**Question 1**

All programs

Topic: Post-election brief

Written question

# **Senator Fielding asked:**

1. Did the department prepare a post-election brief for a returned Labor Government (the so-called ‘Red Book’)?
2. Can the department provide the committee with a copy of this brief?
3. If not, can the department outline its reasons for refusing to provide a copy of this brief?
4. If the department will not provide a copy of this brief because it contains confidential or sensitive information, can the department provide a redacted copy of this brief as was done by the Treasury Department?
5. Has the Minister given any instructions to the department regarding the release of this brief and if so, what were these instructions?
6. Did the department prepare a post-election brief for a newly Coalition Government (the ‘Blue Book’)?
7. Can the department provide the committee with a copy of this brief?
8. If not, can the department outline its reasons for refusing to provide a copy of this brief?
9. If the department will not provide a copy of this brief because it contains confidential or sensitive information, can the department provide a redacted copy of this brief as was done by the Treasury Department?
10. Has the Minister given any instructions to the department regarding the release of this brief and if so, what were these instructions?

**Answer**

1. Yes
2. The Department recently provided a redacted copy under the *Freedom of Information Act 1982*. As the public interest immunities closely mirror the exemptions provided under the FOI legislation, a copy of the FOI redacted copy [of the Red Book] is enclosed.
3. Not applicable
4. Yes, a redacted copy [of the Red Book] is *attached.*
5. No.
6. A draft of the Blue Book existed at the time the result of the Federal Election was determined.
7. A redacted copy of the “blue book” is *attached.*
8. Not applicable
9. Yes, a redacted copy [of the Blue Book] is *attached*.
10. No

**Question 2**

All programs

Topic: Departmental staff and resources in the Minister’s Office

Hansard, 19 October 2010, p. 100

# **Senator Ronaldson asked:**

**Senator RONALDSON** — I want to get to the arrangements for the new minister. How many staff does the minister have?

**Mr Campbell** — Given that the minister has responsibilities covering three departments, I would have to take that on notice.

**Senator RONALDSON** — Can you please get me that information, including the number of staff that are directly supported by your department; how many DVA computers are there; how many DVA supplied mobile telephone handsets or BlackBerrys are there; how many DVA DLOs are in the Minister’s office; how many are in Minister Griffin’s office; how many DLOs from other departments are in the Minister’s office; and—I appreciate you are taking all this on notice—

**Mr Campbell** — We can answer some of those questions here, now.

**Mr Campbell** — I can tell you that DVA has one DLO and had one DLO in the former minister’s office. DVA has a graduate. On our graduate year, we put in three graduates there for several months each and we have been doing that for years. At the moment there is an officer from my department who is acting as an adviser in the Minister’s office, so in effect you can say that there are a DLO, a graduate and a person who is acting as an adviser.

**Senator RONALDSON** — Is that unusual?

**Mr Campbell** — There are provisions under the MoPS Act for departmental people to act as advisers—

**Senator RONALDSON** — How often does that happen in your department?

**Mr Campbell** — Not very often at all.

**Senator RONALDSON** — Has it ever happened before?

**Senator RONALDSON** — Perhaps just for the sake of completeness can you take on notice to provide prior examples and the length of time that you had someone in there as an adviser.

**Answer**

The Minister has been allocated 8 ministerial staff.

1. The Department provides the following staff and equipment. The Department of Defence also provides an aide-de-camp (ADC) that is shared with the Minister for Defence Materiel.

|  |  |
| --- | --- |
| Staff provided by DVA | 2 Advisers on loan at the time the question was asked (this became one Adviser on loan on  1 November 2010), 1 DLO and 1 Graduate |
| Computers provided by DVA | 20 Computers (Canberra and Darwin Offices) |
| Mobile Phones / Blackberrys provided by DVA | 6 Blackberrys |
| DLOs provided by DVA | 1 |
| DLOs provided by other Departments | 2. One from Department of Defence and one from the Department of Health and Ageing |
| Other staff provided by the Department of Defence | 1 aide-de-camp (ADC) (shared with the Minister for Defence Materiel). |

1. In relation to Departmental staff in the Minister’s Office, it is normal practice for portfolio departments to provide ministers with relief arrangements for personal employees of the Minister, where the period of an employee’s absence is less than 12 weeks.

The following tables summarise departmental staff provided to Minister Snowdon’s office, and to former Minister Griffin’s Office.

**Departmental staff provided to Minister Snowdon’s Office**

|  |  |
| --- | --- |
| **Position** | **Period of secondment at Office** |
| Acting Adviser | 22 September to 1 November 2010 |
| Acting Adviser | 21 September 2010 to present |
| Departmental Liaison Officer | Ongoing |
| Graduate | Ongoing (each graduate serves a placement of approximately 3 months) |

**Departmental Staff provided to Minister Griffin’s Office**

| **Position** | **Period of secondment at Office** |
| --- | --- |
| Acting Chief of Staff | 3 December 2007 to 15 February 2008 |
| Acting Media Adviser | 3 December 2007 to 28 February 2008 |
| Acting Office Manager | 3 December 2007 to 20 February 2008 |
| Acting Adviser | 11 January 2008 to 8 February 2008 |
| Administrative (to set up new procedures within the Offices | 6 December 2007 to 15 February 2008 |
| Ministerial Correspondence Processing | 19 February 2008 to 29 February 2008 |
| Acting Adviser | 16 June 2008 to 9 July 2008 |
| Acting Adviser | 21 August 2008 to 12 September 2008 |
| Acting Media Adviser | 25 August 2008 to 29 August 2008 |
| Acting Media Adviser | 5 September 2009 to 6 October 2009 |
| Acting Adviser | 14 October 2009 to 15 November 2009 |
| Acting Adviser | 14 October 2009 to 31 December 2009 |
| Acting Adviser | 14 October 2009 to 4 November 2009 |
| Acting Chief of Staff | 23 October 2009 to 1 December 2009 |
| Acting Media Adviser | 1 February 2010 to 16 April 2010 |
| Departmental Liaison Officer | Ongoing |
| Graduate | Ongoing (each graduate serves a placement of approximately 3 months) |

**Question 3**

All programs

Topic: Government election commitments (general)

Written question

# **Senator Ronaldson asked:**

1. Can the Department please provide a full break-down of the Government’s election commitments, including:

- Any deadline dates for delivery.

- Legislative requirements (i.e. delivered through regulation or legislation).

**Answer**

During the 2010 Federal Election, the Government made the following commitments.

***1. Pharmaceutical Reimbursement Scheme.***

The Government has committed to reimburse out-of-pocket costs for pharmaceuticals incurred from 1 January 2012 for veterans with qualifying service and in receipt of disability pension. The first payment is to occur in early 2013 for reimbursement of expenses for the 2012 calendar year. Reimbursement amounts are to be calculated automatically and paid annually. The cost of the initiative is estimated at $18.2 million over three years. (*Labor’s Plan for Veterans’ Affairs Election 2010*, pg 13 “Pharmaceutical Reimbursement Scheme”).

***Deadline –*** 1 January 2012 with first payment early 2013.

***Legislation –*** It will be necessary to amend the *Veterans’ Entitlements Act 1986* and the *Military Rehabilitation and Compensation Act 2004*.

***2. Washington Interpretive Centre – Vietnam Veterans Education Centre.***

The Government has committed to provide AUD$3.3 million towards the Vietnam Veterans’ Education Centre (VVEC) in Washington, DC.

***Deadline –*** Construction of the Centre is expected to commence in 2012 with the opening in 2014.

***Legislation –*** No legislative change is required.

***3. Respond to the Review into Military Compensation Arrangements.***

The Review is focused on the operation to date of the *Military Rehabilitation and Compensation Act 2004* (MRCA), which provides compensation coverage for military service after 1 July 2004. The review is also considering the interaction between the MRCA and previous veterans’ and military compensation legislation and any anomalies that exist.

***Deadline –*** The Committee is meeting regularly and is close to finalising its report. It is envisaged that the report will be provided to the Government either late this year or early next year.

***Legislation –*** No legislation is required to complete the Review. Legislative amendments may be required depending the Review’s recommendations and the Government’s response.

***4. Reviewing the Aged Care needs of Veterans.***

The Government has committed to working with the aged care sector on the Productivity Commission Inquiry into Caring for Older Australians, building on the reforms to take full policy and funding responsibility for aged care. The Productivity Commission advises that the draft report into Caring for Older Australians will be published and made available to the public for review on 21 January 2011 and the final report will be provided to the Government by the end of June 2011.

***Legislation –*** There are no legislative impacts at this time.

***5. Making Community Mental Health more ‘Ex-Service Friendly’.***

The Government committed to continuing a project commenced in 2009 by the Department of Veterans’ Affairs with the Australian Centre for Posttraumatic Mental Health which aims to ensure veterans have access to best practice mental health treatment. The project provides competency training to secondary mental health providers delivering services to veterans and defence personnel. The project continues to mid-2011.

***Deadline*** *–* Mid-2011

***Legislation –*** There are no legislative impacts at this time.

***6. Improving the Transition Management Process.***

The Government has committed to improving the transition from the Australian Defence Force (ADF) to civilian life by ensuring the five recommendations relating to transition in the Independent Study into Suicide in the Ex-Service Community (Suicide Study) undertaken by Professor Dunt are fully implemented. DVA and the ADF are jointly actioning these five recommendations. Two of these recommendations relating to the provision of a seamless transition service (5.1 and 5.2) have been finalised. The Suicide Study was a 2007 election commitment.

***Legislation –* The MRCA provides a legislative basis for the provision of transition services to discharging members of the ADF. The Review is looking at whether improvements can be made to the legislation to provide for a more seamless transition between Defence and DVA and identifying any gaps in the system.**

***7. Review of DVA-funded ESO Advocacy and Welfare Services***

The Government has committed to make sure the review delivers effective, innovative and appropriate reforms to build on the excellent work ESOs currently do, and will seek to do, into the future. It is anticipated that the Government will receive the final report in the week ending 17 December 2010.

***Legislation –*** There are no legislative impacts at this time.

**Question 4**

All programs

Topic: Government election commitments (general)

Hansard, 19 October 2010, p. 102

# **Senator Ronaldson asked:**

**Senator RONALDSON** — It is a very confusing press release. Whichever way you look at it, whether the $246.4 million was the amount in the budget or this is a post-election, if you like, overview of what had been spent and it was $246.4 million minus the $152.7 million in the budget, it is actually quite confusing. We can go around and around in circles here, but can you take that on notice, please? I am sorry, Mr Douglas; I did interrupt you about what the deadlines for delivery of election commitments are and how they are going to be implemented.

**Answer**

The 2010-11 Budget provided an additional $246.4 million worth of expenditure for veterans’ entitlements, including measures relating to the Clarke review ($38.7 million), compensation and health care package for former F-111 maintenance workers ($55.0 million) and the Preventable Admissions package ($152.7 million).

The expenditure relating to the Preventable Admissions package will produce savings in the order of $245.4 million over the forward estimates through reduced hospital admissions.

**Questions 5, 6 and 7**

**Question 5**

Outcome 1, program 1.2

Topic: Veterans’ income support and allowances—pension rate disparity

Hansard, 19 October 2010, pp. 97-98

# **Senator RONALDSON asked:**

**Senator RONALDSON** — I want to take you to question 39, again from Senator Kroger. This was in relation to the Harmer review and the question about passing on the $30 per week increase to the single service pension—DVA disability pensions—and the cost of that.

**Senator RONALDSON** — I think this calculates it out at $587.3 million over four years. It was arrived at by applying an increase of 11.4 per cent to all rates of DVA disability pensions. I believe I am quoting that answer correctly.

**Mr Campbell** — Yes.

**Senator RONALDSON** — I have a preliminary question. Given that you have kindly indicated that you updated a number of these questions, I am just wondering why that was not updated to include the September indexation? Also, I understand that there are updated pensioner statistics on your website up to June 2010, so I am just wondering why the benchmark was retained at March 2010, given both those events.

**Mr Campbell** — The reason this one was not updated was that this has been an issue that has been the subject of some discussion with the veteran community. I wanted to be consistent with the $587.3 million. If the committee would like an update to reflect current numbers and current index rates from September, we would be happy to take that on notice and provide it.

**Question 6**

Outcome 1, Program 1.2

Topic: Veterans’ income support and allowances—pension rate disparity

Hansard, 19 October 2010, p. 98

# **Senator RONALDSON asked:**

**Senator RONALDSON** — Just so I am absolutely clear on the cost for the 2013-14 year, I understand from the table that it is simply found by multiplying the projected number of disabled pensioners in that year by the 11.4 per cent increase based on that March 2010 pension rate. Again, if I am wrong, please correct me, as I am sure you will. Is that $121.90 multiplied by 26, which of course are the fortnights in a year, multiplied by 29,546, which is the projected number of TPI pensioners in 2013-14—totalling $93,642,624?

**Mr Campbell** — Yes.

**Senator RONALDSON** — Just to clarify, the 2010 and 2011 year is lower to take account of there not being 26 payments in that year; is that the explanation for that?

**Mr Telford** — I am not sure. It would make sense.

**Senator RONALDSON** — There must be an explanation for it, because it is less there. You can take that on notice.

**Question 7**

Outcome 1, Program 1.2

Topic: Veterans’ income support and allowances—pension rate disparity

Hansard, 19 October 2010, p. 98

# **Senator Ronaldson asked:**

**Senator RONALDSON** — Obviously increasing the base rate increases the overall cost of the disability pension, but on these figures I do not think you have taken into consideration the compounding cost of biannual indexation increases, have you? I think you have your 11.4 per cent factored in, but I do not think there is a compounding factor in there, is there?

**Mr Telford** — As I understand it, these are base on 2010-11 dollars.

**Senator RONALDSON** —That is really quiet misleading, because you have really only got half of the equation. If you put the 11.4 per cent in and put it into the out years and if you have not got the compounded six-monthly indexation in there, it is a totally unrealistic figure, isn’t it?

**Mr Telford** — As is sometimes the way these figures are done, it is based on 2010-11 figures. It takes into account that it compounds inasmuch as they continue to receive that amount of money over that period of time. There is that compounding factor, if you get what I mean.

**Senator RONALDSON** — I do not think that you can use the 11.4 per cent on the back of the 2010-11 figure and not have the compounding biannual indexation in there as well.

**Mr Telford** — I am agreeing with you. There are two elements. We certainly did not put the indexation in, because if we expressed it in the 2010-11 figures—taking into account the caveats you are pointing to—that is correct; we do not necessary know what the figure is going to be for indexation in the years going forward, anyway.

**Senator RONALDSON** — Is that entirely accurate, that you cannot put an indexation figure in there or an assumed indexation figure? The debate has been about the cost of potentially a policy of doing X. This is what the debate has been about and that is why it has been done in an out year context, but having it over four years. That is ostensibly what governments and oppositions are using as the basis for funding and policy decisions. You cannot have the 11.4 per cent without having at least a notional biannual indexation included in those figures as well. Can you go back and do that and then come back to me?

**Combined answer**

1. The response provided to the Senate on 8 October was based on March 2010 rates and populations (the most up to date available data at the time the response was written) but did not take account of future indexation.

The revised costing is $653.5 million over the forward estimates. The revised costing is based on the original costing format but uses the most up-to-date payment rates (as at September 2010) and populations and includes projected future indexation.

A summary of this costing is provided at the *attachment* below.

The new costing has been prepared based on September 2010 pension rates. The projected population has been updated based on the populations and trends as at September 2010 (available at www.electioncostings.com.au).

1. The assumption that the costing utilises an approach multiplying the population by the increase by the number of fortnights is correct.
2. The costing is less in the first year because the initiative uses a notional commencement date of 20 September so there are only 20 fortnights in the first year.

**Increase DP by**

11.4%

**Revised costing**

**Fortnights**

0

20

26

26

26

**Populations**

**Current Rate**

**Increase**

**2009/10**

**2010/11**

**2011/12**

**2012/13**

**2013/14**

**2009/10**

**2010/11**

**2011/12**

**2012/13**

**2013/14**

**TOTAL**

**010**

38.83

$

4.43

$

8694

8221

7782

7375

7001

-

$

742,381

$

950,468

$

937,149

$

925,565

$

3,555,563

$

**015**

58.25

$

6.64

$

188

178

169

160

152

-

$

24,113

$

30,964

$

30,500

$

30,145

$

115,722

$

**020**

77.66

$

8.85

$

8136

7694

7283

6902

6552

-

$

1,389,583

$

1,779,043

$

1,754,088

$

1,732,410

$

6,655,124

$

**025**

97.08

$

11.07

$

106

100

95

90

85

-

$

22,577

$

29,009

$

28,592

$

28,095

$

108,273

$

**030**

116.49

$

13.28

$

9864

9327

8829

8367

7942

-

$

2,526,770

$

3,235,034

$

3,189,609

$

3,149,908

$

12,101,321

$

**035**

135.91

$

15.49

$

20

19

18

17

16

-

$

6,005

$

7,695

$

7,561

$

7,404

$

28,665

$

**040**

155.32

$

17.71

$

9747

9217

8725

8268

7849

-

$

3,329,293

$

4,262,570

$

4,202,492

$

4,150,698

$

15,945,053

$

**045**

174.74

$

19.92

$

5

5

4

4

4

-

$

2,032

$

2,199

$

2,287

$

2,380

$

8,897

$

**050**

194.15

$

22.13

$

7312

6914

6545

6203

5888

-

$

3,121,776

$

3,996,923

$

3,941,107

$

3,892,105

$

14,951,912

$

**055**

213.57

$

24.35

$

7

7

6

6

6

-

$

3,477

$

4,031

$

4,193

$

4,363

$

16,064

$

**060**

232.98

$

26.56

$

6836

6464

6120

5799

5505

-

$

3,502,313

$

4,484,859

$

4,421,308

$

4,366,720

$

16,775,201

$

**065**

252.40

$

28.77

$

4

4

4

3

3

-

$

2,348

$

3,176

$

2,478

$

2,578

$

10,580

$

**070**

271.81

$

30.99

$

4568

4320

4089

3875

3679

-

$

2,730,764

$

3,495,918

$

3,446,801

$

3,404,667

$

13,078,150

$

**075**

291.23

$

33.20

$

12

11

11

10

10

-

$

7,450

$

10,076

$

9,530

$

9,916

$

36,973

$

**080**

310.64

$

35.41

$

5611

5305

5022

4759

4518

-

$

3,832,461

$

4,906,963

$

4,837,847

$

4,778,406

$

18,355,677

$

**085**

330.06

$

37.63

$

3

3

3

3

2

-

$

2,303

$

3,115

$

3,240

$

2,248

$

10,905

$

**090**

349.47

$

39.84

$

5335

5045

4776

4526

4296

-

$

4,100,210

$

5,249,923

$

5,176,110

$

5,111,561

$

19,637,804

$

**095**

368.89

$

42.05

$

0

0

0

0

0

-

$

-

$

-

$

-

$

-

$

-

$

**100**

388.30

$

44.27

$

16,734

15,614

14,514

13,459

12,486

-

$

14,099,676

$

17,726,482

$

17,102,767

$

16,506,704

$

65,435,629

$

**EDA**

603.30

$

68.78

$

11726

10842

9873

8882

7909

-

$

15,211,612

$

18,735,454

$

17,535,487

$

16,245,388

$

67,727,941

$

741.60

$

84.54

$

824

824

825

823

819

-

$

1,420,593

$

1,924,156

$

1,998,398

$

2,068,258

$

7,411,405

$

1,092.90

$

124.59

$

29517

29524

29566

29515

29360

-

$

75,039,118

$

101,638,520

$

105,560,199

$

109,250,372

$

391,488,209

$

**TOTAL**

125249

119637

114259

109046

104082

-

$

131,116,855

$

172,476,576

$

174,191,746

$

175,669,890

$

653,455,068

$

**Current rates as at 20 September 2010.**

**Assumed indexation**

4%

Reflects average annual increase in MTAWE combining the impact of the September and March indexation increase each financial year.

The indexation effects are compounded each year over the life of the costing.

**Commencement date**

20/09/2010

This costing shows the net whole of government impact of the proposal. FaHCSIA and DEEWR income support payments would reduce under this proposal. There would also be a corresponding increase

to DFISA payments under the proposal. The net impact of the FaHCSIA, DEEWR and DFISA impacts would be nil. The total net cost of the proposal is therefore approximately $653.5 million.

**11.4% is equal to the one-off increase of $65.00 for the single rate of pension (including supplements) divided by the old rate of pension (including supplements).**

**Attachment A**

**General**

**Rate**

**Cost**

**Special Rate**

**Inter-mediate**

**Question 8**

Outcome 1, program 1.6

Topic: Review of military compensation arrangements

Hansard, 19 October 2010, p. 113

# **Senator Ronaldson asked:**

**Senator RONALDSON** — Can you take on notice how many meetings PMAC has attended?

**Mr Bayles** — Yes, I can answer that.

**Senator RONALDSON** — Can you take on notice how many briefings the four ESO representatives have had in relation to this inquiry?

**Answer**

1. From the fourth meeting of the Steering Committee on 14 September 2009, two members of the Prime Ministerial Advisory Council on Ex‑service Matters (PMAC) have been invited to attend meetings of the Steering Committee. Except for the meeting of 9 June 2010 when only one PMAC member was able to attend, two members of PMAC have been present at all subsequent meetings, but not always the same two PMAC members.
2. Three of the four representatives nominated by the ESO Round Table were briefed on the Review by the Secretary of the Department of Veterans’ Affairs or staff of the Review’s Secretariat in October 2009. The other representative was not able to attend those briefings. The representatives met with the Steering Committee to present their views on a range of issues on five occasions, on 4 November 2009, 30 November 2009, 19 February 2010,

23 March 2010 and 5 May 2010.

**Question 9**

Outcome 1, program 1.6

Topic: Review of military compensation arrangements

Hansard, 19 October 2010, p. 114

# **Senator Ronaldson asked:**

**Senator RONALDSON** — No, I am heading down there but I wanted to get some other things done before we got to that. How many meetings of the steering committee have there been, Mr Bayles?

**Mr Bayles** — To date, 30.

**Senator RONALDSON** — Mr Campbell, how many of those have you attended?

**Mr Campbell** — I would have to take that on notice. I do not know, but I certainly have not attended them all.

**Senator RONALDSON** — Would it be a third, a half or two-thirds?

**Mr Campbell** — At least a half.

**Senator RONALDSON** — I am sure someone can find that out for me pretty quickly tonight, can they?

**Mr Campbell** — I suspect so, yes.

**Senator RONALDSON** — Get back to me tonight on that.

**Mr Campbell** — We will see what we can do.

**Senator RONALDSON** — Thank you. Mr Bayles, can you please provide me with an attendance register for each of these meetings, including the date, location of the meeting and those who attended? I do not expect that tonight.

**Mr Bayles** — Do you mean of the steering committee or of the public meetings?

**Senator RONALDSON** — No, the steering committee.

**Senator RONALDSON** — Mr Bayles, those nine locations—and I am now getting back to the public hearings—they were mainly the capitals but you went to Townsville, which was the only one that was outside the majors. How would you judge the success of those meetings?

**Mr Bayles** — That is a difficult question. The meetings were to provide people an opportunity to come and speak to the committee and the secretariat and have their input to the review.

**Senator RONALDSON** — Did you keep numbers? Sorry to interrupt.

**Mr Bayles** — We did have numbers. We did attempt to count the numbers at public meetings and I would have those numbers.

**Answer**

a) Of the 33 meetings held to date, Mr Campbell has attended 24. At those meetings he did not attend DVA was represented by Mr Shane Carmody or Mr Neil Bayles.

b) Table 1 shows the attendance of formal members at meetings of the Steering Committee. Members represented the following agencies:

Mr Campbell, Department of Veterans’ Affairs

Ms Michelle Baxter, Department of Education, Employment and Workplace Relations

Major General Craig Orme AM, CSC, Department of Defence

Ms Joan Ross/Ms Jenny Chynoweth, Department of Finance and Deregulation

Mr Paul McBride/Ms Peta Furnell, Treasury

Mr Peter Sutherland, a visiting fellow at the ANU College of Law and an expert in military compensation law, is also a member.

Where a formal member of the Committee was unable to attend a meeting, the agency was usually represented by another member of its staff. There were only five separate occasions when an agency was not represented at a meeting; on each of these occasions it was only one agency that was not represented.

c) Table 2 shows the count of the number of people who attended public meetings held by the Review.

**Table 1: Steering Committee meetings attendance**

| **Meeting sate** | **Members attended** | **Members not present** |
| --- | --- | --- |
| Monday  29 June 2009 | Mr Campbell  Ms Baxter  Major General Orme  Mr Sutherland | Ms Ross (represented)  Ms Furnell |
| Tuesday  14 July 2009 | Mr Campbell  Ms Furnell  Major General Orme  Mr Sutherland | Ms Ross (represented)  Ms Baxter (represented) |
| Thursday  13 August 2009 | Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented)  Ms Furnell (represented)  Ms Ross (represented) |
| Monday  14 September 2009 | Mr Campbell  Major General Orme  Mr Sutherland | Ms Furnell (represented)  Ms Baxter (represented)  Ms Ross (represented) |
| Tuesday  13 October 2009 | Mr Campbell  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented)  Ms Ross (represented) |
| Tuesday  20 October 2009 | Mr Campbell  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented)  Ms Ross (represented) |
| Wednesday  4 November 2009 | Mr Campbell  Ms Ross  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented) |
| Thursday  12 November 2009 | Mr Campbell  Mr McBride  Ms Ross  Ms Baxter  Major General Orme  Mr Sutherland | Nil |
| Monday  30 November 2009 | Mr Campbell  Mr McBride  Ms Ross  Ms Baxter  Major General Orme  Mr Sutherland | Nil |
| Thursday  17 December 2009 | Mr Campbell  Mr McBride  Ms Chynoweth  Major General Orme  Mr Sutherland | Ms Baxter |
| Friday  15 January 2010 | Mr Campbell  Ms Furnell  Ms Baxter  Major General Orme  Mr Sutherland | Ms Chynoweth (represented) |
| Friday  12 February 2010 | Mr Campbell  Ms Furnell  Ms Chynoweth  Major General Orme  Mr Sutherland | Ms Baxter (represented) |
| Friday  19 February 2010 | Mr Campbell  Ms Furnell  Ms Chynoweth  Mr Sutherland | Ms Baxter (represented)  Major General Orme (represented) |
| Tuesday  9 March 2010 | Mr Campbell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented) |
| Tuesday  23 March 2010 | Mr Campbell  Mr Sutherland | Ms Furnell (represented)  Ms Chynoweth  Ms Baxter (represented)  Major General Orme (represented) |
| Monday  29 March 2010 | Mr Campbell  Ms Chynoweth  Major General Orme  Mr Sutherland | Ms Furnell (represented)  Ms Baxter (represented) |
| Wednesday  14 April 2010 | Mr Campbell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented) |
| Tuesday  27 April 2010 (Teleconference - Adelaide Airport) | Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented)  Ms Furnell (represented) |
| Wednesday  5 May 2010 | Mr Campbell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented) |
| Wednesday  9 June 2010 | Mr Campbell  Ms Furnell  Ms Baxter  Major General Orme  Mr Sutherland | Ms Chynoweth (represented) |
| Monday  21 June 2010 | Mr Campbell  Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Nil |
| Monday  5 July 2010 | Mr Campbell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Ms Furnell (represented) |
| Thursday  15 July 2010 | Mr Campbell  Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Nil |
| Wednesday  28 July 2010 | Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented) |
| Monday  9 August 2010 | Ms Furnell  Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented)  Ms Chynoweth (represented) |
| Friday  13 August 2010 | Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented) |
| Thursday  26 August 2010 | Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented) |
| Thursday  9 September 2010 | Ms Furnell  Ms Baxter  Major General Orme  Mr Sutherland | Mr Campbell (represented)  Ms Chynoweth (represented) |
| Monday  20 September 2010 | Ms Baxter  Mr Sutherland | Mr Campbell (represented)  Ms Furnell (represented)  Ms Chynoweth (represented)  Major General Orme |
| Monday  11 October 2010 | Mr Sutherland | Mr Campbell (represented)  Ms Furnell (represented)  Ms Baxter (represented)  Ms Chynoweth (represented)  Major General Orme (represented) |
| Friday  22 October 2010 | Mr Campbell  Ms Chynoweth  Mr Sutherland | Ms Furnell  Ms Baxter (represented)  Major General Orme (represented) |
| Wednesday  27 October 2010 | Mr Campbell  Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Nil |
| Wednesday  1 December 2010 | Mr Campbell  Ms Furnell  Ms Chynoweth  Ms Baxter  Major General Orme  Mr Sutherland | Nil |

**Table 2: Public meetings held by the review**

|  |  |
| --- | --- |
| **City** | **Number of public attendees** |
| Sydney | 14 |
| Brisbane | 20 |
| Townsville | 7 |
| Perth | 5 |
| Darwin | 16 |
| Canberra | 9 |
| Hobart | 21 |
| Melbourne | 23 |
| Adelaide | 22 |

**Question 10**

Outcome 1, program 1.6

Topic: Military Rehabilitation and Compensation Commission Guide to Determining  
Impairment and Compensation

Hansard, 19 October 2010, p. 117

# **Senator Ronaldson asked:**

**Senator RONALDSON** — I will get to that. You can tell me whether this has been raised and whether it will be addressed in this review. Former Minister Vaile said—I will quote this from Hansard because it is quite important: *A member who suffers an injury or illness after that date will be able to combine prior impairments from SRCA and the VEA with the new arrangements ‘to get the best possible outcome’*. My understanding is that the act provides that the Military Rehabilitation and Compensation Commission can prepare a guide which contains one or more methods of determining the amount of PI compensation to which a person is entitled when a new claim arises. The act gives the commission the option of creating more than one guide to handle these situations. Is that right?

**Mr Bayles** — I believe so.

**Senator RONALDSON** — Why is there only one guide in place? I am sorry; I have misled you. That is what Cunningham was about. There is only one guide. Under the guide they can prepare a guide which contains one or more methods of determining the PI. What has happened is that the commission has only prescribed one method, whereas the act enabled them to have one or more methods of determining PI, which seems to be the issue. Is that being looked at by the review committee to determine why the commission, having been authorised by the act to prepare a guide which contains one or more methods of determining PI, has made the decision that there will only be one method which has led to the offsetting issue that we have at the moment?

**Mr Bayles** — The issue the review has been considering, because it has been raised in submissions with the committee, is the question of the methodology itself. The methodology has been produced by the MRCC. That is the issue that is being considered by the steering committee to the MRCA review: the methodology, itself, and the results that it produces in particular cases.

**Senator RONALDSON** — Do you know why the commission chose to have only one method under the guide to determine PI when they were given the option to have one or more methods?

**Mr Bayles** — I cannot answer that question.

**Senator RONALDSON** — Can you take that on notice for me?

**Answer**

In 2004, the Military Rehabilitation and Compensation Commission (MRCC) determined one method under s. 13 of the *Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Act 2004* because it considered that method was appropriate at the time.

However, the MRCC determined four variations of the method as follows:

* bringing across impairment points from an unrelated injury or disease accepted under the *Veterans’ Entitlements Act 1986* (VEA);
* bringing across impairment points from a VEA injury or disease that is aggravated;
* bringing across impairment points from an unrelated injury or disease accepted under the *Safety, Rehabilitation and Compensation Act 1988* (SRCA); and
* bringing across impairment points from a SRCA injury or disease that is aggravated.

These variations are set out in Chapter 25 of the *Guide to Determining Impairment and Compensation*, known as GARP M, a modified version of the *Guide to the Assessment of Rates of Veterans’ Pensions* (GARP) Fifth Edition.

There are variations required to convert amounts paid under the VEA and the SRCA into weekly equivalents that can be offset against amounts calculated under the MRCA.

Permanent impairment compensation under the *Military Rehabilitation and Compensation Act 2004* (MRCA) is calculated as a weekly payment, whereas compensation under the VEA is paid as a fortnightly disability pension and permanent impairment compensation under the SRCA is paid as a lump sum.

**Questions 11 and 13**

**Question 11**

Outcome 1, program 1.3

Topic: Defence Community Organisation and DVA

Hansard, 19 October 2010, p. 123

# **Senator Ronaldson asked:**

**Senator RONALDSON** — I will submit a formal question before the time we have got to do so. I was going to ask you some questions about the assistance being given to the widows and dependants of soldiers who have been killed in action in Afghanistan. Has there been a single contact point or contact person who manages these widows and dependants that is separate to the normal way?

**Mr Campbell** — Not one for the number we unfortunately have. The process is quite a detailed one. DCO is the organisation that first contacts the family, including the widow. At the point in time when the family are ready to talk to us we go and speak to them at a place of their choosing, usually their home. So we have a single point of contact for the widow and the family, and we have a single point of contact for Defence to contact us.

**Senator RONALDSON** — This answer is quite involved, and I am mindful of other questions.

**Mr Campbell** — I am assuring you that we do.

**Senator RONALDSON** — Perhaps you could just take it on notice and give the community a bit of an overview?

**Mr Campbell** — We can give you listing of how the DCO and we interact, and then how we interact with families. But I can assure the committee that we do have a single point for each of the families to contact.

**Question 13**

Outcome 1, program 1.3

Topic: Assistance to widows and dependants

Written question

# **Senator Ronaldson asked:**

1. What assistance is being given to the widows and dependents of soldiers who have been killed in action in Afghanistan?
2. Has the Department identified a single contact-point or contact-person for recent war-widows and their dependants to contact in time of need?

**Answer**

1. The *Military Rehabilitation and Compensation Act 2004* (MRCA) provides for a comprehensive range of compensation and benefits including an additional death benefit, to be paid to the dependent partners of ADF personnel who are killed while on deployment.

As well as a choice of lump sum or periodic compensation payments, and an additional age-based lump sum for wholly dependant partners, it includes further payments for dependent children and Gold Card health treatment benefits.

This compensation is in addition to comprehensive military superannuation benefits provided by ComSuper, family benefits provided by Centrelink and income support payments that the partner of a member may receive, and bereavement payments and housing assistance provided by the Department of Defence. Military superannuation payments for the death of a member do not affect the compensation payable to dependants.

Families are also offered continuing advice and assistance by the ADF, the VVCS—Veterans and Veterans Families Counselling Service (VVCS) (up to five sessions per person) and by staff in the Department who deal with claims for compensation.

Eligibility exists for an official commemoration for ADF personnel killed on deployment and DVA offers options for commemoration to the family prior to decisions regarding cremation/ interment.

Benefits payable under the MRCA to eligible dependants may include:

For widowed partners:

* there is a choice of a periodic payment equivalent to war widow’s pension (currently $362.55 per week) which includes MRCA supplements. An additional MRCA Supplement of $3 per week will be paid separately unless an equivalent supplement is already being received as part of an Income Support payment;

**or**

* its lifetime equivalent in a lump sum based on age at date of member’s death (currently a maximum of $610,497.95), plus a MRCA supplement. The MRCA supplement will be paid at the rate of $6 per week if the lump sum was received prior to 20 September 2009, or at a rate of $3 per week if the lump sum is paid after 20 September 2009 (unless already receiving a supplement as part of an Income Support payment);

**plus**

* an age-based additional lump sum payment to the wholly dependant partner for death related to service (currently a maximum of $125,319.80);
* up to $1,503.83 for financial advice regarding compensation monies;
* Gold Card treatment benefits for life;
* reimbursement of travel and accommodation costs relating to treatment;
* funeral expenses compensation of up to $10,138.75 unless the death is during service, in which case the funeral is usually paid for by Defence;
* bereavement payments of the member’s weekly permanent impairment and incapacity payments/Special Rate Disability Pension (SRDP) for 12 weeks.

For dependent children:

* lump sum of $75,191.88 each if wholly or partly dependent;
* periodic payment of up to $82.71 per week if wholly or mainly dependent; plus
* Gold Card treatment benefits for each child who is wholly or mainly dependent until they have ceased full-time education (or at 25 years of age);
* MRCA Supplement of $3 per week;
* education assistance under the MRCA Education and Training Scheme (MRCAETS) until they turn 16 and, if they continue in education after that age, until they turn 25 or finish their education (whichever occurs first). Education benefits range from an annual payment of $227.10 for primary school students to a fortnightly rate of up to $377.00, depending on living arrangement for secondary and tertiary students.
* Student Start-up Scholarship payable to students in receipt of MRCAETS and studying an approved scholarship course (university & equivalent). $1,300 for 2010 and $2,128 from 1 January 2011;
* Relocation scholarship payable to students in receipt of MRCAETS and studying an approved scholarship course (university & equivalent) who have to live away from home to study. $4,000 for the initial year away from home and $1,000 in subsequent years.

For dependants who are not partners or dependent children:

* a lump sum of up to $75,191.88 each if wholly or partly dependent (not exceeding a maximum total of $238,107.62 paid to all other dependants).

Benefits are also provided by Defence, ComSuper and Centrelink. The benefits available will depend on the family circumstances and the choices made by the widow/er.

Defence: last pay plus an additional four pays, housing subsidy (up to 6 months). In addition Defence will arrange and pay for the funeral.

ComSuper: pension and/or lump sum.

Centrelink: Family Tax Benefits, where applicable for children. Eligibility may have altered because of changes in income.

1. Yes, single points of contact are established for all high profile cases which includes deaths of members in Afghanistan. Such cases are given the highest priority.

Immediate notification of a death is made to the Department’s single point of contact (a senior officer) by the Department of Defence (Defence Community Organisation—DCO). his is effected under the High Profile Case Management Protocol which is an agreement between the Department of Defence, the Department of Veterans’ Affairs, Centrelink and ComSuper for handling high profile ADF member entitlement matters. It is applied primarily in cases of overseas deaths or serious injury in service.

State DVA Deputy Commissioners act as a direct point of contact to support the widow/er’s needs and provide ongoing support.

Case officers are appointed by DCO, DVA and Centrelink, the three most important first response agencies in the case of a death, and information is shared between agencies. DVA then waits for DCO to advise that the family is ready to discuss a claim, which may be several weeks after the death occurs.

DVA always offers to attend the family’s home and advises the family representative or advocate what documents should be made available and what the claim process would entail. Home visits are undertaken by both the relevant Deputy Commissioner and a technical expert.

Significant work is undertaken in advance of the first home visit and known information is documented and information gaps and likely claims identified. The preparatory work assists to minimise the additional stress experienced by families as a result of the claims process and makes the claims process as fast as possible.

Home visits take about two hours and the claim is determined within one or two days. Payments are made immediately after a claim is determined. Urgent priority is given to all high profile cases.

**Question 12**

Outcome 1, program 1.2

Topic: F-111 deseal/reseal ex-gratia payments

Hansard, 19 October 2010, p. 124

**Senator TROOD** — I see. In the same press statement the former minister referred to the ex gratia payments to people in relation to health needs, and he noted:

*This scheme has not been extended or expanded, but surviving partners or estates of those who died before September 2001 and did not receive an ex-gratia payment may now be eligible for one*...

My question Mr Bayles is this: since that announcement have there been applications from surviving spouses, partners or estates that you have received?

**Mr Bayles** — Yes, senator. There have been three applications received but we have also looked at a further 28 cases we were aware of. Our records indicated that personnel on our database had died before the cut-off date of 8 September 2001. Of the three cases that we have received plus the 28 that we have looked at there is one that is still undecided, so there have been 30 decided. Out of those 30 decided we found that 16 had no entitlement to a tier classification.

In other words, the personnel or the worker who died was not able to be classified as a tier 1, 2 or 3. We found that 13 of them were tier 3, which does not attract an ex gratia payment. Ex gratia payments are only there for tier 1 and tier 2. We found one individual who was tier 1 and we have been able to make an ex gratia payment to the estate.

**Senator TROOD** — I see. Were all of the three new applications found to be sound applications or were they among those who were not tier entitled?

**Mr Bayles** — I will just check. I think I have that information. Of the three new applications we received, one of them is still undetermined; we are still investigating. Of the other two, the personnel who served were classified as tier 3 so they were not eligible for an ex gratia payment but the individual would have been potentially entitled to compensation under the Safety Rehabilitation and Compensation Act for a condition they had claimed.

**Senator TROOD** — Have the people been advised of the results for all of those cases settled?

**Mr Bayles** — Yes, I believe so. I will check but I think that would have happened.

**Answer**

The Department has received three new applications from surviving spouses, partners or deceased estates. One claim is pending and the other two have been classified as Tier 3. The two deceased estates determined as Tier 3 have been notified. As a result of the Tier determination, both estates have received a death benefit from the Department under the *Safety, Rehabilitation and Compensation Act 1988* (SRCA).

The Department has also instigated a review of 28 previously determined deceased estate claims, following the removal of the 8 September 2001 date. The review has determined that one claim would have been Tier 1, 11 would have been Tier 3 and 16 would have no entitlement. The estate classified as Tier 1 has been notified. One Tier 3 estate and the seven estates with no entitlement were unable to be contacted because the Department was not able to either identify the executor of the estate or establish contact with the known executor.

**Question 14**

Outcome 1, program 1.2

Topic: F-111 deseal/reseal programme

Written question

# **Senator Ronaldson asked:**

With regards to the F-111 Deseal/Reseal programme:

1. Does Recommendation 8 of the Report recommend that only the *Safety, Rehabilitation and Compensation Act 1988* or the *Veterans’ Entitlements Act 1986* be used in the assessment of claims? Yes or no?
2. Did the Government accept this recommendation and to what extent does this recommendation not apply?
3. How is a medical ‘date of permanency’ determined?

**Answer**

a) and b)

Recommendation 8 refers specifically to the application of the provisions of ss 7(2) of the *Safety, Rehabilitation and Compensation Act 1988* (SRCA) to the widened eligible group referred to in Recommendations 1, 3 and 5. However, the Government chose not to accept Recommendations 3 and 5. The reference to the *Veterans’ Entitlements Act 1986* is superfluous.

Recommendation 8 was accepted by the Government with modification.

Firstly, recommendation 8 was accepted to the extent that it applies to the widened eligible group as defined in the Government’s response to Recommendation 1. Secondly, the modification limits the provision of compensation (and health care) for the newly-defined group of eligible persons, to the provisions of ss 7(2) of SRCA, following the acceptance of initial liability for any of the 31 conditions identified by SHOAMP that are associated with the deseal/reseal process. This also includes the equivalent provision, section 31, of the *Compensation (Commonwealth Government Employees) Act 1971.*

The Government did not take up the proposition in the supporting statements contained in 7.33 or 7.34 of the Parliamentary Inquiry report where it states that it was not until the findings of the BOI in 2001 that many of the illnesses and health problems of F-111 workers were diagnosed and recognised. The report canvassed that the date of injury for all compensation claims be 2001 but did not make a specific recommendation on this point.

c) The medical ‘date of permanency’ is determined on specialist medical advice.

**Question 15**

Outcome 1, program 1.2

Topic: F-111 deseal/reseal programme

Written question

# **Senator Ronaldson asked:**

Has the Military Rehabilitation and Compensation Commission (MRCC) been asked to determine what constitutes ‘tank entry’ as part of the Compensation for Deseal/Reseal workers?

1. Are cases where there is a question about ‘tank entry’ being put aside for consideration once this definition is determined?
2. Will the claims be prioritised for action once the definition is determined?

**Answer**

The Military Rehabilitation and Compensation Commission will be considering this issue before the end of 2010.

a) Yes. The department has one case pending and one case to be reconsidered.

b) Yes.

**Question 16**

Outcome 1, program 1.2

Topic: F-111 deseal/reseal programme

Written question

# **Senator Ronaldson asked:**

1. Can you provide the Committee with an update on the handling of statutory declarations by the Department, in the context of the discussion on this topic at the last round of Estimates?
   1. Does the Department continue to apply a ‘plausibility’ test to statutory declarations received?
   2. How many claims have been received with a statutory declaration in lieu of any other evidence to support the claim?
2. The guidelines for the use of statutory declarations point out that a supporting stat dec will only be accepted if the person providing the supporting stat dec has had their claim verified.
   1. Has this presented any challenges in the handling of claims?
3. In how many cases has the Department found satisfactory supporting documentation from the Department of Defence to verify a claim?
4. In June the Secretary stated that, any claims for assistance from someone at Amberley or Richmond who presented with one of the 31 conditions identified by SHOAMP had a ‘pretty straightforward case’.
   1. How many cases like this have presented?
   2. How many claims have been received which fall into this category and that are only supported by a Stat Dec?

e) In the Fact Sheet F-111/05, the Department still asks those making a Stat Dec to state why there are no official records. Why is this?

**Answer**

1. From June 2010, to lessen the burden on applicants to provide evidence, DVA has modified its processes revising the Factsheet and its client letters for investigations. With the help of the RAAF technical team, DVA has expanded its attempts to locate as much primary and secondary evidence as it can, on the claimants behalf. In the vast majority of cases, such evidence exists. Claimants are asked to submit a statutory declaration only where they do not have any primary or secondary evidence to support their claim. The statutory declaration should contain information about the individual, the work they undertook and, where possible a collaborating statutory declaration from a co-worker, supervisor or senior officer may be provided.

Where a claimant has no primary or secondary evidence, DVA will attempt to source such evidence. Where DVA is unable to source such evidence, and we have only the claimant’s statutory declaration, investigators will then attempt to identify and contact any third party (authorised person or potential authorised person) identified by the claimant or by DVA, to lend weight to a claim. Where a claimant cannot recall the name of any corroborating persons, or may know the name/s but cannot locate them, DVA will attempt to find a third party on behalf of the claimant.

1. Yes. As required by the guidelines.
2. The information is not readily available, as it would require a search of every individual applicant file. However, the Department accepts primary and secondary evidence without the need for a Statutory Declaration.

b) No. See also answer to (a).

c) In almost every case, the department has found supporting evidence from the Department of Defence to determine a claim whether the claim is accepted or rejected.

d) The Secretary’s comment referred to a situation in which F-111 maintenance personnel whose tier classification is being reviewed suffer from any of the 31 conditions accepted under ss 7 (2), it would be likely that they have been involved in the deseal/reseal process and, therefore, determining their tier classification should be straightforward.

a. All claims accepted following the Budget announcement will have to be examined individually to answer this question. This will take a considerable time and effort. DVA will provide this information as soon as it can be compiled.

b. In almost every case, there will be primary or secondary evidence to support the claim.

1. The Factsheet only asks the claimant if they know why there may be no official service records. There is no prerequisite for a claimant to provide their service records and it has no bearing on the decision. It gives the investigation team a starting point from which to commence the search for any official supporting documents. See also answer (a).

**Question 17**

Outcome 1, program 1.2

Topic: F-111 deseal/reseal programme

Written question

# **Senator Ronaldson asked:**

1. Has the Department appointed a person to oversee the handling of F-111 Compensation claims?
   1. If yes, who?
   2. How long has this person been in this role?
2. The Government accepted a recommendation that the person overseeing claims provides regular feedback to the Department on the claims process. Has this been occurring, and how often?
3. How many claims has the unit received?
4. How many staff are processing claims in the Unit? Is this unit located in Brisbane?
5. Are claims being prioritised for handling on any basis? If so, how?
6. What is the average claim processing time?
7. Is the Department still on track to provide a status report at the end of this year? Will this status report be made publicly available?
8. Has the Department contracted anyone from the private sector to provide training to staff working in the Claims Unit?

a. If yes, what are the details of that arrangement?

**Answer**

a) Yes

a. In response to accepted recommendation 11 of the Parliamentary Inquiry report, DVA has appointed Mr David Janik to the position. Mr Janik is a senior officer with an appropriate health background, and background knowledge of the F-111 worker claims and is qualified to provide expert assistance to DVA in processing claims.

b. Mr Janik commenced on 14 September 2010.

b) Since 14 September 2010, Mr Janik has been providing feedback on a continuous basis.

c) As at 5 November 2010, the Deseal/Reseal Team has received 153 new Tier applications following the Government response to the Parliamentary Inquiry. It has also been reviewing the 501 previously rejected Tier applications.

d) The implementation team in DVA consists of 13 full-time equivalent staff. The claims staff are located in Brisbane and the policy staff are located in Canberra. The team is supported by three RAAF staff who provide technical advice.

e) A decision was made that the reviews would be processed ahead of the new claims because these claimants had been waiting for a Tier Classification for a long time, some from as early as 2005. In order to determine as many reviews as possible in a short timeframe the simpler, straightforward cases were assessed first. Accordingly, 325 of the reviews were determined between 1 July 2010 and 30 August 2010. The remainder of the reviews waiting to be processed are more difficult with some requiring more detailed information from the claimant in order for the claim to meet one of the Tier definitions.

Priority has also been given to participants with a terminal or serious illness so that their compensation claims could be accepted in accordance with subsection 7(2) of the *Safety, Rehabilitation and Compensation Act 1988* or to enable them to access urgent medical treatment through the F-111 SHOAMP Health Care Scheme (once their eligibility for a Tier Classification or Group 1 status was established).

A similar priority has been given to new claims where claimants have the same treatment needs as mentioned above.

f) The following figures reflect the Time Taken To Process (TTTP) for Tier Decisions as at

10 November 2010.

The age for Review Decisions have been calculated with a start date of 17 May 2010 – being the first Monday after the Budget.

The review of previous Tier decisions is averaging 72 days for completion.

Determination of new Tier applications has been calculated from the date of receipt of the claim to the date of the Delegate decision. The average TTTP is 82 days for completion.

g) Yes and Yes.

h) No.

a. Not applicable.

**Question 18**

Outcome 1, program 1.2

Topic: RMA/SMRC

Written question

# **Senator Ronaldson asked:**

1. How many staff does each of the following Authorities have:
   1. the Repatriation Medical Authority; and
   2. the Specialist Medical Review Council?
2. An article in the September 2010 edition of the VVFA Journal discusses a long-running appeal by the VVFA to the SMRC over a link between prostate cancer and smoking.
   1. The VVFA timeline indicates that the appeal was lodged in 2003, but was still not heard as of late-August 2010. Is this correct?
   2. What is the cause of the delay?
   3. What evidentiary basis will the SMRC draw upon in making a decision? Will it be using up-to-date medical evidence, or will it be forced to use the same, outdated evidence as used by the RMA when the original SoP was drafted?
3. The article claims that a new Statement of Principles was determined whilst an appeal into the original Statement of Principles was being heard.
   1. How is this appropriate?
4. What has the Department spent on legal fees defending this case?

**Answer**

a)

i. The Repatriation Medical Authority comprises a Chairperson and four other members. All members are appointed by the Minister on a part-time basis and at least one member must have at least 5 years experience in the field of epidemiology. The Authority is supported by a secretariat comprising eleven full time equivalent staff.

ii. The Specialist Medical Review Council does not have a fixed membership for each review except for the Convenor. The Council consists of eminent medical practitioners and medical scientists appointed Councillors by the Minister and selected by the Convenor of the Specialist Medical Review Council for a particular review (3-5 Councillors) on the basis of their expertise in the injury or disease relevant to the Statement of Principles subject to review. Councillors must be appointed from lists of nominees submitted by the professional medical colleges and must be registered medical practitioners or medical scientists with at least ten years experience. A Councillor may hold office for a period of no more than 5 years but is eligible for reappointment. The Council is supported by a secretariat comprising four full time equivalent staff.

b)

i. The Council received the application on 28 October 2005 requesting review of Statements of Principles 28 and 29 of 2005 in respect of Malignant Neoplasm of the Prostate.

ii & iii. The Council has not yet finalised the Review due to a number of factors that has prevented it concluding its deliberations in a more timely manner.

Firstly, it should be noted that new reviews are commenced based on the order in which applications are received. At the time of receiving the Prostate review, the Council already had six applications requesting reviews underway. As required by the legislation, the convener must be part of the panel for each review.

It is therefore necessary to schedule reviews according to the availability of the Convenor noting that he and the other councillors are all eminent experts in their field usually with a full time career in their speciality. The availability of these councillors sometimes can present significant scheduling difficulties.

While work was underway to identify potential councillors for this review, seek their appointment by the Minister and schedule time around their existing commitments, the secretariat spent considerable time sourcing all the medical and reference material used by the Repatriation Medial Authority during its deliberations. For a review of such complexity, this workload contributed substantially to the time for the review to be undertaken.

A further delay was caused by the 2008 legal action commenced by the Vietnam Veterans’ Peacekeepers and Peacemakers Association of Australia (NSW Branch) Incorporated against the Repatriation Medical Authority seeking full disclosure of all documents used by the RMA in its decision. This action was concluded in late 2008. The Council is bound to review the Statements of Principles on the basis of the same information as used by the Repatriation Medical Authority.

While preliminary work on the review had already commenced, the review formally started when the Minister appointed councillors on 7 January 2009 and the convener constituted the Prostate Review Council. After the appointment of the panel, in this instance it was necessary for each member to examine the 1661 submissions submitted to the RMA and scientific and medical journal articles researched as part of the Repatriation Medical Authority’s examination of prostate cancer.

This is a significant commitment by all Councillors but is necessary before they can individually and collectively discharge their duties as Councillors.

The SMRC held its first meeting for this review on 8 June 2010 and has held further meetings on 14 October 2010 and 9 November 2010. A meeting has been scheduled for March 2011, which will include the hearing of oral submissions complementing written submissions.

c) The RMA is an independent body that on its own initiative can determine when to review a SOP. This may be due to new medical and or scientific evidence or an application from an interested party.

d) The Department has not engaged any lawyers and has not had any role in this matter. Both the SMRC and the RMA are independent statutory bodies and have access to external legal advice if and when a request for review raises any legal issue.

**Question 19**

Outcome 1, program 1.2

Topic: Erosion of disability pension

Written question

# **Senator Ronaldson asked:**

1. What is the erosion rate of the disability pension, as at 21 September 2010?
2. What was the erosion rate of the disability pension on 21 March 2010?

**Answer**

There has been no erosion in the rate of disability pension as a result of indexation on either 20 March 2010 or 20 September 2010.

Disability pension is indexed using the pension maximum basic rate (MBR) factor. The pension MBR factor is derived from the increase in the single service pension MBR and takes into account movement in the Consumer Price Index (CPI), the Pensioner and Beneficiary Living Cost Index (PBLCI) and Male Total Average Weekly Earnings (MTAWE). The most beneficial of the three measures is used to determine the indexed single MBR and consequently the indexed rate of disability pension. This ensures the value of disability pensions is not eroded in relation to either wage movements or the cost of living.

The increase in disability pension rates on 20 March 2010 was 4.6 per cent and on 20 September 2010 was 2.2 per cent.

**Question 20**

Outcome 2, program 2.3

Topic: Pharmaceutical review

Hansard, 19 October 2010, p. 97

# **Senator Ronaldson asked:**

# **Senator RONALDSON** — I want to ask about Senator Kroger’s question 28, I think it was, in relation to the review of the cost of veterans’ pharmaceuticals—this is one of your updated ones, I think, Secretary. As of 10 September there were 79,871 veterans with qualifying service but not receiving disability pension. In the tables attached to the answer, veterans with DP and qualifying service were also 79,871. Is that an extraordinary coincidence or a typo? It is the last one as well—table 1, veterans with disability pension and qualifying service by age group. You will see on the bottom right-hand side, 79,871. It just seems an extraordinary coincidence that you have the same number of people with and without qualifying service. Can you take on notice to have a look at it? There might be a quite simple explanation.

**Mr Campbell** — I do not believe in such extraordinary coincidences. I might ask Mr Douglas if he can throw some light on it.

**Mr Douglas** — I think we will have to take that on notice, because I also do not agree with such extraordinary mathematical coincidences.

**Senator RONALDSON** — I am sure there is quite a simple explanation.

**Mr Campbell** — We will check, but I think probably (B) should say that as at 10 September there were 79,871 veterans with qualifying service receiving disability pensions.

**Answer**

The number of veterans in the category of having qualifying service and not in receipt of disability pension, which was provided with other information in response to Senator Kroger’s question 28, was incorrect.

As at 10 September 2010 there were:

* 82,729 veterans with qualifying service but NOT receiving disability pension; and
* 79,871 veterans with qualifying service and receiving disability pension.

**Question 21**

Outcome 2, program 2.5

Topic: Family Collaborative Project

Hansard, 19 October 2010, pp. 109 & 110

# **Senator Ronaldson asked:**

**Mr Douglas** — The arrangement you are referring to was known as the family collaborative project. t is one of a series of projects which was announced as part of the 2007 election commitments by the government and it was one of a series of projects, in this case involving the provision of psychological services and mental health services to eligible people in Townsville. It was involving a collaborative approach to delivery of those services on both the provider side of the equation and the client side of the equation. There was a process of engaging someone to—

**Senator RONALDSON** — You mean Defence and—

**Mr Douglas** — No. Defence, while part of the process, were not the exclusive group or owner of either the clients of the delivery. This was using psychologists practising in the Townsville area, this was using psychiatrists, general practitioners, social workers, VVCS counsellors, working with people who receive mental health—

**Senator RONALDSON** — So, it was a joint project between VVCS and the Department of Defence, was it not?

**Mr Douglas** — Yes, jointly auspiced, but it was not exclusively for serving Defence members.

**Mr Douglas** — It was a one-off.

**Senator RONALDSON** — Has it been evaluated?

**Mr Douglas** — An evaluation is, if not final, then close to being final. The evaluation tells us that while there were benefits to this approach it was also an expensive way to do things and did require the use of a facilitator to make it happen, which when the funding for that facilitator was removed, required the goodwill of those involved and that was not necessarily able to be sustained.

**Senator RONALDSON** — When will that evaluation be released?

**Mr Douglas** — I would have to take that on notice.

**Answer**

The Transition Mental Health and Family Collaborative project is an initiative under the Government’s Lifecycle package, which seeks to integrate mental health care across the ADF lifecycle. The package is being implemented as a partnership between the Departments of Defence and Veterans’ Affairs, and the Australian Centre for Posttraumatic Health.

As they are finalised, the learnings from individual Lifecycle projects are informing the development of further initiatives and measures to improve mental health treatment for the defence and veteran community. The evaluation of the Transition Mental Health and Family Collaborative project has been completed and release of the report is expected shortly, pending consideration by the Minister.

**Question 22**

Outcome 2, program 2.5

Topic: Contracts—outcome 2

Hansard, 19 October 2010, p. 117

# **Senator Ronaldson asked:**

**Senator RONALDSON** — I do not want to be rude and interrupt you. I think you have answered that question for me. These are all open tender contracts, are they?

**Mr Douglas** — Correct.

**Senator RONALDSON** — What length of time are these contracts normally for?

**Mr Douglas** — They are normally around the order of three years, but I would like to take that on notice. Invariably there are extension provisions.

**Answer**

The Department’s current health adviser contracts were initially signed for a two-year period.

Within the contracts there is a clause which allows the Department to notify the contractor, no more than three months prior to the end date of the contract, of its intention to extend the contract.

The current clause stipulates that the contract may be extended for one year and this option may be exercised twice for consecutive periods.

Potentially, if both extension options are utilised the contract would run for a maximum period of four years.

**Question 23**

Outcome 2, program 2.5

Topic: VVCS—Veterans and veterans families counselling service offices throughout Australia

Written question

# **Senator RONALDSON asked:**

1. With regards to VVCS offices throughout Australia, please provide a breakdown of:

- Location;

- Premises lease period; and

- Number of counsellors (full time and part time).

b) What are the eligibility criteria for access to VVCS services?

**Answer**

a)

| **VVCS offices** | **Premises lease period (end date and extension options)** | **Number of counsellors \*** |
| --- | --- | --- |
| Adelaide, South Australia | 30/6/2012 with 3+3 years | 4.2 full time equivalent (FTE)  3 full time  2 part time – 0.6 and 0.6 |
| Wodonga, Victoria | 30/6/2013 | 1.9 FTE  1 full time  1 part time – 0.9 |
| Spring Hill, Queensland | 30/11/2012 + 3 years | 9.6 FTE  8 full time  2 part time – 0.6 and 0.6  1 part time – 0.4 |
| Deakin, Australian Capital Territory | 7/6/2011 | 2.6 FTE  2 full time  1 part time – 0.6 |
| Palmerston, Northern Territory | 31/7/2011 + 3 years | 2.8 FTE  2 full time  1 part time – 0.8 |
| Hobart, Tasmania | 30/4/2019 + 5 + 5 years | 2.8 FTE  2 part time – 0.8 and 0.8  2 part time – 0.6 and 0.6 |
| Launceston, Tasmania | 10/3/2011 | 1.6 FTE  2 part time – 0.8 and 0.8. |
| Lismore, New South Wales | 30/6/2011 + 3 years | 1.8 FTE  1 full time  1 part time –0.8 |
| Maroochydore, Queensland | 30/6/2015 + 2 years | 2 FTE  2 full time |
| Melbourne, Victoria | 31/5/2012 3 +3 years | 8.9 FTE  6 full time  1 part time – 0.8  1 part time – 0. 6  3 part time – 0.5 and 0.5 and 0.5 |
| Newcastle, New South Wales | 8/3/2011 + 3 years | 1.77 FTE  1 full time  1 part time – 0.77 |
| Perth, Western Australia | 31/1/2011 3 + 3 years | 6.4 FTE  5 full time  1 part time – 0.8 and 0.6 |
| Southport, Queensland | 13/6/2011 | 1.6 FTRE  1 full time  1 part time – 0.6 |
| Parramatta, New South Wales | 15/4/2011 | 6.2 FTE  5 full time  2 part time – 0.6 and 0.6 |
| Townsville, Queensland | 30/11/2011 + 5 years | 6.8 FTE  6 full time  1 part time – 0.8 |

\* Staff establishment as at 1 November 2010. Note that this excludes Directors and Deputy Directors.

b)

The following people can access VVCS:

* Australian veterans of all conflicts and peace operations;
* Partners and dependent children (under 26 years of age) of veterans with issues arising from the veteran’s service;
* War widows and widowers;
* Ex-partners of Vietnam veterans, within five years of separation;
* Sons and daughters of Vietnam veterans, regardless of age, with issues relating to their parent’s operational or warlike service;
* All participants in the Veterans’ Vocational Rehabilitation Scheme (VVRS) as defined under the VEA Part VI Section 115A;
* Ex-ADF personnel with a mental health condition as a DVA-accepted disability and their dependent family members where the issue is related to the disability; and
* Current serving members of the ADF who have been formally referred by the ADF under the 2008 Agreement for Services.

**Notes:** DVA entitlement is not required to access services.

People with an interest or concern for a veteran’s welfare are not eligible for service but can seek advice from VVCS.

Where a current client is no longer eligible for VVCS services, they may be given three to six months to complete the current episode of care before service is terminated and referral to another service is considered.

If clients have any questions regarding eligibility to access VVCS services, they should be encouraged to contact their nearest centre on 1800 011 046.

**Question 24**

Outcome 2, program 2.3

Topic: Study on health care usage and costs

Hansard, 19 October 2010, p. 107

# **Senator Ronaldson asked:**

**Mr Douglas** — I would like to add to remarks I made earlier in respect of Senator Ronaldson’s question to do with research on the relationship between pharmaceutical consumption and the level of disability pension. The department commissioned a study by the Australian Institute of Health and Welfare in 2002 which looked at gold card veteran and war widow health care costs compared with the rest of the community. That study confirmed that pharmaceutical usage was particularly high for veterans on some of the higher rates of disability pension. That confirms my answer to you that there is a relationship without necessarily being a direct correlation.

**Senator RONALDSON** — Can you give me a copy of that?

**Mr Douglas** — I am happy to arrange a copy of the study on health care usage and costs.

**Answer**

The Australian Institute of Health and Welfare report is *attached*.

**Question 25**

Outcome 3, program 3.16

Topic: Fuzzy Wuzzy Angels

Hansard, 19 October 2010, p. 76

# **Senator Barnett asked:**

**[\* Note—Question transferred from Defence]**

**Senator BARNETT** — The Fuzzy Wuzzy Angels – medals to the PNG nationals, for which we deeply indebted and thankful that it is happening, albeit 65 years later. It is good news that it is happening. Could you update the committee on the number of medallions that are being awarded, the number of applicants and the numbers awaiting approval? I am also seeking confirmation that there were some 50,000 PNG Fuzzy Wuzzy Angels, as they are affectionately known, during World War II. Of course, that means there is a whole lot that we are still missing out on. Perhaps if we could get an update that would be appreciated.

**Air Chief Marshal Houston** — We will take that on notice.

**Senator BARNETT** — When you respond, please include the number of medallions granted, applications made, applications not accepted, applications awaiting approval and then the likely number that you anticipate will be made in the foreseeable future. Then I would like a response to the question of how many we are missing out on. We know there are 50,000 or thereabouts who supported the Australian men at Kokoda during World War II in PNG. The question is; how many are we missing out on? Have you given any consideration to that?

**Senator BARNETT** — My understanding is the medallions are for the Fuzzy Wuzzy Angels themselves or their widows but not for other family members. Perhaps you could outline the reasons why that is, because for the family members, if their mum and dad have passed away they are missing out and they have nothing. I am just thinking for and on behalf of those families. Can some sort of recognition be granted to them or consideration be given to them to say ‘Thank you for the service of your dad’ or for this person in that community. I think it would do a great deal of honour and respect to those communities where those men lived. I raise that for consideration.

**Answer**

An estimated figure of 55,000 has been used in historical text of the Papuan New Guinean campaigns of the total number of Papua New Guineans who participated in the war against the Japanese in their country in a number of roles including serving in the Pacific Islands Regiment, Royal Papuan Constabulary and as labourers and carriers.

As of 3 November 2010, 34 medallions had been presented to Fuzzy Wuzzy Angels or their surviving spouse.

The PNG Government’s Award Committee has received a further 104 applications for the medallions: 43 medallions have been approved, 43 applications are with the Committee for approval, and 18 applications require further information. The extent of future applications is difficult to quantify, although there have been surges in applications after each of the presentation ceremonies.

The number of surviving Fuzzy Wuzzy Angels or widows cannot be accurately quantified.

An extensive media campaign was undertaken. This was supported by the distribution of information material to Provincial Government Offices to coincide with the launch of the medallion with the aim of making any eligible Fuzzy Wuzzy Angels aware of the opportunity to apply for the medal. Interest in applying for the medallion suggests that the estimates of the maximum number of Fuzzy Wuzzy Angels or spouses who may still be alive were overly optimistic.

Currently the policy for issuing the medallions does not allow them to be issued to family members who are not a surviving spouse. The policy, which was developed and approved by both the Australian and Papua New Guinea Governments, defines an eligible recipient as a living indigenous Papua New Guinean who assisted Australian Servicemen and women in PNG during the Second World War; was a civilian at the time of rendering assistance; was no younger than 10 years old at the time of rendering assistance; or, is the widow/widower of a person meeting the above criteria. The decision to make medallions available to surviving spouses only, and not to other family members, is based on the premise that the spouses shared in the wartime experience in a way that other family members could not have.

A Fuzzy Wuzzy Angel Day, to be held annually on 3 November, has been declared by the Papua New Guinea Government as a day when all surviving Fuzzy Wuzzy Angels, their families and the families of those who have passed on will have their service recognised and commemorated.

**Question 26**

All programs

Topic: VRB—Behaviour of a senior advocate at a VRB hearing in Queensland

Hansard, 19 October 2010, pp. 122-123

# **Senator Ronaldson asked:**

**Senator RONALDSON** — I am sure my adviser is listening to this—he had better be. We might even bring that down on Thursday, but I will have to take the name off. The issue I have is that the staple had been taken out and re-stapled—that is the issue. There are some issues in relation to deseal-reseal, and I do want to ask the

War Memorial one very quick question. I understand that the department has received a letter from the VVF of Queensland, in relation to this issue about a hearing at Southport—and I think you will probably have some details on that—where there was an allegation of inappropriate behaviour by a senior advocate. I think there has been a response received from the department, to a Mr Malcolm Wheat. This is a VRB matter.

**Mr Campbell** — Senator, we send a lot of letters and so we are not across every one here tonight. Was this a letter from the department or a letter from the principal member of the VRB?

**Senator RONALDSON** — It might have been from the VRB, you might be right. This was a letter that was sent to the minister from the VVF—from the Queensland president.

**Mr Campbell** — But it was to do with a VRB issue?

**Senator RONALDSON** — Yes, it was.

**Mr Campbell** — They are not here tonight. I would have to take that on notice. We can go through it but I am not across the particular case you are referring to.

**Senator RONALDSON** — Thank you. Does anyone at the table know? The way it has been put to me is that at the hearing the senior member was aggressive and unnecessarily inquisitorial, which, as you know, is not part of the act—in fact the act states that it should be everything bar that, with a little formality, et cetera.

There was some medical evidence that was produced which apparently sent the senior advocate into a bit of a tailspin. Then the senior advocate asked this applicant, and the ESO representing them, for additional medical information which was ‘to be based on legal precedent.’ I have absolutely no idea what that could possibly refer to. Has anyone at the table got any idea, or will you take that on notice?

**Mr Campbell** — Because I do not have the letter, and obviously it was one that was handled by the VRB, I will have to take it on notice. If you can give me a copy of the letters we will have to work it through.

**Senator RONALDSON** — Sure.

**Answer**

On 1 October 2010 the Veterans’ Review Board (VRB) received a written complaint from a Senior Advocate of the Queensland branch of the Vietnam Veterans’ Federation of Australia, VVFA (QLD). Further, on 6 October 2010, Mr Malcolm Wheat, State President of VVFA (QLD), wrote to Minister Snowdon. The complaints concerned the handling of three matters which were adjourned by the Board under section 152 of the *Veterans’* *Entitlements Act* *1986* for additional material to be obtained by the Department of Veterans’ Affairs.

An initial response has been provided to the Senior Advocate of VVFA QLD by the Principal Member of the VRB. Minister Snowdon sent a written response to Mr Wheat.

The VRB has a separate complaints handling system to ensure all complaints are documented and investigated. To ensure the integrity of the Board's decision making process and to prevent any claims of bias, a complaint about the handling of hearing is not investigated while the matter is currently before the Board.

Once the matters before the Board are finalised, the complaint will be fully and properly investigated. Members of the VRB are expected to comply with the standards and values contained within the Administrative Review Council’s publication “A Guide to Standards of Conduct for Tribunal Members” (revised edition August 2009). Where a complaint is sustained, the Principal Member will counsel the Member concerned and the ultimate sanction would be to not list a Member to sit on hearings for a period of time.

The Board receives a low number of complaints each year. In 2009-10, nine complaints were received about the conduct of a VRB hearing, the decision or aspects of the decision.