



Australian Government
Department of Veterans' Affairs
OFFICE OF THE SECRETARY

The Secretary
Senate Foreign Affairs, Defence and Trade References Committee
Suite SG.57
Parliament House
CANBERRA ACT 2600

Dear Senator Johnston,

Thank you for the opportunity to make a written submission to the Committee in relation to the Inquiry into Australia's involvement in peacekeeping operations.

The Department of Veterans' Affairs role in relation to those involved in peacekeeping operations and peace enforcement activities engaged in by the Australian Defence Force (ADF) is governed by the three pieces of legislation it administers. These are the *Safety, Rehabilitation and Compensation Act 1988*, the *Military Rehabilitation and Compensation Act 2004* and the *Veterans' Entitlements Act 1986*.

As such, the Department becomes involved when a member of a peacekeeping operation or a peace enforcement activity:

- is injured – when a member is injured during service or contracts a defence-related disease the Department is responsible for determining claims for liability and related compensation and for providing benefits to which the claimant is entitled;
- is killed on service or dies as a result of a defence-related condition – when this occurs the Department determines compensation claims and provides benefits to dependants.

Benefits available to a member with a defence-related injury or disease include compensation for impairment, inability to work, rehabilitation programs, medical treatment for accepted conditions (or all conditions under certain circumstances), education support schemes for eligible dependants, household services and house and/or workplace modification, vehicular modification and financial advice assistance for recipients of compensation payments.

Benefits available to a deceased member's partner and/or dependants include medical treatment for widowed spouses and dependant children when the death is service-caused, periodic or lump sum compensation payments to widowed spouses and/or dependant children, lump sum compensation payments to other dependants, education assistance schemes for dependant children, funeral benefits to aid in the cost of funeral expenses and financial advice assistance for some recipients of compensation payments.

LOVETT TOWER
13 KELTIE STREET
PHILLIP ACT 2606

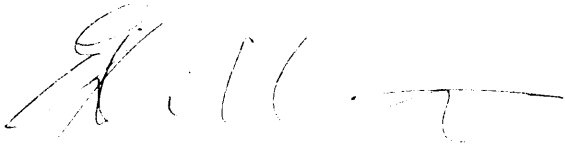
PO BOX 21
WODEN ACT 2606
AUSTRALIA

TELEPHONE (02) 6289 6736
FACSIMILE (02) 6289 6257
INTERNET www.dva.gov.au

When defence force members are being medically discharged, the Department provides assistance through the Transition Management Service. Through this service, members are offered advice and support on a range of issues including compensation, superannuation, financial planning, civilian employment options and transition adjustment issues, health insurance and community support arrangements.

Further details of the above benefits available under the three Acts to members and dependants of deceased members engaged in peacekeeping operations or peace enforcement activities are provided in the Attachment.

Veterans' Entitlements Act 'non-warlike' coverage also extends to Australian Federal Police (AFP) members on declared Peacekeeping deployments that commenced before 1 July 2004. Coverage for AFP members on deployments after this date will be provided by new compensation arrangements that are being developed by the Department of Employment and Workplace Relations. It is intended that in such cases AFP employees will receive similar compensation benefits to those provided to the ADF on similar overseas missions under the *Military Rehabilitation and Compensation Act 2004*.



Ed Killesteyn
Acting Secretary

22 March 2007

LOVETT TOWER
13 KELTIE STREET
PHILLIP ACT 2606

PO BOX 21
WODEN ACT 2606
AUSTRALIA

TELEPHONE (02) 6289 6736
FACSIMILE (02) 6289 6257
INTERNET www.dva.gov.au

SCHEMATIC COMPARISON OF BENEFITS

VETERANS' ENTITLEMENT ACT 1986 (VEA) AND SAFETY, REHABILITATION AND COMPENSATION ACT 1988 (SRCA) AND THE MILITARY REHABILITATION AND COMPENSATION ACT 2004 (MRCA)

[Current as at 20 March 2007]

BENEFITS – MEMBERS & FORMER MEMBERS	VEA	SRCA	MRCA										
<p>Compensation for permanent impairment</p>	<p>Disability pension for life, tax-free, with the rate depending on the degree of incapacity.</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td><u>Rates</u></td> <td align="right"><u>\$pw</u></td> </tr> <tr> <td>Special</td> <td align="right">434.70</td> </tr> <tr> <td>Intermediate</td> <td align="right">297.40</td> </tr> <tr> <td>EDA</td> <td align="right">243.60</td> </tr> <tr> <td>General (10% to 100%)</td> <td align="right">15.93 to 159.35</td> </tr> </table>	<u>Rates</u>	<u>\$pw</u>	Special	434.70	Intermediate	297.40	EDA	243.60	General (10% to 100%)	15.93 to 159.35	<p>Up to \$194,357.87 tax-free lump sum for permanent impairment and non-economic loss.</p> <p>Payment for severely injured employees under the <i>Defence Act 1903</i> with a whole person impairment rating of 80% or more \$254,776.57 (less the amount payable under the SRCA).</p> <p>Dependant child benefit \$63,694.15.</p>	<p>Up to \$259.27 pw tax-free for life. The rate depends on the degree of impairment and the type of service the member is rendering at the time of injury or disease (peacetime or warlike/non-warlike).</p> <p>This may be converted to an age-based lump sum. In the case of a 30-year old male the weekly amount would convert to a lump sum of up to \$339,747.40.</p> <p>This final amount would reduce in the case of an older person.</p> <p>In the case of someone who receives the maximum Permanent Impairment payment, there is also a lump sum payment of \$66,746.56 to any dependent children under 16 or between 16 and 25 in full time education.</p>
<u>Rates</u>	<u>\$pw</u>												
Special	434.70												
Intermediate	297.40												
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BENEFITS – MEMBERS & FORMER MEMBERS (Cont.)	VEA	SRCA	MRCA
<p>Incapacity for service or work</p>	<p>Loss of Earnings Allowance (LOE) is paid where treatment for an accepted disability, or attending a medical appointment in relation to a disability, results in an <u>actual</u> loss of earnings which has not been compensated from another source.</p> <p>LOE tops up the disability pension to the Special Rate, or, pays the amount of salary, wages or earnings actually lost, whichever is the lesser amount.</p> <p><u>Temporary Incapacity Allowance (TIA)</u> is paid where hospital or institutional treatment has resulted in an incapacity for work for a period of at least 28 days.</p> <p>TIA tops up the disability pension to the Special Rate.</p> <p>Note: Both LOE and TIA payments are offset by the fortnightly equivalent of any lump sum received under the SRCA regardless of whether that lump sum was for a VEA accepted disability or not.</p>	<p>Weekly, taxable, incapacity payments for loss of earnings at 100% of normal weekly earnings reducing to 75%, after 45 weeks in receipt of incapacity payments. Payments cease at age 65</p>	<p>Weekly, taxable, incapacity payments for loss of earnings paid at 100% of normal earnings reducing to a minimum of 75% after 45 weeks of incapacity payments after discharge, which cease at age 65.</p> <p>In the case of more seriously injured, the person may choose to receive a tax-free SRDP of \$434.70 per week instead of incapacity payments and Permanent Impairment payments, payable for life. The SRDP is reduced by any permanent impairment payments.</p> <p>[Note: Incapacity payments made to injured ADF personnel will reflect the ADF pay allowances received at the time they suffered their injury or contracted their disease. In the case of personnel deployed on peacekeeping or peace-enforcement operations this will include allowances such as hardship, sea-going etc]</p>

BENEFITS – MEMBERS & FORMER MEMBERS (cont.)	VEA	SRCA	MRCRA
Attendant Allowance	<p>Paid in cases of service accepted multiple amputations, blindness, disease affecting the cerebro-spinal system or a condition accepted as being similar in effect or severity.</p> <p>\$ 64.70 pw (low) \$129.55 pw (high)</p>	<p>Reimbursement of up to \$353.37 pw for the cost of a personal attendant reasonably required as a result of the accepted conditions.</p>	<p>Reimbursement of up to \$367.11 pw for the cost of a personal attendant reasonably required as a result of the accepted conditions.</p>
Household Services	<p>Low level domestic support services according to assessed need (Gold Card) or assessed need related to accepted disability (White Card).</p> <p>Up to 15 hours per year of garden maintenance (safety related only) and home maintenance.</p>	<p>Reimbursement of up to \$353.37 pw for the cost of household service reasonably required as a result of the accepted conditions.</p>	<p>Reimbursement of up to \$367.11 pw for the cost of household service reasonably required as a result of the accepted conditions.</p>
Vehicle Purchase, Modification and maintenance	<p>Vehicle Assistance Scheme including up to \$39,810 for a new vehicle (only available to certain amputees, complete paraplegics, or someone who has a condition accepted as being similar in effect and severity to certain amputees).</p> <p>Modifications necessary for accepted disabilities.</p> <p>Maintenance allowance towards running costs \$1,726.40 pa.</p>	<p>Reasonable cost of any modifications to the vehicle, which are reasonably required as a result of accepted injury. Assistance to purchase a new or second hand vehicle may be provided for someone whose vehicle can not be modified or who does not own a vehicle, and will derive real benefit from the vehicle.</p>	<p>Reasonable cost of any modifications to the vehicle, which are reasonably required as a result of accepted injury. Assistance to purchase a new or second hand vehicle will be provided for someone whose vehicle can not be modified or who does not own a vehicle, and will derive real benefit from the vehicle.</p>

HEALTH, TREATMENT AND REHABILITATION	VIA	SRCA	MRCA
White Card	<p>Yes – for the treatment of accepted disabilities only.</p>	<p>Reimbursement for medical expenses reasonably required as a result of accepted injury.</p>	<p>Ongoing medical expenses arising from the accepted medical condition will be met through either:</p> <ul style="list-style-type: none"> • Payment of expenses, or • Provision of a White Card.
Gold Card	<ul style="list-style-type: none"> • Gold Card –if receiving a disability pension at or above 100% of the General Rate, or 50% disability pension and any amount of service pension, or 70 years of age with qualifying service (warlike). • Gold Card for widowed spouse – only where the members' death has been accepted as service-caused. • Gold Card for dependent child – only where the members' death has been accepted as service-caused and the child is aged under 25 and still in full-time education. 	<p>Reimbursement for ongoing medical expenses reasonably required as a result of accepted injury.</p>	<p>Gold Card – if permanent impairment rating of 60 or more impairment points, or if eligible to choose to receive the SRDP.</p> <p>Gold Card – to widowed spouse where</p> <ul style="list-style-type: none"> • Death is service caused, • The member was eligible to choose to receive the SRDP at time of death, • The member suffered a permanent impairment of 80 or more impairment points at the time of death <p>Gold Card to dependent child of deceased member, under 16 or between 16 and 24 in full time education of deceased member where</p> <ul style="list-style-type: none"> • Death is service caused, • The member was eligible to choose to receive the SRDP at time of death, • The member suffered a permanent impairment of 80 or more impairment points at the time of death

HEALTH CARE TREATMENT AND REHABILITATION (cont.)	VLA	SRCA	VRCA
Pharmaceutical Allowance	Yes, for holder of a treatment card. \$2.90 pw.	No allowance, but the cost of all reasonable pharmaceuticals is reimbursed for accepted conditions.	Yes, for holder of a treatment card. \$2.90 per week
Cost of attendance for medical treatment	Reimbursement of travel allowance at specified rates.	Reimbursement of travel and/or accommodation at specified rates for travel in excess of 50 km return.	Reimbursement of travel and/or accommodation at specified rates for travel in excess of 50km return.
Rehabilitation	Veterans' Vocational Rehabilitation Scheme - limited in scope and assistance.	All rehabilitation required or deemed appropriate to return the person to their best possible functioning in their home and their work life.	All rehabilitation required or deemed appropriate to return the person to at least the same physical and psychological state and at least the same social, vocational and educational status as he or she had before the injury or disease.
Home modification	Limited availability under some DVA programs.	Alterations to the home that are reasonably required due to the person's injury.	Provide through rehabilitation, alterations to the home that are reasonably required due to the person's injury.
Aids and appliances	Appropriate aids and appliances according to assessed clinical need (gold card) or accepted disability (white card).	All reasonable cost of aids and appliances reasonably required as a result of the person's injury.	All reasonable cost of aids and appliances reasonably required as a result of the person's injury.
Workplace modifications	Under Veterans Vocational Rehabilitation Service.	All reasonable costs for necessary alterations requested as a result of the client's accepted condition.	Provided through rehabilitation program. All reasonable costs for necessary alterations.

HEALTH, TREATMENT AND REHABILITATION (cont)	VA	SRCA	MRCA
<p>Compensation for loss of, or damage to, property used by employee where employee is NOT injured</p>	<p>No</p>	<p>Reimbursement of the cost of replacing or repairing property used by the employee which was lost or damaged as a result of an accident arising out of and in the course of employment, but in which the employee was <u>not</u> injured. For example, the cost of replacing glasses broken in a scuffle during the apprehension of a person where the employee was not injured.</p>	<p>Reimbursement of the cost of replacing medical aid or appliance used by the employee which was lost or damaged as a result of an accident arising out of and in the course of employment, but in which the employee was <u>not</u> injured. For example, the cost of replacing glasses broken in a scuffle during the apprehension of a person.</p>

<p>Widow(er)'s benefits</p>	<p>\$275.05 pw tax-free war widow(er)'s pension payable fortnightly for life in respect of death due to service.</p> <p>Up to \$78.30 pw additional income support supplement (means tested).</p> <p>Gold Card for life</p>	<p>Up to \$212,026.74 tax-free lump sum (shared with child dependents, if any, but minimum of 75% to spouse).</p> <p>Payment under the <i>Defence Act 1903</i> of \$254,776.57 (less the amount payable under the SRCA).</p>	<p>\$275.05 pw tax-free for a wholly dependent partner of a deceased member. The partner may elect to convert the payment to an age based lump sum. In the case of a 29 year old widow the lump sum amount would be around \$420,909.02. A 29 year old widower would be eligible for around \$400,307.77.</p> <p>An additional age-based lump sum is provided where the death is service caused. A widow or widower would be eligible for \$111,244.27 up to the age of 40. The total lump sum reduces thereafter.</p>
<p>Dependant children benefits</p>	<p>Fortnightly orphans pension (if war/service caused death of parent). Conditions apply if child is over 16 years of age - eg not eligible if receiving education benefits.</p> <p>\$39.55 pw if service parent deceased</p> <p>\$79.10 pw if both parents deceased</p> <p>Gold card while in full time education</p>	<p>Dependant child benefit \$63,694.15.</p> <p>\$70.65 pw (while under 16 yrs of age or between 16 and 25 years of age and in full time education).</p>	<p>\$66,746.56 tax-free lump sum payment for each dependent child under 16 or between 16 and 25 if in full time education.</p> <p>\$73.42 pw (while under 16 years or between 16 and 25 if in full time education).</p>

<p>Children's Education benefits</p>	<p>Veterans' Children Education Scheme (VCES) benefits (non-means tested) for eligible children of certain severely disabled members or members whose death has been accepted as service-caused.</p> <p>VCES has various rates of education allowances:</p> <ul style="list-style-type: none"> • Primary education rate of \$209.70 per year. • Secondary/Tertiary rates range from \$21.55 pw for a student aged under 16 and living at home up to a maximum \$174.05 pw for those aged 16 to 25, who are forced to live away from home for educational purposes (based on Centrelink Youth Allowance rates for those aged 16 and over.) 	<p>No - would have to apply for Youth Allowance through Centrelink. Youth Allowance rates and VCES rates are identical for students aged 16 years and over.</p>	<p>Military Rehabilitation and Compensation Act Education and Training Scheme (MRCAETS) for dependant children of severely injured members or deceased members where:</p> <ul style="list-style-type: none"> • The member's death is accepted as service caused, • The member is eligible to choose to receive the SRDP at time of death, or • The member suffers a permanent impairment of 80 or more impairment points <p>MRCAETS has various rates of education allowances:</p> <ul style="list-style-type: none"> • Primary education rate of \$209.70 per year. • Secondary/Tertiary rates range from \$21.55 pw for a student aged under 16 and living at home up to a maximum \$174.05 pw for those aged 16 to 25, who are forced to live away from home for educational purposes (based on Centrelink Youth Allowance rates for those aged 16 and over.)
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Funeral Benefit	Yes, for service caused death. Reimbursement up to \$1,000. Also, automatic grants of funeral benefit of \$1,000 to the estates of certain deceased veterans.	Yes, where death due to service, or to a service related medical condition. \$4, 894.39	Yes, where death is due to service or to a service related medical condition. \$5, 117.23
Bereavement payment (Disability Pension)	Deceased person's disability pension continues for 6 fortnights if there is a surviving spouse.	No.	The following payments continue for 6 fortnights if there is a surviving spouse or dependent child: <ul style="list-style-type: none"> • Weekly permanent impairment payments; • Incapacity payments; • SRDP
Financial Advice	No.	\$1,273.95	<p>\$1,334.93 for member offered the choice between SRDP and weekly incapacity payments and permanent impairment payment.</p> <p>\$1,334.93 for member who has permanent impairment of 50 or more impairment points.</p> <p>\$1,334.93 for wholly dependant partner when offered choice between weekly payment or conversion of that payment to a lump sum.</p>