VIETNAM VETERANS' FEDERATION of AUSTRALIA INC

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Productivity Commission
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Submission to the Productivity Commission Draft Report: 'A Better Way to Support Veterans' of December 2018.

The Vietnam Veterans' Federation of Australia (VVFA) has reviewed the Draft Report from the Commission and its recommendations and noted the acceptance and/or incorporation of the many statements and suggestions contained in the VVFA's previous submission of June 2018.

Additionally, we have taken the opportunity to comment on a range of allied topics in the Draft Report including suggested structural changes, legislation proposals, strategic management and governance issues.

The following submission contains detailed comments on many of the issues in the Report and an Executive Summary is provided.

We acknowledge the immensity of the task undertaken by your dedicated staff and the difficulty of producing a cogent report reflecting a disparate range of opinions and factual material.

The VVFA also recognises the importance and critical outcomes of this timely review in seeking, as contained in the Report's title, 'A Better Way to Support Veterans'. Our representatives are looking forward to attending and contributing to the proposed public sessions conducted by the Productivity Commission.

Yours faithfully

James Wain
For National President,
Vietnam Veterans' Federation of Australia

7 February 2019

Submission to the Productivity Commission Draft Report: 'A Better Way to Support Veterans' of December 2018.

Executive Summary

The VVFA welcomes the Draft Report from the Productivity Commission as a comprehensive examination of the role of DVA, Defence, veterans' legislation and associated policy and performance in supporting Australian veterans.

While the VVFA disagrees with several statements, analyses, conclusions and recommendations in the Report, we note and endorse many positive suggestions designed to improve this important social benefit regarding the rehabilitation and compensation of retired and current ADF members.

Particular points of issue are shown in the following sections.

The unique nature of ADF service

The VVFA recognises that the Productivity Commission has accepted the unique nature of ADF service, but it is concerned that the report then appears to rely solely on civilian workers' compensation models as the best foundation for recognising that unique nature. This is a predictably economic start point, but an unsatisfactory recognition of the unique nature of ADF service.

Restructuring Veteran Policy and Administration

Various recommendations seeking to disband DVA and relocate its functions to Defence and other bodies are not supported by VVFA. In realpolitik terms, given that both major political parties have already rejected the proposal to abolish DVA, the VVFA considers that, at minimum, the Productivity Commission must consider the option of DVA being retained, together with the impact that would have on its recommendations.

The VVFA supports the retention of DVA, supports increased accountability around the Veteran Centric Reform program, which is producing real and productive benefits to veterans, supports the continuing and necessary upgrade of its computer systems, and supports the Productivity Commission's recommendations that call for more effective data collection, analysis, and subsequent program evaluation.

Veteran Legislation and Policy

The VVFA accepts and supports the introduction of the recommended Two Scheme legislative approach that retains benefits for older veterans under a VEA-based scheme, and all others supported under a modified MRCA-based scheme. While this differs from the recommendation in our submission to the Productivity Commission regarding an Omnibus Act, the practicality of this approach is, apparently, so daunting to the legal fraternity and legislative drafters, that separation and harmonisation is the preferred tactic.

Included in the legislation, we believe that DVA should accept liability within 30 days as a reasonable waiting period, noting the current and planned improvement in a member's medical information transfer between Defence and DVA. This would complement the current arrangements for members' service documents being made available to DVA upon recruitment to facilitate acceptance of the member by DVA on discharge from Defence.

Moreover, as suggested in earlier submissions, we believe that the requirement for a condition to be both permanent and stable should be eliminated to prevent continual distress and delay in commencing compensation. The elimination of this waiting period may have the potential to remove the main obstacle for the uniting of the three acts. The dangers of the waiting period were shown with the suicide of Jesse Bird. It is true that in response to Jesse Bird's suicide there is now an interim income support payment for veterans waiting for mental health claims to be determined. But granting this payment is acceptance that the veteran can't work and won't be able to for the period of waiting. It is a de-facto acceptance of the veteran's claim for compensation.

For those members under Scheme 2 who are medically discharged, their documents should be passed to DVA, and liability accepted by DVA by streamlining, to expedite compensation action.

Joint Transition Command

VVFA supports the introduction of a Joint Transition Command as recommended by the Productivity Commission to coordinate and expedite rehabilitation of injured ADF members along with Defence and DVA arrangements.

Compensation Premium

VVFA does not support the levying of a compensation premium upon Defence as it would be inappropriate for a military force to manage the often, unmanageable activities and forces in play during both peacetime training and wartime operation.

NLHC White Card for Spouses and Partners

The VVFA previously recommended that spouses/partners be issued with a NLHC White Card for mental health, at the same time that the veteran is issued with that card. The Productivity Commission has not addressed this recommendation directly.

The VVFA believes that the Commission should address this issue noting the substantive body of scientific literature that reports the adverse impact upon families and the demonstrable advantage of early intervention and support. If it believes that its recommendations adequately address the immediate needs of many spouse/partners and families, it should present its argument in detail.

1: Veteran Support System and Services – General Comments

PC Approach to the Review

The Productivity Commission has undertaken a comprehensive review of the support system and services for veterans by evaluating the evolution and impact of legislation and administration intended to provide beneficial compensation and rehabilitation to injured members of Australian Defence Forces and their dependants.

A strategic management analysis of this wide-ranging subject would include an examination of the relevant prime issues such as political, economic, social, and technological factors driving the system and discovering the contributions to its efficiency and effectiveness. Many of these factors have been presented in the Draft Report with some given greater emphasis than others. In particular, veterans and their service are acknowledged and honoured, and there is an assurance from the Productivity Commission that:

> **'no veteran or dependant of a deceased veteran who currently receives a benefit or entitlement will be worse off under our proposals.'**

However, it does appear that the implementation of some the Productivity Commission's recommendations would certainly risk veterans and their families being worse off.

The experience of war, and of war-like operational deployment, can be physically and mentally traumatic. While effective OH&S practices can ameliorate the physical and mental impact of training for war, even that can be problematic at times. The political, social, and cultural values from which ADF members are drawn, and which may or may not support operational deployment, will change from operational deployment to operational deployment. Arguably, the potential for trauma, and its short-and-long term effects, does not change.

The VVFA acknowledges that the Productivity Commission accepts (Chapter 2) that ADF service is unique. The Federation's perception is that the Productivity Commission then argues that civilian workers' compensation models are the sole design models for ADF rehabilitation and compensation. In Chapter 4 the Productivity Commission tries to strike a balance between civilian compensation schemes and the nature of ADF employment - "The unique needs of veterans, including in relation to transition and mental health, also justify some bespoke, well-targeted services for veterans and their families". The VVFA argues that the unique nature of ADF employment demands innovative, and significant, beneficial services for veterans and their families, and that civilian compensation models alone are inadequate to meet this demand. If the Productivity Commission's thinking is that the veterans' model should be based on the NDIS model, then it needs to say so, and it needs to justify that strategic direction, with greater detail.

The Productivity Commission's report should not lead to the need for further reviews, before change can be implemented. This is one reason why the VVFA argues that DVA should remain. The major structural change (abolishing DVA) that the Commission recommends has the potential both to put at risk the positive reform that is now underway, and to lead to cynicism amongst veterans as to the government's commitment to veterans.

The veteran community has placed much store in the Productivity Commission being able to identify change that can be implemented in the short to medium term, and presumably under the direction of an effective change-management task force. Given the realpolitik indicates that neither major party intends to countenance the abolition of the Department of Veterans' Affairs, the VVFA argues that the Productivity Commission must at least present an option, with recommendations, to include the probability that DVA will be retained. The VVFA argues that the welfare of veterans cannot be faced with any potential risk to reforms that are already in train.

ESOs

The issue of the number of ESOs, and the absence of a peak body, or a collaborative voice, is complex. The argument that there would be more effective outcomes if ESOs spoke with one voice is an ideal, but it ignores the reality of issues such as:

- how and why ESOs were established;
- the fact that different cohorts of veterans have different issues and different organisational structures;
- the diversity of issues that ESOs, mostly individually, and sometimes collectively, raise;
- the fact that ESOs are volunteer organisations with limited budgets for the necessary level of national collaboration required to develop an effective 'one voice'; and,
- the decline of the RSL as the 'one voice' ESO.

Many of the issues that have been raised by individuals, and by ESOs, in submissions to the Productivity Commission are not new. ESOs, individually, and collectively through ADSO, have been raising these issues for several years, as reviews will show. ESOs have been speaking, but governments, either through DVA, or through individual elected representatives, have not always been listening. Many volunteer advocates through their years of experience have more familiarity with legislative complexities and inequities than DVA staff. That is to be expected. Regrettably, the sometimes, adversarial context in which this knowledge is either delivered, or received, works to the disadvantage of both the veteran and DVA.

Rehabilitation vs Compensation

The report mentions rehabilitation many times and promotes this approach strongly over compensation.

The VVFA strongly supports the Productivity Commission's emphasis on rehabilitation for veterans, with the aim, first, of rehabilitation to meaningful ADF employment, or second, to meaningful civilian employment. Retraining, civilian qualifications, an accepted Recognition of Prior Learning regimen, substantive supported work experience, and health and welfare support, are central to this. The model for "Veterans' Wellbeing" at Figure 4.2 in the Draft Report is comprehensive but is really a model that can be applied to the wellbeing of Australians generally. It is this model that must provide the blueprint for the 'bespoke and well-targeted" support services to which the Productivity Commission refers in Chapter 4 of its report, and upon which the Joint Transition Command should set its sights.

Notwithstanding, experience has shown that many veterans will never again be fit for full-time work, regardless of early intervention and quality of care. That is the situation now, and it is unlikely to change in the face of future operational deployments. These veterans need 'social' not 'economic' rehabilitation, and the most important start for 'social' rehabilitation is the reduction of the debilitating experience of financial anxiety, by the granting of 'compensation'.

Downplaying the importance of 'compensation' creates the impression that the awarding of compensation is a mark of failure, rather than the first necessary step in successful social 'rehabilitation'. Compensation has been, and remains, a valuable and necessary part of the current system and should be acknowledged as such, rather than implying that those who receive compensation are somehow less worthy than those who undergo economic rehabilitation. Overwhelmingly, veterans would gladly forgo their compensation in exchange for a return to good health.[1]

An adversarial and dismissive attitude to compensation tends to support the notion that 'compensation causes illness', and the consequent perception that financial gain is the motivation of some veterans' illness claims. It is the opinion of the VVFA that evidence to support this attitude is both biased and anecdotal and neglects the non-financial importance of 'work'. Indeed, the problem has not been with those veterans who are 'working', but with the depression suffered by those veterans unable to 'work'. In 2017 the VVFA produced evidence to support this observation in a short statistical paper on Fraud. The paper was tabled at ESORT, and it is attached as Annex A. The

[1] According to DVA's Pensioner Summary under the VEA: As at June 2018 there were 20,338 Vietnam veteran TPI pensioners. The total from all conflicts was 27,351. Many of these pensioners struggled to cope, either with a return to work, or a return to modified work, and thus compensation was the outcome.

statistics were verified by DVA before the paper was tabled and show that the incidence of fraud is <0.5% of claims.

The Productivity Commission assesses the Gold Card as not being targeted to service-related health needs and, by association, as corrupting the repatriation system. The comprehensive cover of the Gold Card in part reflects the domino effects of any service-caused disability serious enough to warrant a Gold Card. The effects of service (particularly war-caused) conditions cannot simply be accurately quarantined. Post-Traumatic Stress Disorder, for instance, predisposes sufferers to other illnesses and injuries. It is the same long-standing understanding that justified veterans receiving the equivalent of the Age pension at age 60 because the Government accepted that veterans 'burned out' earlier than non-veterans.

The comprehensive cover of the Gold Card is qualitative and also reflects the beneficial nature and intended generosity of the repatriation system in recognition of the veteran's highest form of public service, reflecting a value and a cost not readily responsive to fundamental economics. While rehabilitation is a primary goal, it will not be an appropriate short-term goal in all cases, and the timing of its commencement may be problematic. This must be acknowledged and taken into account.

The VVFA supports the Productivity Commission's recommendations regarding the systematic collection of data and the evaluation of rehabilitation programs. Rehabilitation effectiveness can be measured (assuming the government of the day and DVA accept the Productivity Commission's recommendation that it evaluate rehabilitation policy, and outcomes). Despite common usage, both wellness and wellbeing are 'feel good' terms that are difficult to define, and consequently, difficult to measure quantitatively.

Dependants and compensation

Under the heading 'Benefits for dependants', the Productivity Commission makes the observation that "There were few issues raised about the benefits for dependants". The VVFA suggests that a low frequency-of-mention in submissions to the Productivity Commission is not a measure either of unimportance, or importance.

The Clarke Review (2002) received a well-argued submission from the Vietnam Veterans' Association of Australia (VVAA) proposing a Gold Card for spouses and partners of veterans who themselves had received a Gold Card. The VVFA considers that the review failed to recognise the impact of veteran injury on families and effectively dodged the issue by suggesting that Centrelink welfare provisions were appropriate. We don't accept that approach and note that the Productivity Commission has similarly rejected the extending of the Gold Card for spouses/partners, but that it has also failed to address our submissions arguing for a NLHC White card for spouses and partners.

There is unequivocal evidence from peer-reviewed scientific studies that demonstrates the impact of a veteran's injuries on their families. A 1998 a government study found veterans' partners suffered high rates of psychological distress.[2] Alarming statistics have also emerged from a relatively recent study on 'suicidality'[3]. For the wives of Vietnam veterans, the risk of 'thinking about' suicide is 6.2 times higher, 'planning' 3.5 times higher, and 'attempting suicide' 6 times higher, than for their peers in the general community.

A 2000 government study[4] showed the children of Vietnam veterans suffering a suicide rate 300% higher than their peers in the general population. After that finding, it was not surprising that the recently published Vietnam Veterans Family Study found higher rates of psychological illness amongst the children of veterans.[5]

The main cause of these statistics was found to be family dysfunction caused by the psychologically damaged veteran husbands. In other words, the spouses and children of veterans must be seen as second wave casualties of the veterans' service: hence 'compensation' is warranted.

It is not the case that more research is needed. It is the case that spouses/partners should have access, via a White Card, to mental health support. Early intervention for spouses/partners, and timely access to services, is critical to the successful prevention, and treatment, of mental health issues. See also VVFA comments on p20.

The Defence Insurance Premium

The VVFA assumes that civilian workers' compensation premiums take into account the application of preventive policies based upon OH&S legislation, policy, and procedures, and the claim history and associated costs of worker injury. We question whether this can be applied to the ADF, and we see it as one of the areas where the unique nature of ADF service is pertinent**.**

As VVFA understands this proposal, Defence would put money into a fund that would pay for rehabilitation and compensation for veterans, and this would provide a greater incentive to prevent injury and illnesses to serving personnel. This incentive may make sense, say for construction companies, but not for Defence, where optimum health, fitness, and availability of personnel is a *sine qua non* of preparation for war. Civilian employers cannot dictate fitness levels as does the ADF, and they cannot enforce the elite individual, and team, training standards that are required for the ADF to function effectively for sustained periods in war.

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[2] *Morbidity of Vietnam Veterans. Volume 1, Survey of Community Comparison Outcomes*. Department of Veterans' Affairs 1998

[3] O'Toole, B.I. et al. *Suicidality in Australian Vietnam veterans and their partners*. Journal of Psychiatric Research xxx. 2015. Pp 1-7.

[4] Morbidity of Vietnam Veterans. Supplementary Report No.1. Suicide of Vietnam Veterans' Children. DVA and AIHW.2000.

[5] Vietnam Veterans health Study. Volume 1. Introduction and Summary of the Studies of Vietnam Veterans' Families. DVA. 2014.

Training for war, to be effective, must include elements of realism, risk, and danger. The difference between this, and civilian employment is as obvious, as it is stark. To eliminate all danger during training would be to have a less than well-prepared military.

The military is sent into battle to protect Australia's national interests. If those national interests are important enough, predicted high casualty rates may have to be acceptable, but the significant cost impact on a civilian-model insurance premium would not only be unpredictable, but would be astronomical.

On these grounds, the VVFA considers that 'annual premium' incentive ill-fits Defence.

VCES

The children of service-damaged veterans often have difficult lives financially and emotionally. They can be considered second wave casualties. 'Compensation' is therefore warranted: indeed, payments under VCES, being compensation for the disadvantages of living with a war-affected veteran, should be greater than the equivalent Centrelink payments.

The parents of eligible children up to the age of 15, can receive a means-tested Centrelink Family Tax Benefit of around $237.86, plus a VCES or MRCA education allowance of round $57.20 a fortnight. Both payments are non-taxable.

When the child turns 16, and is continuing full time school, a completely different system applies. The child is eligible for a VCES non-means-tested payment of around $253.10 which is taxable or, if they pass the means test, a Family Tax Benefit payment of $237.87 which is not taxable. The child cannot receive both.

The 15-year-old child is clearly $57.20 per fortnight better off than a civilian counterpart. The 16-year -old child loses all or most of that advantage.

The solution to keep the eligible child better off than his civilian counterpart, and to simplify this unnecessarily complex system, is to continue the same payments and conditions for the 16-year-old as applied for the 15-year-old.

As indicated on p66 of our previous submission we seek assurance that any future increase to these payments are automatically applied to the VCES.

The Unchanging Impact of Warfare

The Productivity Commission draws on a DVA quote – "The mental health of veterans has presented as a significant issue for the veteran community in recent years, particularly as younger veterans with recent engagements have faced circumstances – both as part of service, and in returning to Australia

– unlike other previous engagements. These circumstances have contributed to many veterans suffering poor mental health".

The nature of particular wars, the technology used, and the societies to which veterans return, change with time, and all impact upon the experience of returning veterans. But there is also an underlying consistency. This is especially true of mental illness where WWI's shell shock, WWII's battle fatigue, and Vietnam's war neurosis and PTSD (post 1980), have all had similar effects on returning veteran cohorts.

Note that PTSD was formalised, with diagnostic criteria, in 1980. ADF deployment to South Vietnam was from 1962 to 1973, PTSD was defined, with formal diagnostic criteria, in 1980. Too many veterans were therefore faced with their symptoms being misunderstood, downplayed, ignored, unidentified, or unreported. Contemporary veterans have the potential advantages of pre-deployment and pre-RTA debriefings, early diagnosis, early intervention, and advances in treatment, with the associated potential for rehabilitation. Suggesting contemporary veterans' poor mental health is because they 'faced circumstance…unlike pervious engagements', fails to acknowledge history, and only serves to draw an odious comparison.

Veterans Review Board

The Report notes:

> 'The Australian Government should conduct a further review in 2025 on the value of the continuing role of the Veterans' Review Board, once significant reforms to the initial claim process for veterans are established. In particular, the review should consider whether reforms have reduced the rate at which initial decisions in the veteran support system are varied on review. If the review finds that the Board is no longer playing a substantial role in the claims process, the Australian Government should bring the alternative dispute resolution functions of the Board into the Department of Veterans' Affairs or its successor agency.' (page 55)

DVA has budget pressure that the Veterans Review Board does not, hence the VRB is able to focus solely on the justice of decisions and not on their budget implications, which is vital if the system is to be fair and be seen to be fair. It was the independence of the appeals tribunals, for instance, that overturned DVA chemical exposure decisions time and time again till DVA was forced to concede its error.

In a more general sense, having an independent Veterans Review Board must pressure DVA determining officers to be more diligent, even in the face of their superiors' pressure to increase the rates of completion.

The changes to the VRB after the introduction of ADR, have been profound. Appeals take less time and we believe they could be shortened further. The VVFA is strongly in favour of an independent VRB and is happy with its current operation, but at the same time, the it supports the Productivity Commission's recommendation of a review in 2025.

Harmonisation

Reducing Claim Delays

Page 58 of the Report notes:

> 'The Australian Government should amend the Military Rehabilitation and Compensation Act 2004 to allow the Department of Veterans' Affairs the discretion to offer veterans final permanent impairment compensation if two years have passed since the date of the permanent impairment claim, but the impairment is expected to lead to a permanent effect, even if the impairment is considered unstable at that time. This should be subject to the veteran undertaking all reasonable rehabilitation and treatment for the impairment.' (Report page 58)

The PC inquiry was initiated by a recommendation from the Senate Inquiry into veterans' suicide. Delays in receiving compensation were cited in submissions as a contributing factor in some of these suicides.

Accepting liability is reasonably straight forward. The delay occurs in establishing whether the conditions are Permanent and Stable. The requirement for a condition to be permanent and stable is a feature of DRCA and it was carried into MRCA. This requirement is a civilian compensation condition. It does not occur in the VEA 1986.

In the Draft Report (Chapter 2) the PC noted;

> "The unique needs of veterans, including in relation to transition and mental health, also justify some bespoke, well-targeted services for veterans and their families".

Invariably, these services need to include a non-controversial acceptance of liability of conditions acquired by the veteran. Indeed, in view of this distinct acceptance of the unique nature of military service we recommend removing the Permanent and Stable requirement from DRCA and MRCA. This would drastically reduce the time taken to complete claims and greatly harmonise the three Acts.

Threshold Limits

Both DRCA and MRCA have a threshold limit on impairment points before compensation can be awarded. For DRCA the Permanent Impairment Guide (PIG) is used and for MRCA, GARP 5 (M). The

threshold in both guides is 10 impairment points or more. Hence a veteran with three separate injuries which attract an impairment rating of 9 each and would not be compensable under those two Acts. Under the VEA, which uses GARP 5 they would be compensable.

We recommend the use of GARP 5 for all three Acts.

Warlike, Non-Warlike and Peace Time

There is also a discrepancy between DRCA and MRCA in that PIG is only for peacetime injuries/diseases while GARP 5 (M) has two separate tables 23.1 for Warlike and non-Warlike and 23.2 for Peacetime service. However, GARP 5, used for the VEA, does not discriminate between Warlike, non-Warlike and Peacetime.

We recommend the use of GARP 5 for all three Acts.

Streamlined SOPs

Currently DVA have some 43 SOPs which have been streamlined ie a veterans' military occupation is used to determine whether they would pass the requirements of certain SOPs. For example, an infantry soldier or a naval rating would pass the requirement for certain muscular skeletal injuries because of the nature of their employment. However, DVA have not applied all those SOPs to the Acts which use them, currently only MRCA and the VEA. This is discriminatory.

We recommend that all streamlined SOPS be applied to the VEA and MRCA. Then to DRCA when that Act starts to use SOPs.

One SOP

If only one SOP is used for every Act which one should be used? The Reasonable Hypothesis (RH) SOP was designed for War Service or non-Warlike Service to recognise the special nature of operational service. However, some injuries are common to War Service, non-Warlike Service and Peacetime Service. A helicopter crash in Townsville in 1986 and a helicopter crash in Afghanistan in 2016 would most likely result in similar injuries. Like injuries should be regarded as warranting the same consideration. The use of RH SOP would not disadvantage those injured on Warlike or non-Warlike service. It would just simplify claim decisions for all veterans, delegates and advocates. Beneficial legislation should warrant an advantage for those with similar injuries regardless of where they occurred.

We recommend using the "Reasonable Hypothesis" SOP for all claims.

Deeming

This recommendation suggests a deeming period of 2 Years - this is unacceptable. Having to wait two years before a veteran can do any planning for his/her future life is unreasonable. VVFA is aware of at least one suicide resulting from this extended waiting period before claims' determination and unfortunately there have likely been more.

The VEA system causes much less suffering with an early declaration of the illness or injury being permanent but with the opportunity, should the disability later unexpectedly improve, for the veteran to take up employment under the Veterans Vocational Rehabilitation Scheme (VVRS).

The VVFA has concerns about the requirement for an injury or disease to be permanent and stable to receive compensation. The VEA 1986 does not use the civilian model of compensation ie whether a disease or injury is permanent and stable, which is a feature of DRCA and MRCA. Under the VEA once the delegate decides that the condition arose from service, liability is accepted, and compensation payments can commence.

If the requirement to have conditions deemed as permanent and stable was removed from DRCA and MRCA, claims could be completed as soon as liability was accepted. With electronic claim lodgement and decisions being advised electronically claims could be decided within 30 days. If a condition improves a veteran can seek work and their relevant compensation payments can be put on hold. If their health worsens so work is no longer possible, DVA can resume the compensation payments.

Claims should be made 6 months before discharge, regardless of whether discharge is on medical grounds or otherwise. If the Government accepts that 'permanent and stable' are terms no longer relevant to veterans' compensation, they can then be finalised before discharge. If they are not finalised within that 6-month period, they should be deemed as accepted.

The USA, UK, Canada and NZ all have deeming provisions in their veteran compensation legislation (see Slater and Gordon (S&G) 2018 submission to the PC). S&G recommended a 120day deeming period. We recommended 60 days in our original submission. If all the above recommendations are agreed by the PC and Government accepts them, 60 days is easily achievable.

We remain committed to a deeming period of 60 day.

Annex B: Comparison of compensation benefits

Annex B to this submission shows the current discrepancies between the three Acts for many allowances. The allowances here should apply to all Acts. There is no moral justification to discriminate between veterans because of the period in which they served. It is common sense to use the most beneficial allowances for all Acts. Additionally, when DVA starts to harmonise the Acts there must be representation from current members of ESORT and experienced advocates. We also recommend inclusion of lawyers experienced in veterans' law to help with the harmonisation.

Removing 'Outdated Payments'

The Federation takes issue with the Productivity Commission's Recommendation 14.4:

> 'To streamline and simplify outdated payments made to only a few clients, they should be paid out and removed. The Australian Government should amend the *Veterans' Entitlements Act 1986* to remove the recreation transport allowance, the clothing allowance and the decoration allowance and pay out those currently on the allowances with an age-adjusted lump sum.' (page 62)

We question the notion that these payments are outdated or that they are economic pariahs. This is especially so in the case of the decoration allowance, the principle behind which is recognition of personal worth and exceptional service. It is hardly inefficient and much more than a mere financial transaction.

The payments should not be terminated.

Joint Transition Command

The Productivity Commission has been frank in exposing the apparent lack of commitment to effective transition – "the rhetoric around the importance of transition is not matched by effective action."[6]

The *concept* of a Joint Transition Command is supported by the VVFA, with Figure 4.2 and Box 6.1 of the draft report being a start point for a systems-based model incorporating the dot points[7] listed by the Productivity Commission. That model should be developed for inclusion in the final report. If not, the glacial cycle of review will continue.

The Federation makes three observations:

a. Many ADF personnel have not established themselves in civilian life before enlisting. Just as there is a Basic Training course (of around three months) for each of the three Services, perhaps there could be a 'basic transition' course of similar timing, with appropriate civilian accreditation.
b. Engaging with ADF members early in their careers is a worthy ideal, but it has to be accepted as a very much a secondary objective to the primary objective of training for war.
c. Once an ADF member makes the decision to take discharge, it is probable that the discharge is wanted sooner rather than later. Therefore any transition model must be

[6] p. 30 of Report Overview.
[7] p. 31 of Report Overview.

attractive, based on principles of adult learning, professional, and learning and experience modules must be integrated.

Veteran Service Commission

Given that the VVFA argues for the retention of DVA, the establishment of a Veteran Service Commission, is not supported.

2: Comparing the Productivity Commission Draft Report narrative and recommendations against VVFA recommendations in the July 2018 Submission.

VVFA Recommendation 1: Introduce a Military Covenant

The VVFA is pleased to note that the Government has recognised the importance of greater acknowledgement of the unique nature of military service and support of veterans and their families by introducing, and planned legislation of, an Australian Defence Veterans' Covenant. (DVA VETAFFAIRS Vol 34 No 4). The VVFA supports the proposition that this Covenant should be a preamble to veteran legislation.

VVFA Recommendations 2 - 5: Covered the principle of beneficial legislation, the Commonwealth as a model litigant, the need for an Omnibus Act, and the need for legislation to be reviewed after implementation.

The VVFA notes the issues and difficulties identified with consolidating existing legislation into a single Act and the Commission's proposal to: 'focus on achieving some degree of harmonisation between the Acts' (Ch 17.1)

The draft recommendation to create two schemes for veteran support would separate the VEA (modified) from a combined and harmonised MRCA/DRCA Act with associated age-related application for veterans and benefit arrangements made for dependants under the applicable scheme.

The VVFA agrees in principle to this proposal but will need to be assured that the beneficial aspects of existing or combined acts are retained, as well as eliminating the inconsistencies and anomalies of the current legislation. Moreover, once this separation has been accomplished, legislation passed and implemented, its operation, effectiveness and efficiency should be monitored continuously to ensure the aims of the review are being met.

Additionally, the VVFA strongly endorses Draft Recommendation 8.3 providing harmonisation of the initial liability process across the three Acts. We offer, though, the observation that if our recommendation of the elimination of the 'stable and permanent' rule was implemented, there should be no unmanageable impediment to uniting all three Acts into one. See also the related issues on harmonisation on pages 13-15 of this submission

VVFA Recommendation 6: To incorporate all veteran appeal court precedents into relevant DVA policies.

These issues are not addressed directly in the report and we await the separate report into Advocacy and associated subjects.

VVFA Recommendations 7-9: NLHC White Card for Spouses and Partners

With supporting argument, the VVFA recommended that spouses/partners be issued with a NLHC White Card for mental health, at the same time that the veteran is issued with that card. The Productivity Commission has not addressed this recommendation directly.

DVA, in its submission to the Productivity Commission, states:

> *DVA, in recognising the key role performed by family members, has identified that improving its support for veterans' families is a key priority area for further development, and is co-designing services and their delivery mechanisms with partners and families to better meet this need.*

This statement does not reflect the urgent need for change in providing early intervention, and readily accessible mental health support, for families.

In their submission to the Productivity Commission, Partners of Veterans Australia (PVA) argued for either a Gold Card, or a White Card, for spouses /partners. In rejecting the proposal for a Gold Card, the Commission did not address the White Card option. Both the PVA, and the Australian Families of the Military Research and Support Foundation (AFOM), provided reference to peer-reviewed, published, research, supporting their arguments, with AFOM proposing an early intervention model, which, if implemented, would make a constructive and informed contribution to the core issues of transition and rehabilitation.

Under the heading *Mental health and families*[8], the Productivity Commission acknowledges only the submissions by the NMHC and RSL NSW regarding the mental health impact on families. It has ignored, thus far, substantive scientific research evidence on the issue and appears to accept Open Arms as the solution to providing dependant support.

Open Arms is *part* of the solution, it is not *the* solution. This is particularly the case when the Productivity Commission proposes that Open Arms develop outcome measures, and then, and only then, that "DVA review Open Arms' performance, including whether it is providing adequate, accessible, and high-quality services to families of veterans." That is at best, a medium to long-term strategy, against a history of superficial evaluation. There is an immediate need for spouses/partners to have early, targeted intervention to address potential mental health issues, and early access for psychological and/or psychiatric services.

[8] p. 594 Draft Report

The Productivity Commission argues, reasonably, that the model it proposes for transition will have positive health outcomes for veterans and families. An unmet need exists, *now*, for the families of veterans who have had to cope for many years with the mental health issues of their veteran spouse/partner. There also exists an unmet need for families who await the benefit of an, as yet unaccepted (by government), model for transition.

Early, and accessible, intervention for families will contribute to rehabilitation. The VVFA anticipates that the Commission's enquiry into the impact of mental health on productivity will add significant weight to the argument that early and accessible professional mental health support for (in the context of veteran rehabilitation) spouses/partners has the potential to contribute both to the productivity of families as well as to their well-being.

The VVFA argues that the Productivity Commission must, at minimum, address the issue of an NLHC White Card for spouses/partners against the substantive body of scientific literature that reports the adverse impact upon families and must consider the demonstrable advantage of early intervention and support. If it argues that its recommendations adequately address the immediate needs of many spouse/partners and families, it should present its argument in detail.

VVFA Recommendation 10: Apply one set (operational) of SOPs across all Acts until an Omnibus Act is in place.

The Federation supports Recommendation 8.1 as detailed in the Productivity Commission's draft report.

In response to the Commission's Information Request 8.1, the VVFA considers that the 'reasonable hypothesis' should be the standard of proof.

VVFA Recommendation 11: Provide 'upfront' information and guidance to SOPs in the initial claim.

It is not apparent that the Productivity Commission has addressed this recommendation directly. However, given the emphasis on Veteran Centric Reform and its import for the claim process the Federation has some optimism that this issue will be addressed.

VVFA Recommendation 12: Use GARP V for the Omnibus Act.

See the previous section on Harmonisation.

VVFA Recommendation 13: A deeming period of six months for claims to be legislated

The Productivity Commission has rejected this recommendation. The VVFA accepts that continuous improvement in the recording of medical incidents during ADF service, and in the transfer of those data to DVA, has the potential to reduce the time for a claim to be accepted. However, the VVFA's experience in the advocacy field, leads it to push for further consideration of this Recommendation, and the following Recommendation 14. Delay is the antithesis of effective rehabilitation.

VVFA Recommendation 14: Injured ADF members, who are to be medically discharged, should not be discharged until a claim is accepted and compensation commenced.

The VVFA supports the analysis in, and recommendations arising from, Chapters 6 and 7 of the draft report covering rehabilitation and transition. At this proposal stage, the VVFA is confident that implementation of the recommendations would satisfy the Federation's concern that ADF members would not be left in limbo between discharge and both rehabilitation and compensation.

VVFA Recommendation 15: Anonymous complaints must be communicated to the veteran by DVA.

This issue has not been addressed. The VVFA recommendation rests on the principle of natural justice.

VVFA raised other 'Issues with DVA' and 'Potential for cost savings':

These issues have generally been covered, either directly or indirectly. The exceptions perhaps, are VVFA's comments regarding the rising legal costs incurred by DVA and the issue of the use of medico-legal assessments. Current practice in both areas acts to the detriment of veterans.

The VVFA unequivocally supports the analysis in, and recommendations arising from Chapters 11 (11.3 Where is strategic policy?) and 16 (Data and Evidence) of the draft report.

Given the VVFA's support for the retention of DVA, it suggests that the Productivity Commission give considered thought as to how DVA can progress strategic research and policy effectively. Evidence-based policy must be integral to the process of positive change already underway within DVA.

Education Schemes for dependent children – see comments on pages 11-12.

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3: VVFA Comments on the Productivity Commission Draft Recommendations: 'A Better Way to Support Veterans' of December 2018.

DRAFT RECOMMENDATION 4.1

The overarching objective of the veteran support system should be to improve the wellbeing of veterans and their families (including by minimising the physical, psychological and social harm from service) taking a whole-of-life approach. This should be achieved by:

- preventing or minimising injury and illness
- restoring injured and ill veterans by providing timely and effective rehabilitation and health care so they can participate in work and life
- providing effective transition support as members leave the Australian Defence Force
- enabling opportunities for social integration
- providing adequate and appropriate compensation for veterans (or if the veteran dies, their family) for pain and suffering, and lost income from service-related injury and illness.

The principles that should underpin a future system are:

- wellness focused (*ability* not disability)
- equity
- veteran centric (including recognising the unique needs of veterans resulting from military service)
- needs based
- evidence based
- administrative efficiency (easy to navigate and achieves timely and consistent assessments and decision making)
- financial sustainability and affordability.

The objectives and underlying principles of the veteran support system should be set out in the relevant legislation.

Strongly supported.

DRAFT RECOMMENDATION 5.1

Defence should investigate the feasibility and cost of augmenting the Sentinel database with information from the Defence eHealth System. In the longer term, when Defence Commissions the next generation of the Defence eHealth System, it should include in the system requirements ways to facilitate the capture of work health and safety data.

The Departments of Defence and Veterans' Affairs should investigate the feasibility and cost of augmenting the Sentinel database with information from the Department of

Veterans' Affairs' datasets, which would provide insights into the cost of particular injuries and illnesses.

Supported.

DRAFT RECOMMENDATION 5.2

Defence should use the injury prevention programs being trialled at Lavarack and Holsworthy Barracks as pilots to test the merit of a new approach to injury prevention to apply across the Australian Defence Force (ADF).

Defence should adequately fund and support these programs and ensure that there is a comprehensive and robust cost–benefit assessment of their outcomes.

If the cost–benefit assessments are substantially positive, injury prevention programs based on the new approach should be rolled out across the ADF by Defence.

Supported.

DRAFT RECOMMENDATION 5.3

Beginning in 2019, the Australian Government should publish the full annual actuarial report that estimates notional workers' compensation premiums for Australian Defence Force members (currently produced by the Australian Government Actuary).

Supported.

DRAFT RECOMMENDATION 6.1

The Australian Defence Force Joint Health Command should report more extensively on outcomes from the Australian Defence Force Rehabilitation Program in its Annual Review publication.

Supported. In particular, the ADF report should identify those personnel who transition via medical discharge or as healthy.

DRAFT RECOMMENDATION 6.2

The Department of Veterans' Affairs should make greater use of the rehabilitation data that it collects and of its reporting and evaluation framework for rehabilitation services. It should:

- evaluate the efficacy of its rehabilitation and medical services in improving client outcomes
- compare its rehabilitation service outcomes with other workers' compensation schemes (adjusting for variables such as degree of impairment, age, gender and difference in time between point of injury and commencement of rehabilitation) and

other international military schemes.

Supported. In particular compare the DVA rehabilitation outcomes with the ADF rehabilitation outcomes. It is understood that the ADF rehabilitation is lengthy and thorough. If the ADF cannot rehabilitate members to return to the same service task or be recommended to another career path, it seems unlikely that DVA rehabilitation could improve the member's ability to find work outside the ADF.

DRAFT RECOMMENDATION 6.3

Defence and the Department of Veterans' Affairs need to engage more with rehabilitation providers, including requiring them to provide evidence-based approaches to rehabilitation, and to monitor and report on treatment costs and client outcomes.

Changes are also required to the arrangements for providing and coordinating rehabilitation immediately prior to, and immediately post, discharge from the Australian Defence Force (ADF). Rehabilitation services for transitioning personnel across this interval should be coordinated by Joint Transition Command (draft recommendation 7.1). Consideration should also be given to providing rehabilitation on a non-liability basis across the interval from ADF service to determination of claims post-service.

Supported. Optional organisational structures should be provided in the event that the JTC is not approved or implemented.

DRAFT RECOMMENDATION 7.1

The Australian Government should recognise that Defence has primary responsibility for the wellbeing of discharging Australian Defence Force members, and this responsibility may extend beyond the date of discharge. It should formalise this recognition by creating a 'Joint Transition Command' within Defence. Joint Transition Command would consolidate existing transition services in one body, with responsibility for preparing members for, and assisting them with, their transition to civilian life. Functions of Joint Transition Command should include:

- preparing serving members and their families for the transition from military to civilian life
- providing individual support and advice to veterans as they approach transition
- ensuring that transitioning veterans receive holistic services that meet their individual needs, including information about, and access to, Department of Veterans' Affairs' processes and services, and maintaining continuity of rehabilitation supports
- remaining an accessible source of support for a defined period after discharge
- reporting on transition outcomes to drive further improvement.

Supported.

DRAFT RECOMMENDATION 7.2

Defence, through Joint Transition Command (draft recommendation 7.1), should:

- require Australian Defence Force members to prepare a career plan that covers both their service and post-service career, and to update that plan at least every two years
- prepare members for other aspects of civilian life, including the social and psychological aspects of transition
- reach out to families, so that they can engage more actively in the process of transition.

Supported.

DRAFT RECOMMENDATION 7.3

The Department of Veterans' Affairs should support veterans to participate in education and vocational training once they leave the Australian Defence Force. It should trial a veteran education allowance for veterans undertaking full-time education or training.

Supported. The DVA Minister announced in the latest DVA News that veterans can now be paid incapacity allowance at 100% of their normal weekly earnings whilst studying full time.

DRAFT RECOMMENDATION 8.1

The Australian Government should harmonise the initial liability process across the three veteran support Acts. The amendments should include:

- making the heads of liability and the broader liability provisions identical under the *Veterans' Entitlements Act 1986* (VEA), the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA) and the *Military Rehabilitation and Compensation Act 2004* (MRCA)
- applying the Statements of Principles to all DRCA claims and making them binding, as under the MRCA and VEA
- adopting a single standard of proof for determining causality between a veteran's condition and their service under the VEA, DRCA and MRCA.

Strongly supported. This is also a good time to change the three Acts as per our submission dated July 2018.

DRAFT RECOMMENDATION 8.2

The Australian Government should amend the *Veterans' Entitlements Act 1986* (VEA) to allow the Repatriation Medical Authority (RMA) the legal and financial capacity to fund and guide medical and epidemiological research into unique veteran health issues, such as through a research trust fund.

Following any investigation, the RMA should be required to publish the list of

peer-reviewed literature or other sound medical-scientific evidence used, as well as outline how different pieces of evidence were assessed and weighed against each other. This may require legislative amendments to the VEA.

Additional resources should also be given to the RMA, so that the time taken to conduct reviews and investigations can be reduced to around six months.

Supported.

DRAFT RECOMMENDATION 9.1

The Department of Veterans' Affairs should report publicly on its progress in implementing recommendations from recent reviews (including the 2018 reports by the Australian National Audit Office and the Commonwealth Ombudsman) by December 2019.

Supported.

DRAFT RECOMMENDATION 9.2

The Department of Veterans' Affairs should ensure that staff, who are required to interact with veterans and their families, undertake specific training to deal with vulnerable people and in particular those experiencing the impacts of trauma.

Supported.

DRAFT RECOMMENDATION 9.3

If the Department of Veterans' Affairs' quality assurance process identifies excessive error rates (for example, greater than the Department's internal targets), all claims in the batch from which the sample was obtained should be recalled for reassessment.

Supported.

DRAFT RECOMMENDATION 10.1

The Department of Veterans' Affairs (DVA) should ensure that successful reviews of veteran support decisions are brought to the attention of senior management for compensation and rehabilitation claims assessors, and that accuracy of decision making is a focus for senior management in reviewing the performance of staff.

Where the Veterans' Review Board (VRB) identifies an error in the original decision of DVA, it should clearly state that error in its reasons for varying or setting aside the decision on review.

The Australian Government should amend the *Veterans' Entitlements Act 1986* to require the VRB to report aggregated statistical and thematic information on claims where DVA's

decisions are varied through hearings or alternative dispute resolution processes. This reporting should cover decisions of the Board, as well as variations made with the consent of the parties through an alternative dispute resolution process. This should be collected and provided to DVA on a quarterly basis and published in the VRB's annual report.

DVA should consider this reporting and respond by making appropriate changes to its decision-making processes.

Supported.

DRAFT RECOMMENDATION 10.2

The Australian Government should introduce a single review pathway for all veterans' compensation and rehabilitation decisions. The pathway should include:

- internal reconsideration by the Department of Veterans' Affairs. In this process, a different and more senior officer would clarify the reasons why a claim was not accepted (partially or fully); request any further information the applicant could provide to fix deficiencies in the claim, then make a new decision with all of the available information
- review and resolution by the Veterans' Review Board, in a modified role providing alternative dispute resolution services only (draft recommendation 10.3)
- merits review by the Administrative Appeals Tribunal
- judicial review in the Federal Court of Australia and High Court of Australia.

Supported. The internal review should also include contact by the senior review officer with a veteran's advocate if one has been appointed.

DRAFT RECOMMENDATION 10.3

The Australian Government should amend the role and procedures of the Veterans' Review Board (VRB).

Rather than making decisions under the legislation, it would serve as a review and resolution body to resolve claims for veterans. All current VRB alternative dispute resolution processes would be available (including party conferencing, case appraisal, neutral evaluation and information-gathering processes) together with other mediation and conciliation processes. A single board member could recommend the correct and preferable decision to be made under the legislation, and the Department of Veterans' Affairs and the claimant could consent to that decision being applied in law.

Cases that would require a full board hearing under the current process, or where parties fail to agree on an appropriate alternative dispute resolution process or its outcomes, could be referred to the Administrative Appeals Tribunal.

Parties to the VRB resolution processes should be required to act in good faith.

Not supported. The VRB's current powers should not be changed and the veterans should still have access to a full board hearing. The ADR process is working well, and change is not necessary.

DRAFT RECOMMENDATION 10.4

The Australian Government should conduct a further review in 2025 on the value of the continuing role of the Veterans' Review Board, once significant reforms to the initial claim process for veterans are established. In particular, the review should consider whether reforms have reduced the rate at which initial decisions in the veteran support system are varied on review. If the review finds that the Board is no longer playing a substantial role in the claims process, the Australian Government should bring the alternative dispute resolution functions of the Board into the Department of Veterans' Affairs or its successor agency.

Supported.

DRAFT RECOMMENDATION 11.1

A new 'Veteran Policy Group', headed by a Deputy Secretary, should be created in Defence with responsibility for veteran support policies and strategic planning.

Ministerial responsibility for veterans' affairs should be vested in a single Minister for Defence Personnel and Veterans within the Defence portfolio.

Not supported. This responsibility should remain within DVA.

DRAFT RECOMMENDATION 11.2

The Australian Government should establish a new independent Commonwealth statutory authority, the Veteran Services Commission (VSC), to administer the veteran support system. It should report to the Minister for Defence Personnel and Veterans and sit within the Defence portfolio (but not within the Department of Defence).

An independent board should oversee the VSC. The board should be made up of part-time Commissioners appointed by the Minister who have a mixture of skills in relevant civilian fields, such as insurance, civilian workers' compensation and project management, as well as some with an understanding of military life and veteran issues. The board should have the power to appoint the Chief Executive Officer (responsible for the day-to-day administration).

The functions of the VSC should be to:

achieve the objectives of the veteran support system (draft recommendation 4.1) through the efficient and effective administration of all aspects of that system

manage, advise and report on outcomes and the financial sustainability of the system, in particular, the compensation and rehabilitation schemes

make claims determinations under all veteran support legislation

enable opportunities for social integration

fund, Commission or provide services to veterans and their families.

The Australian Government should amend the *Veterans' Entitlements Act 1986* and the *Military Rehabilitation and Compensation Act 2004* to abolish the Repatriation Commission and Military Rehabilitation and Compensation Commission upon the commencement of the VSC.

Not supported. The evidence adduced from the current Royal Commission into Banks and Insurance Companies does not engender confidence that part time Commissioners from the insurance industry would be likely to comprehend the beneficial concept that applies to veteran legislation. Additionally, it is the VVFA observation that the Productivity Commission has neither provided evidence that indicates how civilian workers' compensation compares to military compensation schemes, nor has it established the necessary points of difference.

DRAFT RECOMMENDATION 11.3

The Australian Government should establish a Veterans' Advisory Council to advise the Minister for Defence Personnel and Veterans on veteran issues, including the veteran support system.

The Council should consist of part-time members from a diverse range of experiences, including civilians and veterans with experience in insurance, workers' compensation, public policy and legal fields.

Not supported. The DVA National Consultative Framework comprises a plethora of advisory bodies. It is questionable that, yet another group would change government decisions where advice can be offered but not accepted.

In particular, participation by people with experience in the insurance industry is strongly opposed. It is incumbent upon that industry to get its own house in order before it is employed to advise veteran rehabilitation and compensation.

DRAFT RECOMMENDATION 11.4

The Australian War Memorial (AWM) already plays a significant and successful role in commemoration activities. As a consequence of the proposed governance and administrative reforms, the Australian Government should transfer primary responsibility for all commemoration functions to the AWM, including responsibility for the Office of Australian War Graves.

Not supported.

DRAFT RECOMMENDATION 11.5

Once the new governance arrangements in draft recommendations 11.1 and 11.2 have commenced, the Australian Government should make the veteran support system a fully-funded compensation system going forward. This would involve levying an annual premium on Defence to enable the Veteran Services Commission to fund the expected future costs of the veteran support system due to service-related injuries and illnesses incurred during the year.

Not supported.

DRAFT RECOMMENDATION 12.1

The Australian Government should harmonise the compensation available through the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA) with that available through the *Military Rehabilitation and Compensation Act 2004*. This would include harmonising the processes for assessing permanent impairment, incapacity and dependant benefits, as well as the range of allowances and supplements.

Existing recipients of DRCA permanent impairment compensation and dependant benefits should not have their permanent impairment entitlements recalculated. Access to the Gold Card should not be extended to those eligible for benefits under the DRCA.

Not supported entirely. A caveat would be that harmonisation must result in no reduction in any compensation, allowance or supplements.

DRAFT RECOMMENDATION 12.2

The Department of Veterans' Affairs (DVA) and the Commonwealth Superannuation Corporation (CSC) should work together to streamline the administration of superannuation invalidity pensions and veteran compensation, including by:

moving to a single 'front door' for invalidity pensions and veteran compensation

moving to a single medical assessment process for invalidity pensions and veteran compensation

developing information technology systems to facilitate more automatic sharing of information between DVA and CSC.

With the establishment of the proposed Veteran Services Commission (draft recommendation 11.2), consideration should be given to whether it should administer the CSC invalidity pensions.

Supported. However, if Recommendation 11.2 is not accepted by Government the administration of CSC invalidity pension should become a DVA responsibility. This would effectively bring all veteran compensation and invalidity pensions under one Minister.

DRAFT RECOMMENDATION 13.1

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* to remove the requirement that veterans with impairments relating to warlike and non-warlike service receive different rates of permanent impairment compensation from those with peacetime service.

The Department of Veterans' Affairs should amend tables 23.1 and 23.2 of the Guide to Determining Impairment and Compensation to specify one rate of compensation to apply to veterans with warlike, non-warlike and peacetime service.

Supported. With the proviso that there be no reduction in the rate of compensation.

DRAFT RECOMMENDATION 13.2

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* to remove the option of taking interim permanent impairment compensation as a lump-sum payment. The Act should be amended to allow interim compensation to be adjusted if the impairment stabilises at a lower or higher level of impairment than what is expected within the determination period.

Not supported. There should be no reduction in lump sum compensation if the impairment stabilises at a lower level and upwardly adjusted if the impairment stabilises at a higher level. Why? Because this is beneficial legislation. What is beneficial in demanding repayment if the impairment stabilises at a lower level?

DRAFT RECOMMENDATION 13.3

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* to allow the Department of Veterans' Affairs the discretion to offer veterans final permanent impairment compensation if two years have passed since the date of the permanent impairment claim, but the impairment is expected to lead to a permanent effect, even if the impairment is considered unstable at that time. This should be subject to the veteran undertaking all reasonable rehabilitation and treatment for the impairment.

Not supported.

DRAFT RECOMMENDATION 13.4

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* to remove the permanent impairment lump-sum payments to the veteran for dependent children and other eligible young persons.

Not supported. Do not remove any beneficial payments.

DRAFT RECOMMENDATION 13.5

The Department of Veterans' Affairs should review its administration of lifestyle ratings in the *Military Rehabilitation and Compensation Act 2004* (MRCA), to assess whether the use of lifestyle ratings could be improved.

If the use of lifestyle ratings cannot be improved, the Australian Government should amend the MRCA and the Guide to Determining Impairment and Compensation to remove the use of lifestyle ratings and provide veterans permanent impairment compensation consistent with the lifestyle ratings that are currently usually assigned for a given level of impairment. Existing recipients of permanent impairment compensation should not have their compensation reassessed.

Not supported. Lifestyle ratings should use the same principles as GARP V.

DRAFT RECOMMENDATION 13.6

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* to remove the option of taking the special rate disability pension. Veterans that have already elected to receive the special rate disability pension should continue to receive the payment.

Not supported. The amendment should be to remove the offsetting of the SRDP by the Commonwealth portion of Military Super contributions.

DRAFT RECOMMENDATION 13.7

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* (MRCA) to remove automatic eligibility for benefits for those dependants whose partner died while they had permanent impairments of more than 80 points or who were eligible for the MRCA Special Rate Disability Pension.

Not supported. No current beneficial entitlements should be removed.

DRAFT RECOMMENDATION 13.8

The Australian Government should amend the *Military Rehabilitation and Compensation Act 2004* to remove the additional lump sum payable to wholly dependent partners of veterans who died as a result of their service. The Australian Government should increase the wholly dependent partner compensation by the equivalent value of the lump-sum payment (currently about $115 per week) for partners of veterans where the Department of Veterans' Affairs has accepted liability for the veteran's death.

Not supported. No current beneficial entitlements should be removed.

DRAFT RECOMMENDATION 14.1

The Australian Government should amend the *Social Security Act 1991* and relevant arrangements to exempt Department of Veterans' Affairs adjusted disability pensions from income tests for income-support payments that are currently covered by the Defence Force Income Support Allowance (DFISA), DFISA Bonus and DFISA-like payments. The Australian Government should remove the DFISA, DFISA Bonus and DFISA-like payments from the *Veterans' Entitlements Act 1986*.

Not supported. No current beneficial entitlements should be removed.

DRAFT RECOMMENDATION 14.2

To align education payments across the veteran support system, the Australian Government should amend the *Veterans' Entitlements Act 1986* and the *Military Rehabilitation and Compensation Act 2004* to remove education payments for those older than 16 years of age. Those who pass a means test will still be eligible for the same payment rates under the Youth Allowance.

To extend education payments for those under 16 years of age, the Australian Government should amend the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* to adopt the Military Rehabilitation and Compensation Act Education and Training Scheme.

Not supported.

DRAFT RECOMMENDATION 14.3

To help simplify the system, smaller payments should be consolidated where possible or removed where there is no clear rationale.

The Australian Government should remove the DRCA Supplement, MRCA Supplement and Veteran Supplement, and increase clients' payments by the equivalent amount of the supplement.

The Australian Government should remove the Energy Supplement attached to Department of Veterans' Affairs' impairment compensation, but other payments should remain consistent with broader Energy Supplement eligibility.

Not supported. No current beneficial entitlements should be removed.

DRAFT RECOMMENDATION 14.4

To streamline and simplify outdated payments made to only a few clients, they should be paid out and removed. The Australian Government should amend the *Veterans' Entitlements Act 1986* to remove the recreation transport allowance, the clothing allowance and the decoration allowance and pay out those currently on the allowances with an age-adjusted lump sum.

Not supported. No current beneficial entitlements should be removed.

DRAFT RECOMMENDATION 14.5

The Australian Government should amend the *Veterans' Entitlements Act 1986* (VEA) to remove the attendant allowance and provide the same household and attendant services that are available under the *Military Rehabilitation and Compensation Act 2004* (MRCA).

Current recipients of the VEA allowance should be automatically put on the same rate under the new attendant services program. Any further changes or claims would follow the same needs-based assessment and review as under the MRCA.

Strongly supported.

DRAFT RECOMMENDATION 14.6

The Australian Government should amend the *Veterans' Entitlements Act 1986* Vehicle Assistance Scheme and section 39(1)(d) (the relevant vehicle modification section) in the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* so that they reflect the *Military Rehabilitation and Compensation Act 2004* Motor Vehicle Compensation Scheme.

Not supported. No existing benefits or allowances should be taken away or reduced.

DRAFT RECOMMENDATION 15.1

Eligibility for the Gold Card should not be extended to any new categories of veterans or dependants that are not currently eligible for such a card. No current Gold Card holder or person who is entitled to a Gold Card under current legislation would be affected.

Not Supported. Gold card should be issued to SRCA recipients who meet the same criteria as eligible veterans under the VEA 1986.

DRAFT RECOMMENDATION 15.2

The Department of Veterans' Affairs should amend the payments for the Coordinated Veterans' Care program so that they reflect the risk rating of the patient that they are paid for — higher payments for higher risk patients and lower payments for lower risk patients. Doctors should be able to request a review of a patient's risk rating, based on clinical evidence.

Not supported.

DRAFT RECOMMENDATION 15.3

The current (2013–2023) Veteran Mental Health Strategy has not been very effective and should be updated in light of recent policy changes (such as non-liability access) and research findings on emerging needs.

The Department of Veterans' Affairs (DVA) (in consultation with the Departments of Health and Defence) should urgently update the Veteran Mental Health Strategy, so that it guides policy development and implementation over the medium term. It should:

be evidence-based, including outcomes from policy trials and other research on veterans' mental health needs

set out clear priorities, actions and ways to measure progress

commit DVA to publicly report on its progress.

The Strategy should include ways to promote access to high-quality mental health care, and to facilitate coordinated care for veterans with complex needs. It should also have suicide prevention as a focus area and explicitly take into account the mental health impacts of military life on veterans' families.

Supported.

DRAFT RECOMMENDATION 15.4

The Department of Veterans' Affairs (DVA) should monitor and routinely report on Open Arms' outcomes and develop outcome measures that can be compared with other mental health services.

Once outcome measures are established, DVA should review Open Arms' performance, including whether it is providing adequate, accessible and high-quality services to families of veterans.

Supported.

DRAFT RECOMMENDATION 16.1

The Department of Veterans' Affairs should develop outcomes and performance frameworks that provide robust measures of the effectiveness of services. This should include:

- identifying data needs and gaps
- setting up processes to collect data where not already in place (while also seeking to minimise the costs of data collection)
- using data dictionaries to improve the consistency and reliability of data
- analysing the data and using this analysis to improve service performance.

Supported

DRAFT RECOMMENDATION 16.2

The Department of Veterans' Affairs should conduct more high-quality trials and reviews of its services and policies for veterans and their families by:

- evaluating services and programs (in ways that are commensurate with their size and complexity)
- publishing reviews, evaluations and policy trials, or lessons learned
- incorporating findings into future service design and delivery.

Supported

DRAFT RECOMMENDATION 16.3

The Department of Veterans' Affairs should set research priorities, publish the priorities in a research plan and update the research plan annually.

Supported

DRAFT RECOMMENDATION 17.1

By 2025, the Australian Government should create two schemes for veteran support — the current *Veterans' Entitlements Act 1986* (VEA) with some modifications ('scheme 1') and a modified *Military Rehabilitation and Compensation Act 2004* (MRCA) that incorporates the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA) ('scheme 2').

Eligibility for the schemes should be modified so that:

veterans who only have a current or accepted VEA claim for liability at the implementation date will have all their future claims processed under scheme 1. Veterans on the VEA Special Rate of Disability Pension would also have their future claims covered by scheme 1. Veterans under 55 years of age as at the implementation date should be given the option to switch their current benefits and future claims to scheme 2

veterans who only have a current or accepted MRCA and/or DRCA claim, (or who do not have a current or accepted liability claim under VEA) as at the implementation date will have their future claims covered under scheme 2. Other veterans on MRCA or DRCA incapacity payments would have their future claims covered by scheme 2

remaining veterans with benefits under the VEA and one (or two) of the other Acts would have their coverage determined by the scheme which is the predominant source of their current benefits, or their age, at the implementation date.

Dependants of deceased veterans would receive benefits under the scheme in which the relevant veteran was covered by. If the veteran did not have an existing or successful claim under VEA as at the implementation date, the dependants would be covered by scheme 2.

Veterans who would currently have their claims covered by the pre-1988 Commonwealth workers' compensation schemes should remain covered by those arrangements through the modified MRCA legislation.

Supported with a caveat. There are so many differences between the three existing Acts that they need forensic scrutiny. To use the old saying, 'the devil is in the detail'. Any harmonisation must only adjust existing entitlements to make them the same. It is also necessary to index payments. For example, funeral benefits under the VEA are "up to $2,000" and have only been increased once since they were set originally at $1,000 while both DRCA and MRCA funeral benefits are currently $12,053 indexed annually.

Other inconsistencies in entitlements between the current three Acts are evident in the attached Appendix E: 'Comparison of compensation benefits' on DVA's webpage Review of Compensation Arrangements, as of December 2018.

Annexes:

A. VVFA paper: Fraud – Issue, or not, for DVA and the Veteran Community?
B. DVA Webpage: Appendix E: Comparison of compensation benefits, Dec 2018

Annex A

Fraud – Issue, or not, for DVA and the Veteran Community?

It is the case that with any entitlements or compensation scheme there will be incidences of fraud and non-compliance. Unfortunately, there will also be perceptions that such schemes are vulnerable to fraud and that claimants may attempt to take advantage of the scheme by making false claims.

A recent project in the National Office of the Vietnam Veterans' Federation of Australia Inc. led to an investigation of the incidence of fraud and non-compliance with respect to DVA claims.

The conclusions in this short paper are drawn from statistics available in DVA Annual Reports and presented in the following tables.

Table 1: Claim Statistics FY 2012-2013 to FY 2014-2015

VEA/SCRA/MCRA	2012-2013	2013-2014	2014-2015
Total claims	21579	20735	22136

Table 2: Fraud Investigation Activity 2010-2011 to 2014-2015[9]

		FYs 2010-2015
1.	Average annual "current cases" of fraud/non-compliance	85
2.	Average annual "convictions" for fraud/non-compliance	2[10]
3.	Average annual "matters before the courts", and "matters referred to Commonwealth DPP or law enforcement agencies"	4
4.	Average annual "finalised cases"	139

[9] From DVA Annual Report 2014-2015 Table 36, p. 118.

[10] Obviously minimal, but the cost of these cases is not included in annual statistics.

Table 3: Cases Under Investigation[11] – Outcomes and Percentage of Total Claims

	Cases Under Investigation	FY2012-2013	FY2013-2014	FY2014-2015
1.	Total cases	368	336	403
2.	Serial 1. as percentage of total claims (from Table 1)	1.7%	1.6%	1.8%
3.	Cases reported as "no offence detected"	174	149	249
4.	"No offence detected" as percentage of total cases (serial 1)	64%	76%	81%
5.	Cases of fraud/non-compliance detected	97	47	57
6.	Serial 5 as percentage of Total cases under investigation (Serial 1.)	26%	14%	14%
7.	Serial 5 as percentage of total claims (Table 1)	0.45%	0.23%	0.26%

Summary

From the statistics in the Tables:

- Less than 2% of total claims are investigated as being potentially fraudulent or non-compliant, and of those cases, fraud/non-compliance is currently detected in 14% of cases.
- Where fraud/non-compliance is detected, the number of cases is less than 0.5% of total claims.
- In comparison, and as best as can be determined by looking at the Comcare annual report, this figure (<0.5%) is less than half the equivalent figure for Comcare claims.[12]

The DVA Annual Report 2014-2015 states that "In total the Department identified over $0.88M in confirmed fraud and non-compliance investigation cases in 2014-2015"[13]. The figure is presumably the cost to the Department of fraud and non-compliance. Previous annual reports have reported the amount of money retrieved ($1.8M in FY 2013-2014) from such cases.
The figure of $0.88M is obviously substantial but is less than 0.01% of the total budget for DVA. In its Annual Report, DVA reports the cost of data matching with respect to fraud detection, but it does not report the total cost of fraud prevention and detection measures.

Conclusion

There can be no argument that DVA shouldn't concern itself with fraud and non-compliance, and the 2014-2015 Annual Report details the comprehensive measures that DVA uses to

[11] From DVA annual reports. Presumably these are cases that are considered in the first instance, to be indicative of fraud/non-compliance. The figures are from the Fraud and Non-Compliance text section of the relevant Annual Report, they do not appear in a table in the reports.
[12] Differences in reporting formats between DVA and Comcare mean that this figure could be unreliable. Additionally, the respective client populations and working environments are quite different.
[13] P. 118

address the issue. While the Annual Report refers to Risk Management, and the Community Compliance Framework Model[14], there is no explanation of the model, and the report does not evaluate the fraud/non-compliance statistics against the framework of the model.

The figures lead to the conclusions, first, that by far the greater majority of veterans do not seek to abuse the system, and second, that the system is not open to abuse.[15] The overall figure of less than 0.5% of total claims coming under investigation reflects well on the integrity of veterans, as well as supporting the prevention measures implemented by DVA.

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[14] This model "places an emphasis on encouraging compliance through making it as easy as possible for clients and service providers to meet their obligations. The framework also allows for intervention where clients and providers do not want to or decide not to comply – that is, they engage in fraudulent behaviour". Quote is from DVA website reference to Corporate Governance.

[15] **A Note of Caution.** While the figures are based on statistics that DVA makes available in its Annual Report, DVA comment has not been sought.

Appendix E: 'Comparison of Compensation Benefits' on DVA's webpage Review of Compensation Arrangements, as of December 2018.

Benefit	VEA		SRCA	MRCA
Compensation for permanent impairment	Disability pension for life, tax-free, with the rate depending on the degree of incapacity.		Up to $218,949.61 tax-free lump sum for permanent impairment and non-economic loss. Maximum SRCA PI amount + $68,063.38 for severely injured employees under the *Defence Act 1903* with a whole person impairment rating of 80% or more, due to paraplegia, quadriplegia, total blindness or any other injury having a similar effect. Dependent child benefit $71,753.26 under the *Defence Act 1903*.	Up to $292.08 pw tax-free for life. The rate depends on the degree of impairment. 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 $387,327.29. This final amount would reduce in the case of an older person. In the case of someone who receives the maximum permanent impairment payment, there is also a lump sum payment of $75,191.88 to any dependent children less than 16 years or from 16–24 years inclusive in full-time education.
	Rates Special Intermediate EDA General (10% to 100%)	**$pw** 546.45 370.80 301.65 19.42 to 194.15		
Incapacity for service or work	**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 *actual* loss of earnings that has not been compensated from another source. LOE tops up the disability pension to the Special Rate of pension, or pays the amount of salary, wages or earnings actually lost, whichever is the lesser amount. **Temporary Incapacity Allowance**(TIA) is paid where hospital or institutional treatment has resulted in an incapacity for work for a period of at least 28 days. TIA tops up the disability pension to the Special Rate of pension. 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.		Weekly, taxable, incapacity payments for loss of earnings at 100% of normal weekly earnings, less a 5% notional superannuation contribution, reducing to 75% after 45 weeks in receipt of compensation. Payments cease at age 65.	Weekly, taxable, incapacity payments for loss of earnings paid at 100% of normal earnings reducing to 75% after 45 weeks after discharge, which cease at age 65. In the case of more seriously injured, the person may choose to receive a tax-free SRDP of $546.45 pw payable for life instead of incapacity payments.
Attendant allowance	Paid in cases of 'service' accepted multiple amputations, blindness, disease affecting the cerebrospinal system, or a condition accepted as being similar in effect or severity.		Reimbursement of up to $398.08 pw for the cost of attendant care reasonably required as a result of the accepted conditions.	Reimbursement of up to $413.56 pw for the cost of attendant care reasonably required as a result of the accepted conditions.

	$72.20 pw (low) $144.60 pw (high)		
Household services	Low-level domestic support services according to assessed need (Gold Card) or assessed need related to accepted disability (White Card). Up to 15 hours pa of garden maintenance (safety-related only) and home maintenance.	Reimbursement of up to $398.08 pw for the cost of household services reasonably required as a result of the accepted conditions.	Reimbursement of up to $413.56 pw for the cost of household services reasonably required as a result of the accepted conditions.
Vehicle purchase, modification and maintenance	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). Modifications necessary for accepted disabilities. Maintenance allowance towards running costs $2,007.20 pa.	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 cannot be modified or who does not own a vehicle and will derive real benefit from the vehicle.	Motor Vehicle Compensation Scheme (MVCS) provides compensation in relation to an accepted condition to: modify a motor vehicle; maintain and/or repair modifications to a motor vehicle; subsidise the purchase of a new or second-hand vehicle; or pay other kinds of compensation relating to motor vehicles specified under the MVCS, such as increased insurance due to modifications.

EDA = Extreme Disablement Adjustment; LOE = loss of earnings; MRCA = *Military Rehabilitation and Compensation Act* 2004; MVCS = Motor Vehicle Compensation Scheme; pa = per annum; pw = per week; PI = Permanent Incapacity; SRCA = *Safety, Rehabilitation and Compensation Act 1988*; SRDP = Special Rate Disability Pension; TIA = Temporary Incapacity Allowance; VEA = *Veterans' Entitlement Act 1986.*

Table E2 Health, treatment and rehabilitation

Benefit	VEA	SRCA	MRCA
Repatriation Health Card — For Specific Conditions (White Card)	Yes	No — Reimbursement for medical expenses reasonably required as a result of accepted injury.	Ongoing medical expenses arising from the accepted medical condition will be met through either: reimbursement of expenses; or provision of a White Card.
Repatriation Health Card — For All Conditions (Gold Card)	Gold Card if receiving a disability pension at or above 100% of the General Rate of Pension, or 50% disability pension or has 30 impairment points under the MRCA and any amount of service pension, or 70 years old with qualifying service, or an ex-POW. Gold Card for widowed	No — Reimbursement for ongoing medical expenses reasonably required as a result of accepted injury.	Gold Card — if 60 or more impairment points, or if eligible to choose to receive the SRDP. Gold Card — to widowed spouse where: death is service caused; member was eligible to choose to receive the SRDP at time of death;

	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 less than 25 years and still in full-time education.		member suffered a permanent impairment of 80 or more impairment points at the time of death. Gold Card to dependent child of deceased member, under 16 or between 16 and 25 in full time education where: death is service caused; 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.
VEA or MRCA supplement	Yes, for holder of a treatment card. Low rate: $6.00 per fortnight High rate: $12.00 per fortnight	No allowance, but the cost of all reasonable pharmaceuticals is reimbursed for accepted conditions.	Yes, for holder of a treatment card. Low rate: $6.00 per fortnight High rate: $12.00 per fortnight
Cost of attendance for medical treatment	Reimbursement of travel allowance at specified rates.	Reimbursement of travel at specified rates for travel in excess of 50 km return.	Reimbursement of travel at specified rates for travel in excess of 50 km 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 modifications	Limited availability under some DVA programs.	Alterations to the home that are reasonably required due to the person's injury.	Provided 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.
Compensation for loss of, or damage to, property used by employee where employee is NOT injured	No	Reimbursement of the cost of replacing property used by the employee that 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 *not* injured. For example, the cost of replacing glasses broken in a scuffle during the apprehension of a person where the employee was not injured.	Reimbursement of the cost of replacing medical aid used by the member that was lost or damaged as a result of an accident occurring while rendering defence service, but for which the member has not lodged a claim for injury. For example, the cost of replacing glasses broken in a scuffle during the apprehension of a person where the member was either not injured or was injured and did not lodge a claim for liability.

DVA = Department of Veterans' Affairs; MRCA = *Military Rehabilitation and Compensation Act 2004*; POW = prisoner of war; SRCA = *Safety, Rehabilitation and Compensation Act 1988;* SRDP = Special Rate Disability Pension; VEA = Veterans' Entitlement Act 1986.

Table E3 Benefits for dependants

Benefit or dependant	VEA	SRCA	MRCA
Widow(er)'s benefits	$362.55 pw tax-free war widow(er)'s pension payable fortnightly for life in respect of death due to service. Up to $108.30 pw additional income support supplement (means tested). Gold Card for life.	Up to $442,177.76 tax-free lump sum (shared with child dependants, if any, but minimum of 75% to spouse). Additional payment under the *Defence Act 1903* of $48,817.06. Dependent child benefit $71,753.26 under the *Defence Act 1903*.	$362.55 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. An additional age-based lump sum is provided where the death is service caused. A widow or widower would be eligible for a maximum additional death benefit of $125,319.80.
Dependent children benefits	Fortnightly orphan's pension (if war/service caused death of parent). Conditions apply if child is older than 16 years (e.g. not eligible if receiving education benefits). $42.85 pw if service parent deceased. $85.65 pw if both parents deceased. Gold card while in full-time education.	Up to $442,177.76 tax-free lump sum shared with all dependants including widow(er), held in trust until child reaches 18 years of age. $118.06 pw (while younger than 16 years or from 16–24 years inclusive if in full-time education).	$75,191.88 tax-free lump sum payment for each dependent child younger than 16 years, or from 16– 24 years inclusive if in full-time education. $82.71 pw (while younger than 16 years, or from 16–24 years inclusive, if in full-time education).
Children's education benefits	Veterans' Children Education Scheme (VCES) benefits (non-means tested) for eligible children of certain severely disabled members or members whose deaths have been accepted as service caused. VCES has various rates of education allowances: primary education rate of $234.10 per year. secondary/tertiary rates range from $24.05 pw for a student aged younger than 16 years and living at home, to a maximum $194.35 pw for those aged 16–25 years, who are forced to live away from home for educational purposes (based on Centrelink Youth Allowance rates for those 16 years and over).	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.	*Military Rehabilitation and Compensation Act* Education and Training Scheme (MRCAETS) for dependent children of severely injured members or deceased members where: 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. MRCAETS has various rates of education allowances: primary education rate of $234.10 per year. secondary/tertiary rates range from $24.10 pw for a student 16 years or younger and living at home, to a maximum $194.35

			pw for those aged 16–25 years, who are forced to live away from home for educational purposes (based on Centrelink Youth Allowance rates for those aged 16 years and over).
Funeral benefit	Yes, for service-caused death. Reimbursement up to $2,000. Also, automatic grants of funeral benefit of $2,000 to the estates of certain deceased veterans.	Yes, where death is due to service, or to a service-related medical condition. $10,138.75.	Yes, where death is due to service or to a service-related medical condition. $10,138.75.
Bereavement payment (disability pension)	Deceased person's disability pension continues for 6 fortnights if there is a surviving spouse. From 1 July 2008, a deceased single veteran's estate may be eligible to receive a bereavement payment if the veteran was in receipt of Special Rate of pension or Extreme Disablement Adjustment and dies in indigent circumstances.	No.	The following payments continue for 6 fortnights if there is a surviving spouse or dependent child: weekly permanent impairment payments; incapacity payments; SRDP.
Financial advice	No.	$1,435.14 payable under the *Defence Act 1903.*	$1,503.83 for member offered the choice between SRDP and weekly incapacity payments and permanent impairment payment. $1,503.83 for a member who has permanent impairment of 50 or more impairment points. $1,503.83 for wholly dependent partner when offered choice between weekly payment or conversion of that payment to a lump sum.

MRCA = *Military Rehabilitation and Compensation Act* 2004; MRCAETS = *Military Rehabilitation and Compensation Act* Education and Training Scheme; pw – per week; SRCA = *Safety, Rehabilitation and Compensation Act 1988;* SRDP = Special Rate Disability Pension; VCES = Veterans' Children Education Scheme; VEA = Veterans' Entitlement Act 1986.