
(a) At previous Estimates information was sought on the cost benefit analysis of the DMIS Program in the Health area. It was said that $14.75 million had been spent to 2001–2002 with estimated savings forecast of $12.5 million in the same period. However, no answer was provided on the actual estimate of savings.

(b) How much has been spent on this program since those figures for 2001–2002?

(c) Is DMIS still being developed, how many data marts are now in operation, and what are the savings as compared with the estimates?

(d) What expenditure has been made?

Answer:

(a) The source of information in relation to the $14.75 million 2001–2002 figure is unclear. The actual DMIS development cost figure to 2001–2002 is $17.83 million. Actual reductions in outlays (Administered) to the end of June 2003 are estimated to be $13.1 million. Evaluation to date shows that DVA is now starting to achieve the benefits from DMIS. Improvements in effectiveness and efficiency are being seen in the business areas now using the data marts that have been implemented. Opportunity cost savings and cost containment benefits will continue to accrue for a number of years. In line with current industry expectations for data warehouse deployment, the development of DMIS took much longer than originally estimated, and delayed the realisation of some savings.

(b) Development costs on the DMIS program from 1 July 2002 to November 2003 were:

	$m
2001-2002	7.839
2002-2003	12.728
2003-2004	1.711 (to November 2003)
Total	22.278

(c) DMIS is still being developed with the current phase of development being scheduled for completion at the end of June 2004. After June 2004, DMIS will move into a routine operational mode with funding for support and maintenance activities only.

The following data marts have been implemented as part of the DMIS Project.

2000–01

- Private Hospitals.

2001–02

- Community Nursing (Phase 1).

2002–03

- Veterans' Home Care (Phase 1).
- Pharmacy (Phase 1).
- Private Hospitals (v2).
- DOLARS Reporting (financial reporting from DVA's financial management system).
- Health Executive Decision Support System prototype.

Development is continuing on the following data marts, which are scheduled for implementation in the near future:

- Medical And Allied Health;
- Compensation Business Processing; and
- further development of the Health Executive Decision Support System.

Comparison of Administered savings compared with estimates

	2000–01 ($m)	**2001–02 ($m)**	**2002–03 ($m)**	**2003–04 ($m)**
Estimated Savings (Administered)	7.8	13.0	14.0	15.0
Actual Savings (Administered)	1.0	4.5	7.6	11.2

Estimated on–going Administered savings are $14.5m.

(d) To the end of November 2003, the total development cost for the DMIS program is $32.270 million.

Question 23

Outcome 3 (Corporate and OAWG)
TOPIC: London

Senator Bishop asked:
(a) What was the final and total cost of the settlement made to the original designers of the cancelled model? What was the split between the two parties?

(b) If not yet settled, what is the estimate, and when is it expected to be finalised?

(c) What additional cost over runs are expected beyond those previously advised in June?

(d) Has the ongoing maintenance contract been negotiated? If so, was there a tender process, who won, and what is the annual cost and duration of the contract?

(e) Did it go to tender, how many bids were there, and what is the agreed annual cost?

(f) What was the original estimate for annual maintenance?

(g) Is the UK Govt making a contribution; if so, how much?

(h) How many letters or contacts have been made about the town names engraved?

(i) How many assertions have there been of locations being left off?

(j) How many ADF personnel will be attending, at what cost, and who pays?

(k) How many departmental officers are attending?

(l) Will the estimate of $1 million in this year's estimates for the commemoration be sufficient?

Answer:

(a) While settlements have not yet been finalised, negotiations are well advanced with all the parties involved in the cancelled design for the Australian War Memorial London. The total amount to be paid cannot be disclosed until after the final settlements have been completed.

(b) Final settlements are expected to be reached by the end of December 2003.

(c) Additional estimated cost over runs amount to $1.005m

Shipping	$0.163m
Assembly	$0.259m
Design & Construction	$0.183m
VAT (estimate)	$0.500m (A claim for refund totalling $0.270m has been submitted)

(d) The Memorial is fully maintained under warranty for twelve months. A daily external cleaning schedule is being organised through the Commonwealth War Graves Commission (CWGC). The CWGC, on behalf of the Office of Australian War Graves (OAWG), will be responsible for the development of contract specification, tendering and selection of the preferred tenderer. They will also handle the on–going contract management.

(e) No. See (d) above.

(f) $100,000.

(g) No.

(h) The OAWG has received 45 written queries relating to place names on the Australian War Memorial, London. Phone calls were not logged.

(i) All assertions that related to a location being omitted have proved unfounded. Many callers simply required explanation that place names and not individual service personnel names were being inscribed.

(j) The ADF provided a nursing officer and photographer for the mission party. The nursing officer's fares, accommodation, meals and some mission clothing

costs were met by the Department of Veterans' Affairs (DVA). The photographer's accommodation and meal costs were met by DVA. However, the photographer did not receive any mission clothing. The Department of Defence paid for the photographer's fares and for the incidental allowances due to the photographer and the nurse. The exact costs to DVA for these personnel are not yet known as all invoices for the mission have not been received. Defence provided a travel allowance for accommodation, meals and incidentals to the ADF catafalque party but DVA will reimburse these costs for the days the catafalque party was required to accompany the mission party for ceremonies leading up to the Australian War Memorial dedication. The invoice from the Department of Defence for these catafalque party costs has not yet been received.

Interim advice from the Department of Defence is as follows:

- 124 ADF personnel normally based in Australia attended as the Australian Contingent (this does not include any ADF personnel invited as VIP guests).
- Indicative costs (as the finalisation of accounts has not yet occurred) for the Australian based contingent (including the reconnaissance) is $550,000.
- All costs have been funded from the Defence Operating Budget.

(k) Eleven

(l) An answer to this question cannot be provided until all invoices for the commemorative mission have been received.

Question 24

Outcome 3 (OAWG)
TOPIC: Memorials at Gona and Buna

Senator Bishop asked:
(a) I have received a number of representations concerning the alleged refusal of the Government to assist with the maintenance of memorials on the battlefields of Gona and Buna–Sananada.

(b) Is this correct, and if so, what are the reasons?

Answer:
No. The Government arranged for restoration of the private memorials at Buna and Gona during September–October 2002. However, the Government does not accept responsibility for the on–going maintenance as they did not commission, design or build these memorials.

The memorials at Buna and Gona are two of a large number of private memorials throughout Papua New Guinea that have been erected by various veteran organisations and individuals. The responsibility for their ongoing maintenance remains with the organisations and individuals that erected them. The Government assists when resources permit.

The Government has honoured the service and sacrifice of Australians, Papua New Guineans and their allies in the Battle for Buna, Gona and Sananada with the Memorial at Popondetta. This Memorial, significantly upgraded in 2002, was originally constructed in the 1960s to bring together seven original memorial plaques from battle sites in the Beachheads campaign, including Buna and Gona, as the proper maintenance of multiple memorials proved to be impracticable.

Question 1

Output 6 (Corporate)
Topic: Annual Report
Hansard page 5

Senator Mark Bishop asked:
I refer you to page 7 of the annual report. Under the heading ‘Commission activity', could you provide the committee with a precis of each of the particular matters considered, and the outcome, in the dot points attached under the heading ‘Commission activity’ on page 7 of the Annual report.

Answer:
Please see attachment on the following pages.

MATTERS CONSIDERED	ISSUES	OUTCOME
Health and Medical Research Grants Program – 2003 Grants	Recommendations for health and medical research grants for 2003	The Commission endorsed the recommendations and grants subsequently approved by the Minister.
National Research Priorities	Review of Departmental research activities	The Commission endorsed undertaking of the proposed review.
Centre for Military and Veterans Health	Determination under paragraph 88A(1)(a) of the VEA	The Commission signed the Determination.
Tasmania – Public Hospital Arrangements – to June 2006	Tasmanian public hospital services arrangement for 1 July 2001 to 30 June 2006	The Commission endorsed the arrangement and the Agreement has been signed.
New South Wales – Public Hospital Arrangements	Negotiations with NSW Health and pricing for the period 2002/03	The Commission endorsed the new agreement including the new pricing schedule.
Victorian Tier 1 Private Hospital Agreements – Extension	Extension of the Victorian Private Hospital Veteran Partnering Agreements	The Commission agreed to extend the Agreement for a further 2 years and to the indexation offer proposed.
Review of purchasing of hospital services	Recommendations arising out of an independent review of the Commission's strategies for purchasing public and private hospital services	The Commission agreed on the action to progress the Report's recommendations.
Day Procedure Centres – National Strategy for Contracting	Implementation of the national framework for the purchase of Day Procedure Centre services	The Commission noted the report.
Community Nursing Program – Exceptional Case Unit	Performance of the Exceptional Case Unit and major directions for 2002/03 and advice on the long-term funding approval process for funding stable long-term exceptional	The Commission noted the report of performance of the Exceptional Case Unit since its inception in 2001 and agreed major directions for 2002/03.

	cases.	
Community Nursing Program – review of costs	Management of community nursing consumables and increase in the schedule of fees in 2002/03 and outyears	The Commission noted the revised schedule of fees and arrangements for consumables.
Repatriation Pharmaceutical Reference Committee – Policies and Procedures Manual	Policies and procedures manual for use by members of the Repatriation Pharmaceutical Reference Committee	The Commission endorsed the policies and procedures manual.
Repatriation Transport Scheme – Booked Car With Driver (BCWD) Service	Review of arrangements and critical issues arising out of tender process	The Commission endorsed the arrangements arising from the tender process.
British, Allied and Commonwealth (BCAL) veterans – travelling expenses	Reimbursement of travelling expenses and provision of transport to BCAL veterans	The Commission approved the cessation of the reimbursement of travelling expenses and provision of transport for new BCAL claimants.
Victorian Ambulance Service arrangements	2002/03 funding for ambulance services in Victoria	The Commission approved funding arrangements for ambulance services for veterans in Victoria for 2002/03.
Rehabilitation Appliances Program - tenders	Tender evaluations for certain product groups under the Rehabilitation Appliances Program	The Commission endorsed the draft RAP National Schedule and Guidelines which will facilitate greater administrative consistency across States.
Veterans Home Care – budget 2002/2003	Budget allocations under the Veterans Home Care Program for 2002/03 and budget management strategies	The Commission approved various budget management strategies including a proposal for an independent VHC price and contract review.
Allied veterans – recognition of Reconnaissance Units	Coverage of Provincial Reconnaissance Units under the VEA	The Commission agreed that Provisional Reconnaissance Units be recognised as auxiliaries of the regular forces of the Republic of Vietnam and covered by VEA.

Allied veterans – recognition of certain Korean partisans	Certain Korean partisans considered as allied veterans under the VEA	The Commission agreed that Koreans who have been issued with the “Certificate of War Veteran” be recognised by their government as regular forces and are therefore covered as allied veterans under the VEA.
Child Support Agency – access to veterans’ pensions	Access by Child Support Agency to VEA pensions	The Commission noted that the Child Support Agency is able to access any pensions paid under the *Veterans' Entitlements Act 1986* (VEA) after the funds have reached the payee’s bank account. The Commission also noted that disability pensions are not normally regarded as "income" by the CSA except where the Registrar has found that "special circumstances" exist which enables the Registrar to take into account the "financial resources of either parent" in calculating the amount of child support to be paid. As soon as any VEA moneys are paid into the bank account of the payee, the protection under section 125 VEA ends and the Registrar is able to access all funds in that account (irrespective of the source) to meet any child support liability.
Victoria Cross Allowance	Changes to the Victoria Cross Allowance and Decoration Allowance	The Commission agreed to the administrative changes to the allowances. These changes require legislative amendment to the VEA.
Restitution payments – victims of National	Exemption of restitution payments paid by	The Commission agreed to the detail of

Socialist persecution	countries other than Austria and Germany in respect of Nationalist Socialist persecution.	changes to the VEA to align it with the Social Security Act 1991 by extending the income test exemption to all restitution payments made to victims of National Socialist persecution and to put in place ex-gratia payments pending legislative amendments. This proposal to exempt payments was announced in the 2003/04 Budget.
Income Support Review Program - improvements	Strategies to improve the overall Departmental Income Support Review Program	The Commission noted the proposed approach to improve the operational efficiency and effectiveness of the review program. Consequently a Specific Review Program has been progressively implemented since June 2003. A 2003/04 Budget proposal to undertake compliance reviews is being implemented and is due to commence in April 2004.
Forms Review Project	Forms Review Project	The Commission approved the recommended changes to the forms.
Building Excellence in Support and Training (BEST) – evaluation of program	Building Excellence and Training (BEST) Grant Program evaluation report	The Commission endorsed the proposals in the report.
Vietnam Veterans' Mortality Study – Scientific Advisory Committee	Role and membership of Scientific Advisory Committee for the forthcoming Vietnam Veterans' Mortality Study	The Commission agreed to the proposed membership of the Committee and to the general arrangements and terms of reference.
Korean War veterans – proposed health study	General health survey of surviving Australian male veterans of the Korean War	The Commission agreed to support a submission to the Minister seeking approval to conduct the survey.

Special Air Services – members' health concerns	Options for examining health concerns of members of the Special Air Service	The Commission recommended that advice be sought from the Australian Defence Force and consultation take place with the Repatriation Medical Authority on an expert panel examining adverse health effects. Subsequently an Expert Committee has been appointed.
Crisis Assistance "Time Out" Project	Expansion of the Crisis Assistance "Time Out" Accommodation Project	The Commission agreed to expand the project.
Vietnam Veterans' Children Support Program (VVCSP) – long-term operation	Administration of the Vietnam Veterans' Children Support Program	The Commission noted that further Government approvals would need to be obtained to transfer responsibility from DHA to DVA
Veterans' Children Education Scheme – rent assistance	Alignment of rent assistance provisions for overseas VCES beneficiaries with the overseas Youth Allowance	The Commission agreed to the alignment.
Long Tan Bursary – change of term	Extension of funding arrangements of the Long Tan Bursary	The Commission agreed to allow Long Tan Bursary recipients the option of being funded over one or two years.

Question 22

Output 6 (Corporate)
TOPIC: Certificates of Appreciation

Senator Bishop asked:
(a) Can it be confirmed that the current certificates of appreciation are to be junked and reprinted as the result of the Minister's portfolio change?

If so:
(a) how many are to be junked,
(b) what was the unit cost of printing them,
(c) how many are to be reprinted,
(d) at what cost,
(e) when will they be ready?

Answer:
(a) and (b) The Department held approximately 15,000 Certificates of Appreciation at the time of the Minister's changed portfolio responsibilities. These have been consigned for paper recycling. Small stocks are provided to Federal Members and Senators and replenished on request. The quantity on hand in their offices is not known. The Department wrote to all Members and Senators on 22 October 2003 advising that existing stocks should be destroyed and that new stocks would be issued on receipt of requests from Members and Senators.

(c) 13,500.

(d) $3,520.

(e) The new certificates have been distributed to the electorate offices of Members and Senators as requests have been received from them, commencing on 5 November 2003.

Question 25

Output 6 (Corporate)
TOPIC: Ministerial correspondence

Senator Bishop asked:
(a) What is the average time for the DVA to complete ministerial correspondence, and what is the average delay in getting it signed by the Minister's office?

(b) What are the same figures for questions on notice?

(c) How many complaints from veterans and ex service organisations have been received in the last 12 months on these delays on correspondence?

(d) Can it be confirmed that these delays were the cause of the motion of no confidence being expressed by the SA branch of the RSL?

(e) What is the average weekly inflow of ministerial correspondence by Program, and what proportion is signed by the Minister as opposed to staff?

Answer:

(a) (i) The average time between the receipt of ministerial correspondence in the Department and providing a letter for consideration to the Minister's Office was 18.8 calendar days in the 2002–03 financial year.

(ii) The average time between receipt in the Minister's Office of a response provided by the Department to the dispatch of a signed letter was 5.3 calendar days in the 2002–03 financial year.

(b) (i) The average time between the receipt in DVA of a Question on Notice from the House of Representatives and providing a response to the Minister's Office for signature was 36.8 calendar days in the 2002–03 financial year.

(ii) The average time between the receipt in the Minister's Office of a Question on Notice from the House of Representatives and the Minister signing that response was 7.65 calendar days in the 2002–03 financial year.

(iii) The average time between the receipt in DVA of a Question on Notice from the Senate and providing a response to the Minister's Office for signature was 40.6 calendar days in the 2002–03 financial year.

(iv) The average time between the receipt in the Minister's Office of a Question on Notice from the Senate and the Minister signing that response was 8.1 calendar days in the 2002–03 financial year.

(c) The Department does not have a database that will provide information on the number of complaints relating to delays in responding to ministerial correspondence from veterans and ex–service organisations received in the last twelve months.

(d) No.

(e) (i) The Department does not allocate ministerial correspondence by program but to line areas. These line areas and the average weekly inflow of 02–03 ministerial correspondence to each include:

Compensation and Support – 71.9
Corporate (includes Commemorations) – 19.2
Health – 43.0
Office of Australian War Graves – 3.4
Australian War Memorial – 1.5

(ii) The Department does not have a database that would provide the proportion of ministerial correspondence signed by the Minister as opposed to that signed by her staff on her behalf.

Question 27

Output 6 (Corporate)
TOPIC: MAC Report

Senator Carr asked:

In light of the MAC report, the following questions are asked of each department:

1) What has been the department's response to the MAC report to date?
2) Which issues identified in the MAC report have been identified as priority areas for the department?
3) What family friendly or work–life balance initiatives:

(a) exist in the department;
(b) are available to staff through the certified agreement; or
(c) are contained in the certified agreement, but the granting of them in individual cases is discretionary on the part of the organisation.

4) What family friendly or work–life balance initiatives has the department introduced in, or since, the implementation of the department's most recent certified agreement?
5) With respect to certified agreement–based family friendly or work–life balance provisions:

(a) What number and proportion of departmental staff are making use of such provisions in areas including:

(i) purchased leave (also known as 48/52 schemes);
(ii) negotiated part-time work arrangements;
(iii) parental leave;
(iv) use of information, advice or counselling services made available by the department;
(v) departmental provision of facilities (such as family care facilities);
(vi) home based work.

Answer:

1. The Department was a participant in the MAC report. DVA has focused on providing tools for managers to assist them in their workforce planning as part of the business planning process. Workforce reports provided to managers for some time give an overview of staffing and any potential areas for more detailed consideration. DVA is also participating in a number of cross agency groups which are assessing aspects of workforce planning, including the interdepartmental committee on Information and Communication Technology in Flexible Workplaces.

2. DVA is aware that it has an older workforce, with an average age of over 44. The concerns raised in the MAC report around resignation at 54/11 to maximise returns under CSS, while requiring ongoing monitoring, have not created the succession management or knowledge management issues that might have been expected. This may be due to a range of factors, including the earning rate of zero of the CSS fund, and the changing lifestyle choices such as later in life families and second families requiring on–going employment. DVA will continue to monitor these aspects of workforce planning as part of its HR Strategic Priorities.

3. (a) DVA's family friendly and work–life balance arrangements are available through its three enterprise agreements. See (b) below.

(b) DVA has arrangements designed to assist staff to manage their family and life arrangements. These are:

- access to an Employee Assistance Program;
- access to information about child and dependent care;
- personal leave to care for a member of the immediate family or household who is ill;
- access to four weeks' additional purchased leave;
- Christmas shutdown;
- flexible working hours and access to flex time;
- access to home–based work;
- access to part–time work;
- access to job sharing arrangements; and,
- reimbursement for family care arrangements in exceptional circumstances.

(c) Arrangements for the first six items listed in 3 (b) above are not discretionary. There is some organisational discretion concerning items such as when purchased leave can be taken and access to home–based work, but these relate to meeting client needs and operational requirements. However, managers and staff are encouraged to be flexible in their application of each of these arrangements.

4. Purchased leave, the Christmas shutdown and reimbursement for family care arrangements in exceptional circumstances were introduced in the current Enterprise Agreements.

5. (a) (i) 58 staff (2.3%) currently have a purchased leave arrangement in place.

(ii) 193 staff (7.65%) currently have permanent part–time work arrangements in place.

(iii) Parental leave, other than maternity leave under the Maternity Leave Act (1973), is not available to DVA staff under the current certified agreements. It is included in the new Enterprise Agreements currently being considered by staff. Staff accessing maternity leave may access this at half pay. 39 staff (1.5 %) accessed maternity leave in 2002–03.

(iv) 243 people nationally made use of the employee assistance program. This includes staff and family members as needed.

(v) Each State and National Office has a family care room. These are accessed on an *ad hoc* basis to assist with emergency family care arrangements.

(vi) There are 5 staff (0.2%) who are presently approved to work from home.