



Community and Public Sector Union Submission:

Compensation and Rehabilitation for Veterans

Productivity Commission Inquiry

July 2018

INTRODUCTION

The Community and Public Sector Union (CPSU) is the primary union representing Australian Public Service employees and is committed to providing a strong voice for our members in key public policy and political debates.

The CPSU represents staff in the Department of Veterans' Affairs (DVA) and welcomes the opportunity to make a submission to this inquiry by the Productivity Commission into Compensation and Rehabilitation for Veterans.

The Commission sought submissions on compensation and rehabilitation arrangements for both serving and ex serving members of the Australian Defence Force (ADF), and, in May 2018, released an issues paper seeking responses to several questions.

The CPSU recognises the uniqueness of military service and the challenges it has for veterans and their families. CPSU members are committed to ensuring veterans receive client centric service.

How could the administration of the claims and appeals process be improved to deliver more effective and timely services to veterans in the future?

The CPSU submits that the legislative framework for veterans' compensation and rehabilitation is complex and difficult to navigate, both for staff, and for those seeking support from DVA. Given this complexity and its impacts, it is important that DVA ensures that staff are well trained and properly resourced to do their job. This includes having IT systems that adequately support the processes staff are expected to fulfil.

In 2013, the Australian Public Service Commission (APSC) published a Capability Review into the DVA. This review found that among the most threatening of challenges is its ICT systems.

*"For example, there are some 200 individual ICT systems operating in the department with a dated desktop. Typically a client facing employee or assessor may need to open three or four separate applications, none of which 'talk to the other', in order to deal with a single client request or claim. Furthermore, staff or assessors may need to access additional separate applications (likely through another staff member) to determine if a client had a transport booking, or to check a client's eligibility for glasses or dental treatment."*¹

The 2013 Capability Review also noted that DVA lacks an adequate strategy and implementation plan to build its future workforce and foster career paths for staff.

*"There is little sense that DVA is actively dealing with key person risks— as there are only limited efforts to capture knowledge from experienced staff."*²

In this context, the CPSU notes that the Commonwealth has continued to apply an Average Staffing Level cap which is driving outsourcing and the use of labour hire staff within the Department of Veterans' Affairs. The increase of non-ongoing and casual staff in the Department has resulted in fewer ongoing staff with knowledge of, and experience in, the application of legislation and related decision-making processes.

Labour hire staff in DVA are performing key customer service functions. However, due to the nominal 'casual' description of their positions, these workers have been denied salary progression, access to paid leave, and have lived in a constant precarious uncertainty regarding their futures. Insecure employees, with less job security, will have less investment in the future of the agency. This, and frequent staff turnover, impacts on the Department's ability to provide effective and timely services to veterans.

¹ Australian Public Service Commission (2013, November). Capability Review: Department of Veterans' Affairs. pp.8. Retrieved from <https://www.apsc.gov.au/sites/g/files/net4441f/DVA-Capability-Review.pdf>

² Australian Public Service Commission (2013, November). Capability Review: Department of Veterans' Affairs. pp.15. Retrieved from <https://www.apsc.gov.au/sites/g/files/net4441f/DVA-Capability-Review.pdf>

The CPSU is not the only voice highlighting issues with the APS staffing cap.³ For example, the Productivity Commission itself, has recommended the removal of the cap on directly employed staff as it could hinder the ability of the NDIA to manage the NDIS effectively and independently. The Productivity Commission stated that:

“The Commission recommends that the Australian Government remove the cap on directly employed staff. This is on the basis that the NDIA is best placed to determine the most effective and efficient staff mix to deliver the scheme, within the constraints of its capped operating budget.”⁴

Will the Veteran Centric Reform program address the problems with the administration of the veterans’ support system?

The CPSU notes media reports that focus on concerns raised by veterans about inconsistent treatment of claims for compensation, and lengthy delays in the processing of claims.

As outlined above, the resourcing of staff in Department of Veterans Affairs impacts on its capacity to deliver services.

The public sector has a range of social, environmental, governance and community obligations, and delivers outcomes that cannot be captured solely by financial measures. A focus on purely financial inputs, i.e. cost of services, may result in situations where increased “efficiency” leads to a reduced quality of services and the neglect of other obligations.⁵

Best practice, drawing on workers’ compensation arrangements and military compensation schemes

While its Terms of Reference do not specifically mention outsourcing, the CPSU notes that the Commission has been charged with investigating whether current arrangements reflect best practice for workers’ compensation arrangements and military compensation schemes.

The CPSU has further questions on what is meant by best practice and from where the Commission plans to source its evidence.

Given that under this Government, Comcare no longer manages all workers compensation claims in the Australian Public Service, and private providers such as Allianz and CGU are now participating in trials to deliver compensation services to DHS and the ATO, the CPSU is concerned that references to best practice may be code for investigating options for outsourcing DVA compensation functions.

There has been a trend in recent years for State Governments to privatise compensation claims management for their staff, including for police and ambulance officers.

Further Consultation or Hearings

Finally, CPSU members seek the opportunity to be directly consulted by this inquiry, through either consultation roundtables or hearings before the Commissioners.

³ Community and Public Sector Union (2018, February). Submission to the Senate Select Committee on the Future of Work and Workers. Retrieved from

https://www.cpsu.org.au/system/files/cpsu_submission_to_inquiry_into_the_future_of_work_and_workers.pdf

⁴ Productivity Commission (2017, October). National Disability Insurance Scheme (NDIS) Costs, Study Report, Canberra. Retrieved from <http://www.pc.gov.au/inquiries/completed/ndis-costs/report/ndis-costs2.pdf>

⁵ Community and Public Sector Union (2018, February). Submission to the Senate Select Committee on the Future of Work and Workers. Retrieved from

https://www.cpsu.org.au/system/files/cpsu_submission_to_inquiry_into_the_future_of_work_and_workers.pdf