



The Secretary  
Senate Community Affairs Committee  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

## INQUIRY INTO SPECIAL DISABILITY TRUSTS

Dear Mr Humphery

Thank you for the opportunity to make a written submission to the Committee in relation to the Inquiry into Special Disability Trusts (SDT).

The Department of Veterans' Affairs' role in relation to provision of income support for veterans and their dependants is governed by the *Veterans' Entitlements Act 1986* (VEA). Division 11B of the VEA *Private financial provision for certain people with disabilities* reflects the SDT provisions in Part 3.18A of the *Social Security Act 1991*.

The *Veterans' Entitlements (Special Disability Trust) Guidelines 2008* (the Guidelines) have been made under subsection 52ZZZWB(4) and subsection of 52ZZZWH(4) of the SDT provisions in the VEA, replacing the 2006 Guidelines. The significant changes between the 2006 and 2008 guidelines are the additional examples of what constitutes 'a reasonable care need' and 'a reasonable accommodation need'. These examples had been added to provide clarity to affected persons.

The purpose of the Guidelines is twofold. Firstly, they allow the Repatriation Commission to provide guidance about what are the reasonable care and accommodation needs of a principal beneficiary of an SDT for the purposes of a trust meeting the requirements of subsection 52ZZZWB(1). Secondly, it also allows the Commission to make Guidelines in regard to whether or not to provide a waiver notices to the trustees of a trust, the conditions to include in the notice and the period during which the waiver is to have effect.

A waiver notice exempts a trust from certain requirements that must normally be met, under Division 11B of Part IIIB of the Act, for a trust to qualify as an SDT. Waivers made under subsection 52ZZZWH(1) are of a broader nature than those made under subitem 14(5) of Part 1 of Schedule 7 to the Families, Community Services and Indigenous Affairs and Other Legislation (2006 Budget and Other Measures) Act 2006.

No SDT has been set up under the provisions of the VEA and only one client has considered the provision without setting up an SDT. Because of the lack of experience in administering this provision, the Department is unable to comment on the reasons for there being no uptake on these provisions. Furthermore we do not believe that there is anything within the income support provisions of the VEA that would act as a barrier to setting up an SDT.



Mark Sullivan  
Secretary

10 June 2008