



AIR FORCE ASSOCIATION RESPONSE TO PRODUCTIVITY COMMISSION DRAFT REPORT ON INQUIRY INTO COMPENSATION AND REHABILITATION FOR VETERANS

Introduction

1. The Air Force Association welcomes the opportunity to comment on the Productivity Commission's draft report into compensation and rehabilitation for veterans. The Association supports any opportunity that will improve the well-being of past, current and, especially, future veterans. It contends an effective veteran support system must be 'fit for purpose' and meets the needs of veterans and their families.
2. Also, the Association welcomed the chance to attend the Productivity Commission's public hearings which helped clarify several issues contained in its draft report that have aroused considerable emotion within the veteran community. The Association is united in its opinions that confirm that they are shared with many of its partners in the Alliance of Defence Services Organisations (ADSO) and the Defence Welfare Association (DFWA). This response will focus on what it considers are key issues for the Association in the Draft Report.

Opinion on the current state of the veteran support system

3. The veteran support system, including the overarching legislation, is the product of neglect by successive governments and Department of Veterans' Affairs department heads. Disappointingly, previous reviews conducted to rectify the system failed to make any significant changes. Veterans and their families, present and future, are entitled to better. Accepting the status quo would be irresponsible.
4. Continuation of the current state is indefensible. The Association views the Inquiry as an opportunity to remedy a poorly administered and derelict system. It's important the veteran community has an open mind to work with government and its agencies to bring about an effective and efficient veteran support service.

Principles and objectives of the veteran support system

5. The proposed principles and overarching objectives of the veteran support system¹ could not be refuted and, therefore, are strongly endorsed. The pursuit for well-being is the cornerstone of an effective veterans' compensation and rehabilitation system. The stated principles and objectives must be reflected in veterans support legislation, and not just in the preamble, so that their inclusion in the governance and administration of the system is assured regardless of the type of entity that has custodianship.

¹ Recommendation 4.1

Unique Nature of Military Service

6. There have been many words written around the ‘unique nature of military service’ which is regularly referred to in the Draft Report. However, the Association contends the Productivity Commission has not fully understood this implicit principle. It does not therefore agree with several of the views and recommendations in the report.
7. The nature of military service is much more than following directions, frequent relocations, long and irregular hours, and working in high risk situations. Many civilian occupations are subject to such working conditions. The difference between a civilian and military person commences on their enlistment or appointment. Apart from the human rights that are forfeited at this juncture, the military member is ‘licensed’ to take a human life and is expected to do so in war – not just to protect themselves or their comrades, but to kill an enemy. Such action may be taken in the field, on the sea, or in or from the air. The military role can include identifying human targets and authorising their demise. No other occupation has this duty.
8. Moreover, today there is an increased focus on the Law of Armed Conflict and Rules of Engagement. An accidental breach of these rules could result in serious consequences for commanders and their personnel. The act of deliberately taking a human life or being in an environment where there is a constant threat of losing your life demonstrably can have a myriad of consequences for the military member. Suggestions by some that military service can be equated to civil police or emergency services is strongly contested. Although personnel in these occupations from time to time encounter dangerous situations, their charter is vastly different to that of the military.

Structural draft report proposals

9. The draft report proposes sweeping changes to the governance and administration of the future veteran support system² by:
 - replacing DVA with a Veterans Services Commission (VSC) oversighted by a governing board,
 - dispensing the dedicated veteran affairs ministry and establishing a single Ministry for Defence Personnel and Veterans,
 - creating a new ‘Veteran Policy Group’ within Defence,
 - creating a Veterans’ Support Council to advise the Minister replacing the Ex-Services Organisation Round Table (ESORT) and Prime Ministerial Advisory Council (PMAC),
 - transferring commemorations and war graves administration to the Australian War Memorial (AWM),
 - assigning veterans’ policy to Defence,
 - the creation of a Joint Transition Command, and
 - delivery of enabling IT services by Department of Human Services.

² Recommendations 11.1 through 11.4

10. DVA is the current custodian of the veteran support system and has a parlous performance record notwithstanding there have been significant improvements during recent times. Successive inquiries and reviews have been seriously critical of its performance. Consequently, it is not surprising the Commissioners have formed the opinion DVA is not 'fit for purpose'. The fact DVA has been around for 102 years should not guarantee an entitlement to continue in this space. So, it's important to see it if for what it is. On the other hand, there must be a convincing alternative.
11. DVA holds enormous knowledge of the current veteran support system and underpinning legislation. No other government agency, including Department of Defence, has this degree of expertise. The Association acknowledges the improvements so far achieved by Project Lighthouse and the Veteran Centric Reform (VCR) processes, and notes the draft report supports the continuing development of VCR through to 2021. However, these alone fall short of what is required. Clearly, a holistic approach is needed to remediate the system.
12. Veterans are rightly sceptical of 'commissions' from their experience of treatment of veterans by the Commonwealth Superannuation Commission. Veterans' scepticism has been exacerbated by CSC's having avoided scrutiny in the recent Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry.
13. Although a statutory authority has some advantages over the departmental structure for undertakings that require special powers defined by statute and appropriate combination of public accountability and operational autonomy, the creation of a VSC to administer a veteran support system is considered a 'step too far' at this point when we have an established department dedicated to this function. Department of Finance Governance guidelines provide a high level of flexibility – creating further doubt. The Inquiry's Final Report must therefore define the envisaged structure in detail so that the veteran community knows exactly what would govern and administer its entitlements.
14. The Association considers the abolition of DVA to be revolutionary when an evolutionary approach may be more appropriate. The Association's view is, however, contingent on DVA rehabilitating itself and delivering within an acceptable timeframe a veteran support system that reflects the key principles and objectives espoused by the Productivity Commission.
15. DVA's ability to meet these objectives using its own resources is unlikely. It would be required to continue to administer the existing veteran support system while concurrently working to rehabilitate itself. Consequently, the Association strongly recommends that a professional business systems development and culture change consultancies should be contracted by the government to work with DVA to redesign its structure as necessary, develop appropriate training and cultural change³, and put into place appropriate performance output measuring systems that report on the effectiveness of its veteran support programs⁴.

³ Recommendations 9.2 and 9.3

⁴ Recommendation 9.1

16. DVA should be provided with sufficient resources to enable it to deliver an effective veteran support system and meet government set performance improvement targets by 2025. An alternative organisation should be established if DVA cannot achieve 'fit for purpose' status by the target date.
17. Given the Association's qualified recommendation to retain DVA, it does not consider that incorporating the veterans' affairs responsibility within the Minister for Defence Personnel is in the best interests of veterans and their families. Although there is a commonality between serving and ex-serving personnel, they have vastly different needs, and live in a very different social, economic and health services environment.
18. The Association is also concerned that Defence would focus more on the demands of serving personnel issues. Given their centrality to combat power, this focus is understandable. It will, however, detract from the needs of ex-serving members and their families. Even more so because the needs of the latter are complex and time-consuming. They therefore deserve a dedicated Ministerial office.
19. The current arrangement of a dedicated Ministry is considered best suited to oversee the specialised support to a nationally valued section of the community. Experience has shown that amalgamation of government departments and ministerial oversight has not always had a positive outcome. Veterans and their families' support must be a top priority rather being 'second fiddle' to another portfolio.
20. The Association also opposes the notion of devolving the veterans' policy function to Defence. Maintaining veterans' wellbeing post Australian Defence Force (ADF) service is not Defence core business. Defence has a warfighting function and is responsible for the well-being of its serving personnel with the objective of maximising combat readiness and combat power. The draft report asserts that the division of responsibility for veterans' well-being between Defence and DVA is counterproductive to veterans and their families' welfare.
21. The Association contends the progress of a close, supportive working relationship between these two departments would greatly assist in the development of effective veteran support policies and delivery of post-ADF service veteran support services. There is ample evidence such a relationship is developing, eg the Secretary-Secretary MOU and resulting cross-sharing of veteran data. This initiative is expediting DVA's ability to respond to veteran claims, and should have occurred years ago. The Association believes there would be merit in having a formal joint DVA and Defence veterans' policy group that should be part of a revised DVA structure.
22. The Association is not opposed to the creation of a Veterans' Advisory Council that could incorporate the functions of the PMAC. However, to abandon the role of the ESOs in influencing veteran services would be a retrograde step. ESOs are a rich resource for veteran support activities and deal with veteran issues first-hand. They can bring a practical perspective to veteran support policy makers and system administrators. ESORT, however, has yet to reach its full potential. Regrettably, it still tends to dwell more on 'housekeeping' matters rather than strategic level issues. ESOs' inclusion in the VAC has the potential to improve the shape of veteran policy,

to monitor DVA and its contractors' service delivery, to inform required enhancements to the veteran support system, and to better link DVA and the veteran community.

23. The Australian War Memorial (AWM) is not a commemorative organisation, nor has it experience in war graves administration. It also has no experience outside Canberra and certainly has no international engagement. Veterans have close emotional connections to military commemorations and war graves. Transfer of these functions to the AWM is likely to be cost neutral and, given the recommendation to provide the opportunity for DVA's revival, there seems little point in supporting the transfer of these functions.
24. The Association notes there have been significant improvement in ADF safety awareness and safe workplace practices in recent years. However, it supports any reasonable initiative that would improve the safety of serving members in the execution of their duties. It is also noted Defence already pays a notional premium for this purpose. The recommendation that Defence should pay an annual compensation premium to meet the expected costs of the veteran support system due to Service-related injuries and illnesses incurred during the year is endorsed⁵.

The Two Scheme Approach

25. The draft report proposes a two-scheme approach to simplify the veteran support system, reduce the confusion around eligibility and minimise or remove the need for offsetting. It effectively amalgamates DRCA and MRCA in Scheme 2 and provides for those⁶ in Scheme 1 under VEA to switch to Scheme 2. The proposal has the potential for providing greater financial benefit for veterans under DRCA. The Association supports the proposal provided there is no loss of entitlements or detriment to veterans⁷.

Compensation for an impairment

26. The draft report proposes MRCA be amended to remove the requirement that veterans with impairments relating to peacetime service receive the same rates of permanent impairment compensation as those relating to warlike and non-warlike service. Although the Association appreciates the even-handed intent underpinning the notion, it opposes the amendment.
27. In a civilian working environment, you could expect there to be a 'level playing field' relating to compensation for injury/illness incurred through employment. However, warlike service carries extreme risk. That risk, and the personal obligations described in the 'unique nature of military service' justify the differentiation between types of service and impairment entitlements. The Association is aware its position may not be well received by veterans without warlike service, but to remove the differentiation would tend to equate service duty with civilian employment and similar attendant risks.
28. The Association contends that treatment and rehabilitation for injury and/or illness incurred through service duty be identical regardless of the service type, but the

⁵ Recommendation 11.5

⁶ Subject to age qualification at July 1st, 2025

⁷ Recommendation 17.1

level of compensation is different for warlike duty⁸. GARP Table 23.2 should remain unaltered. The increased entitlements are justified on the nature of military service when extreme duty in warlike situations is demanded.

29. Proposed amendments relating to lump-sum and permanent impairment payments under MCRA are supported⁹. More information is needed to form an opinion on the impact of Recommendation 13.4.

Complexity of Veteran Support Legislation and the Review Process

30. The veteran community is in vigorous agreement as to the complexity of veterans' support legislation and the stress it has caused many veterans and their families. Ideally, there should be a single Act, but practically this may not be possible. Consequently, the Association supports the notion the Acts be 'harmonised' where possible on the basis there should be no detriment to any current veteran entitlement in the process¹⁰.
31. The Association also supports the amendments to the VEA to allow the Repatriation Medical Authority (RMA) access to the necessary resources to provide medical and epidemiological research into unique veterans' health issues¹¹. However, the Association believes the RMA should have the independence to determine which organisation or individual (in Australia or overseas) it relies on to conduct research and to ensure its objectivity.
32. The Association endorses the Draft Report recommendation that the review path should be the same in all Acts. However, it strongly resists the recommendation to diminish the role of the Veterans' Review Board (VRB). Further, the Association does not support the universal application of just one set of Statements of Principles (SoPs). The existing two sets of SoPs provides a very significant benefit to veterans. The 'relaxed' standard of proof enables the RMA to propose SoPs that do not meet the global epidemiological 'balance of probability' standard of proof. GARP Table 23.2 provides a level of entitlement that reflects the higher risk that warlike or non-warlike service entails.
33. Advice provided by those experienced in military advocacy and VRB processes attest to the utility of the VRB, and the SoPs. Both individually and in combination, they reduce the adversarial nature of reviews, reducing the stress claimants should experience. SoPs provide a framework (with two standards of proof) that makes the chance of success moderately predictable, and incontestably transparent.
34. VRB hearings are non-adversarial but interrogative with an acknowledged aim of achieving the correct and preferable outcome, and the appropriate entitlement if such may be awarded. DVA is not represented to defend its Delegate's decision, and lawyer advocacy is forbidden.
35. However, the Administrative Appeals Tribunal (AAT) is an adversarial process with lawyers representing both parties, and with the possible presence of opposing

⁸ Recommendation 13.1

⁹ Recommendations 13.2 and 13.3

¹⁰ Recommendation 8.1

¹¹ Recommendation 8.2

expert witnesses. Moreover, the claimant will need to pay for legal representation. The Association believes it would seem most unwise to increase the role of the AAT at the expense of the VRB.

36. Further, the draft report recommends VRB decisions should only be by the recently developed Alternative Dispute Resolution (ADR) processes. These decisions are, however, written only by Senior Members (Lawyers) or by very experienced non-legal members. The necessary experience is only to be gained by participation in three-person Hearing panels.
37. The draft report is also critical of repeated 'errors' by the primary decision maker or delegate, decisions that are subsequently 'corrected' by the VRB. Anecdotal evidence suggests the VRB very seldom identifies errors. Most of those decisions that are set aside are done so because the need for additional material evidence is satisfied.
38. Should a matter not be determined by ADR, the three Member is an invaluable additional safety net. Although most matters are now being decided by ADR, the full Board is available to matters that are too complex or the decision too much in the balance for a single Member to decide it. In such case, it would have been quite inappropriate for a single delegate to have made such a decision.

Health Care

39. The definition of the term 'veteran', the 'unique nature of military service', the Gold Card, and the varying levels of compensation for injury and/or illness resulting from service duty are interconnected.
40. The Association views the term 'veteran' as any uniformed ADF member who has served one day of service. ADF service involves duty that attracts varying degrees of risk of personal injury and/or illness or death. The risk is greatest during warlike service and it's during this type of service that the ADF member may be called upon to eliminate an enemy in an offensive action.
41. As raised above, the Association believes that irrespective of peacetime service only and those who have warlike service, each should be entitled to the same level of treatment and rehabilitation for illness and/or injury incurred during duty. But the level of compensation should be greater for the 'war service' veteran.
42. Indeed, this is the case. This varying level of benefit is enshrined in the VEA, and has been upheld by the Federal Court¹², and is demonstrably carried forward into MRCA. The Draft Report's assertion that the current arrangements result in inequality is therefore hard to justify.
43. The Second Reading of the VEA Bill makes clear that the intention of Parliament was to draw a clear distinction between those with and those without war service. Those with warlike service should be provided with a higher level of compensation and a Service Pensions. This distinction is not to suggest any servicemen or woman is of a lesser value than another, but refers only to the nature of service undertaken.

¹² Repatriation Commission v Kohn (1989) FCA 244 (3 July 1989)

44. The distinction between the civilian and the military person expressed in the 'unique nature of military service' emphasises the reality that warlike service as the ultimate duty. Some would argue that a higher level of compensation is inequitable but the truth is that the risks and demands of the various levels of service are different. If all service personnel had the same level of entitlements regardless of the nature of their service then the nature of military service would be little if any different from any high demanding civil occupation. Also, preferential treatment for certain citizens is not unusual in our society but is generally associated with privilege and power. Less divisive, Senior citizens enjoy a range of benefits that recognise their contribution towards the development of our nation.
45. The Draft Report is very critical of the Gold Card describing it, among other things, as generous and poorly targeted. It purported that availability of the Gold Card could work against the principle of 'wellness' by providing an incentive for veterans and their families to seek opportunities for higher levels of support. The Commission recommends eligibility for the Gold Card should not be extended to any new categories of recipients. The Association rejects both of these recommendations.
46. The Association contends that why the Gold Card was introduced is instructive. The Gold Card was introduced in 1990 following the Federal Government's decision to release the Repatriation General Hospital (RGH) from its control. Previously, veterans had access to the RGH for the treatment of any condition. Introduction of the Gold Card enabled eligible veterans to receive treatment from a range of health service providers. There is ample evidence of a high hospitalisation rate of Gold Card recipients and their need of other treatment. There is no evidence of over-servicing.
47. The Gold Card is about health care, providing full services to affected veterans, war/defence widow(er)s and in some cases veteran's families. Access to a range of health care services, including those that provide mental health treatment and allied health services contributes both to the well-being of the individual and eligible dependents and the wider support group of relatives and friends.
48. Offsetting any view that the Gold Card's provision of health care for all conditions and, therefore must be an avoidable cost for the Commonwealth, anecdotal advice purports that many Gold Card recipients are being refused health care services. The reason: the fees that DVA pays are below market rates.
49. An economic rationalist would argue to limit Gold Card health care treatment to accepted conditions directly related to war service and to remove the entitlement from eligible veterans who attained 70 years of age. The Howard Government approved the entitlement to 70-year-old veterans as a form of recognition of their service to the Nation. To some, the award of this entitlement might see frivolous. To the cynic, the award was made when so few eligible veterans were alive that the benefit was affordable. However, gratitude has no timeframe or redundancy.
50. Parliaments, as the voice of the Australian community at the Federal, State and Territory levels, have made it clear that veterans with war service should receive preferential entitlements. Indeed, various State and Territory Governments provide a range of benefits to Gold Card recipients. Although there is no uniformity of these services across Australia, the common objective is to express gratitude for these veterans' commitment to Australian security and national interests.

51. The issue of the Gold Card does therefore not represent a loss to others but instead a benefit to those who undertook extreme service for their nation. The Association strongly opposes the Commission's recommendation the Gold Card should be abolished¹³.
52. The Association is concerned that Recommendation 15.2, concerning amended payments for the Coordinated Veterans' Care Program could lead to a co-payment risk and needs further investigation. Recommendations to update the Veterans' Mental Health Strategy to include ways to promote access to high-quality mental health care are strongly supported¹⁴.
53. The Association has received consistent favourable reports as to the effectiveness of the *Open Arms – Veterans & Families Counselling Service*. Its retention and placement within the DVA organisation is therefore strongly supported. Notwithstanding, its effectiveness should not be sacrosanct from formal performance measurement to ensure it continues to be effective in meeting veterans and their families' needs¹⁵.

Veteran Support and Compensation Schemes

54. Recommendation 12.1 concerning harmonising the compensation available through DRCA with that available through the MRCA is supported provided no detriment occurs. The Association also supports the suggestion that DRCA permanent impairment compensation and dependent recipients should not have their permanent impairment entitlements recalculated. Also supported is the recommendation that access to Gold Card should be extended to those eligible for benefits under the DRCA.
55. Streamlining the administration of superannuation invalidity pensions and veteran compensation as suggested in Recommendation 12.2 is endorsed but not their administration by a VSC.

Prevention, rehabilitation, wellness, transition and health care

56. Accurate reporting of injuries and effective injury prevention programs are paramount to effective Defence capability and veteran wellness. Consequently, improved measures to increase awareness of the causes of injury and illness through better data recording seems very appropriate. Recommendations 5.1 to 5.3 to data enhance Defence's Sentinel database from the Defence eHealth System and DVA datasets to better capture work health and safety data are supported.
57. The Draft Report contends that the focus of the veteran support system is on compensation rather than rehabilitation and wellness. It attributes Defence's reduced focus on the rehabilitation of members likely to separate from the ADF to the dichotomous responsibility for rehabilitation of serving by Defence and ex-serving ADF members by DVA. The Association supports the need for further information on return-to-work outcomes from the ADF and DVA rehabilitation programs to better identify effective rehabilitation programs.

¹³ Recommendation 15.1

¹⁴ Recommendation 15.3

¹⁵ Recommendation 15.4

58. Operational capability will always be Defence's top priority. Defence's focus is the personnel element in force capability. Hence its efforts go into rehabilitating those service men and women capable of returning to operational status. History reveals it has little interest in the rehabilitation of service men and women after separation.
59. There is therefore a high likelihood that rehabilitation of separating service personnel could be a distraction and afforded a lower priority. DVA, at this point, seems the appropriate organisation to manage the rehabilitation of separated veterans. Therefore, the recommendation to establish a Joint Transition Command for this purpose is not supported¹⁶. Closer coordination by Defence and DVA during transition by service personnel still undertaking rehabilitation is proposed. Seamless rehabilitation during transition must be the joint objective of Defence and DVA.
60. The Association is concerned the draft report consistently refers to a veterans' compensation scheme as a 'workers' compensation scheme'. This suggests that veterans' entitlements are to be treated like those of civilian workers' compensation scheme entitlements. This may be a poor choice of wording, but such descriptions raise wider uncertainties about the Productivity Commission's intentions about all veterans' entitlements.

Transition to civilian life

61. There is approximately a 7.5% annual turnover of ADF personnel, many choosing to separate under a decade of service. Most successfully make the transition to civilian life but anecdotal advice suggests about 25% struggle. Stress is likely greater for the younger veteran with the new family.
62. The ADF offers a range of transition information and support services, and financial support for civilian job seeking veterans. Unfortunately, the current transition package favours veterans with longer service who are likely in a better personal circumstance to cope with separation. The Association contends that ADF transition support services should be equitable regardless of rank and service tenure.
63. Defence has improved considerably in its responsibility for preparing members for transition to civilian life. However, for many, the plethora of advice on transition is overwhelming and challenging. Accordingly, the major bases have formally trained transition officers to aid the process. Transition problems are more likely when veterans self-manage their separation or believe that entering the civilian community and obtaining employment will not be difficult. A significant issue is the reported small percentage of separating veterans who take advantage of the existing ADF transition support services.
64. The ADF provides nationally accredited training. ADF members are therefore well equipped with skills and capabilities that are in high demand in the civilian sector. Moreover, it provides opportunities to further a member's qualifications through Defence-sponsored study schemes.
65. It's paramount that separating veterans are 'marched out' best prepared for life outside the Service. The Association contends that creation of tri-Service uniform process is the optimum way forward. The objective is to ensure that all personnel

¹⁶ Recommendation 6.3

irrespective of Service or rank have an equal opportunity to access the same transition support services prior to discharge.

66. However, the Association does not believe that creation of a Joint Transition Command¹⁷ is necessary. A better option could be the establishment of tri-Service discharge centres in capital and other major cities, which would provide a comprehensive uniform discharge process. However, the Association does support the need for metrics to identify areas of improvement in transition services¹⁸.
67. Ex-Service Organisations have an opportunity to provide veterans with civil employment assistance and ensure they and their families receive holistic services targeted at individual needs. While the Association does not support the need for a Joint Transition Command, it submits that ESOs are currently under-represented during Members transition and could be more deeply engaged as mentors and family re-integration support providers.

Key concerns

68. The draft report is a lengthy document on a very complex subject concerning the health and well-being of a highly-valued community sector. The short timeframe, which included the Festive Season, for the public's response to the document raised concerns about the Commission's interest and acceptance in public opinion.
69. The language of the draft report and its reference to multiple vignettes that focused on negative aspects of DVA's operation only increased suspicion that cost savings were the principal driver behind the inquiry rather than pursuit of a better veteran support system.
70. Although the 'unique nature of military service' was acknowledged, there appeared to be a continual attempt to equate military service with civilian occupations and a veteran compensations scheme with those of civilian workers. The Commission appeared to not appreciate the reason for the inequity in compensation surrounding warlike and peacetime service, which distinguishes military service from civilian occupations.
71. Further, describing the Gold Card as generous is offensive to many veterans, especially when to support the view the document included derogatory opinions of the Card from ill-informed respondents.
72. The abolition of DVA in favour of other structural arrangements for the veteran support system is considered revolutionary rather than evolutionary. The document argued the departmental model was not suitable for the role, but it did not explain why a statutory authority would be more suitable. This aside, it seems very reasonable that DVA should be provided every opportunity to rehabilitate within a specified timeframe and be required to put in place appropriate performance and report measuring systems.
73. The Association is very concerned that the Draft Report does not include comment on the role of ESO in the veteran support system other than to recommend the

¹⁷ Recommendation 7.1

¹⁸ Recommendation 7.1

abolition of ESORT. ESOs are a rich resource of experienced veterans who have ‘life experience’ in military and post-military civilian environments. They have considerable networking capability with influential individuals, government and private sector organisations.

74. While ESOs have varying capacities, mainly because of limited financial resources, they share a common purpose: to assist veterans and their families in need. Many of the well-structured ESOs have the capacity to support the concept of a nation-wide ‘veterans’ hub’ facility and a range of other veteran support services. The Association recommends that the Inquiry examine these capabilities and include findings and recommendations in the Final Report.

Conclusion

75. The Association recognises that contemporary veterans’ needs are different from older veterans. It supports initiatives that provide a veteran support system that is capable of effectively supporting veterans of all generations. Some of the Draft Report recommendations need further in-depth examination to determine their full impact on veterans and their families. However, the Association’s overriding concern is there should be no detriment to any veteran or his/her family, and that future veterans, families and war/defence widow(er)s will at least have the same entitlements that exist today.
76. The Association is concerned that any changes to the veterans’ support system be undertaken cautiously for fear of creating unintended detrimental consequences on veterans and their families. Intended changes need to be rigorously tested for the desired outcome before they are sanctioned.
77. The Association supports wholeheartedly the objectives and principles of the veteran support system and the ‘cradle-to-grave’ approach to veteran support. It also welcomes the proposed harmonisation of veteran’s legislation.
78. The Association does not support the abolition of DVA, or the creation of the VSC, or the transfer of responsibilities for veteran policy, commemoration, and war graves administration to other organisations. It also opposes recommended changes to the VRB and the establishment of a Joint Transition Command.
79. The Association is also deeply concerned by the inference that veterans’ entitlements should be treated as just another workers’ compensation scheme and should therefore provide no different entitlements than any civilian workers’ compensation.
80. A tabulated summary of the Association’s position on the Draft Report’s recommendations is at Annex A to this response.

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 Air Force Association Ltd
 February 19th, 2019

Annex A: Table of Recommendations – Air Force Association Ltd

ANNEX A TO
AIR FORCE ASSOCIATION LTD
DATED FEB 19TH, 2019

TABLE OF RECOMMENDATIONS – AIR FORCE ASSOCIATION LTD

Recommendation #	Related matter	Position
4.1	Objectives and design principles	Support
5.1	Upgrading Sentinal database with data from Defence eHealth System	Support
5.2	ADF utilise outcomes from trial injury prevention programs to test a new approach to injury prevention	Support
5.3	Supports the notion of annual actuarial report that estimates compensation premium of the ADF	Qualified support based on objection to calling veterans' compensation premium a 'workers' compensation premium
6.1	ADF Joint Health Command to enhance its annual report with outcomes from the ADF Rehabilitation Program	Support
6.2	DVA to make greater use of rehabilitation data for program evaluation purposes	Support
6.3	DVA to increase engagement with rehabilitation providers to identify service improvement	Qualified support based on opposition to the establishment of a Joint Transition Command (see Recommendation #)
7.1	Defence's responsibility for the wellbeing of separating ADF members through the creation of a Joint Transition Command	Not supported, but support the need for veterans to have access to the transition support services and the requirement to have metrics to identify areas of improvement in transition services

7.2	Transition support services	Qualified support based on the function being provided by a Joint Transition Command, but support the principles and services espoused and transition services currently available
7.3	DVA support of veterans in education and training programs	Support
8.1	Harmonisation of veteran's legislation	Support
8.2	Amendment to the VEA to allow the RMA the capacity to guide and fund research into veteran health issues	Support, but would like to see independent research undertaken by non-government agencies and contractors
9.1	DVA to publicly report on its progress implementing recommendations from reviews	Support
9.2	DVA to ensure appropriate staff are appropriately trained to deal with veterans and their families	Support
9.3	Concerns quality assurance processes regarding data assessment on claims processing	Support
10.1 through 10.4	Concern the operation of the VRB and the introduction of a single pathway for all veterans' compensation and rehabilitation decisions	Not supported
11.1	The creation of a 'Veteran Policy Group' within Defence, and the Ministerial responsibility for veterans' affairs be vested in a single Minister for Defence Personnel and Veterans within the Defence portfolio	No supported

11.2	The creation of a Veteran Services Commission (statutory body) to replace DVA and administer the veteran support system	Not supported
11.3	To establish a Veterans' Advisory Council (VAC) to advise the Minister on veterans' issues	Qualified support based on the including ESO representation and the function of the PMAC being rolled into the VAC.
11.4	Transfer of commemorations and war graves administration to the Australian War Memorial	Not supported
11.5	Defence to pay an annual premium towards the cost of a fully-funded veteran support system	Support
12.1	Concerns harmonising the compensation available through the DRCA with that available through the MRCA	Support
12.2	Calls for a greater working relationship between the CSC and DVA to streamline the administration of superannuation invalidity pensions and veteran compensation.	Support
13.1	Concerns amending the MRCA to remove the different rates of permanent impairment compensation between warlike/non-warlike and peacetime service.	Not supported
13.2	Amend the MRCA to remove the option of taking interim permanent impairment compensation as a lump-sum payment	Support
13.3	Amend the MRCA to allow DVA the discretion to offer veterans final impairment compensations (conditions apply)	Support

13.4	Additional information needed	N/A
14.1	Amend Social Security Act 1991 to exempt DVA adjusted disability pensions from income tests for income support payments covered by DFISA, DFISA Bonus and DFISA-like payments.	Qualified support based on additional advice regarding the removal of DFISA, DFISA Bonus and DFISA-like payments from the VEA.
14.2	Amend the VEA and the MRCA to remove education payments for children over 16 years, noting that those who pass a means test will be eligible for the same payment rate under Youth Allowance	Not supported based on opposition to the application of a means test. However, the amending the DRCA to adopt the MRCA Education and Training Scheme is supported.
14.3	Concerns the consolidation or removal of smaller payments.	Further advice is required.
14.4	Concerns the removal of outdated payments	Further advice is required on the impact of the recommendation
14.5	Amend the VEA to remove the attendant allowance and provide the same household and attendant services that are available under the MRCA	Qualified support on the basis more information is required.
14.6	Amend the VEA Vehicle Assistance Scheme and the DRCA section 39(1)(d) so that they reflect the MRCA Motor Vehicle Compensation Scheme	Support
15.1	Gold Card not be extended to any new categories of veterans or dependents	Not supported
15.2	Concerns patients risk rating and payments under the Coordinated Veterans' Care Program	Qualified support based on more information needed to ensure there was no risk of co-payment.

15.3	DVA in consultation with Departments of Health and Defence to update the Veteran Mental Health Strategy to improve its effectiveness	Support
15.4	DVA to monitor and report on <i>Open Arms'</i> outcomes and develop performance metrics	Support
16.1	DVA to develop outcomes and performance frameworks that provide robust measures of the effectiveness of services	Support
16.2	DVA to conduct high-quality trials and reviews to measure the effectiveness of its services	Support
16.3	DVA to set research priorities, publish the priorities in a plan that is updated annually	Support
17.1 and 17.2	Concern the development of a Two-Scheme approach to simplify the veterans' compensation and rehabilitation legislation	Qualified support on the basis there is no detriment or loss of entitlements