

Productivity Commission Draft Report “A Better Way to Support  
Veterans”  
Submission by Mr David Kelly and Colonel David Jamison AM (Retd)

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### **About the Authors**

David WA Kelly is a retired Bank Manager whose career encompassed four disciplines with senior managerial roles in Retail Banking, Management, Training, Human Resources, and Financial Planning. His Military Service comprised service in the CMF with the engineer unit at Ringwood East in 1967 and then in October 1969 was called up as part of the National Service 4th intake. He served in Vietnam from August 1970 to August 1971 with 198 Works Section, RAE in the 1<sup>st</sup> Australian Task Force at Nui Dat. He has been active as Legacy from 1988 becoming President of Melbourne Legacy in 2000 and served a term as Legacy’s National Chairman 2009 – 2010. He has been a Service Member of the RSL since 2010. He was appointed as a Trustee of the Melbourne Shrine of Remembrance in 2000 and served in this capacity until 2006.

David Jamison is a retired career Army Officer with a background in leadership, management and logistics with a focus on strategic level planning and direction. He held a number of command appointments including operational experience in South Vietnam with postings to Singapore and the United States. As well he has been involved in the development of some important public sector administrative reforms relating Commonwealth procurement processes. Post service career he provided consultancy and training services in the fields of strategic management planning, leadership development, mentoring, purchasing and logistics, working with a range of respected companies and organizations in Australia as well as being invited to speak at professional development seminars in Australia, Malaysia, Singapore, Vietnam and the Middle East. He was National President of the Defence Force Welfare Association (2007-2017) as well as Convenor and Spokesman for the Alliance of Defence Service Organisations (ADSO) from its formation in 2010 until he stepped down in 2017.

Both are currently Office Holders at the Ringwood RSL Sub Branch.

### **Reflections on the Productivity Commission and its Focus**

Productivity Commission Web Page describes the Commission as the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. The Productivity Commission was created as an independent authority by an Act of Parliament in 1998, to replace the Industry Commission, Bureau of Industry Economics and the Economic Planning Advisory Commission. However its roots go deeper, to the establishment of the Industries Assistance Commission in 1974 (which itself replaced the Australian Tariff Board) and, later, the Industry Commission in 1989.

The report itself reflects the origins and focus of the Commission strongly emphasising in the narrative and recommendations, the economic aspects of providing support to veterans in a way that would be detrimental to individual veterans, would be a disincentive for selecting military service as an employment stream and ultimately inflict damage to the national defence capability provided by the nation's service personnel.

## **Comments on the Draft Report**

This submission does not pretend to cover all aspects or recommendations in the report; rather that is the role of the national leadership of the veteran community. This submission will concentrate on some issues where the authors strongly feel the Commission either has a misunderstanding of nature of military service and its effects on ADF members and their families, wrongly equates the support needed by veterans to general community standards or where the emphasis is on "cost saving" at the expense of veterans requiring support provided by the Government.

## **Uniqueness of ADF Service**

The report acknowledges the "uniqueness of service in the ADF but wrongly characterises it by stating it to be an "implicit" principle. That somewhat diminishes this principle. It is not "implicit" it is very definitely "explicit". Further, the description supporting the Commission's understanding rather than listing the core determinants of this uniqueness, outlines some of the characteristics of military service where there can be some overlapping of characteristics with for example, civilian policing and emergency services. Military service involves;

- the surrender of the individual's human rights under the UN Charter on Human Rights,
- the requirement to use lethal force against another human being when lawfully ordered to do so, and
- a requirement to follow orders regardless of the possibility that by doing so could very likely prove lethal for the service person being so ordered.

It is this "uniqueness" that underpins the responsibility of the governments in this country to provide the veteran's support necessary to overcome the negative impacts of service in the ADF. Both the Federal Government and Opposition have understood this and are taking steps to publicly recognise this uniqueness in enacting a Military/veterans Covenant.

## **Responsibility for and objectives of the veteran support system**

Whilst it could be said that responsibility for the long-term wellbeing of military personnel is not well defined under current governance arrangements, it does not follow that the basic structure is unsuitable. Further to use community workers compensation and rehabilitation schemes as a model is to misunderstand the nature and demands of service in the ADF. Defence by its very nature is a physically and mentally challenging and at times a brutal

occupation. The nature of warfare for which service personnel are trained and conditioned is not replicated in any other working environment. ADF service by its very nature involves both physical and mental risks which, while these may be managed and to an extent mitigated in training, the objective is to replicate operational scenarios as closely as possible to actual combat conditions so that ADF personnel are as prepared as they can be before entering an operational area. It is somewhat misleading in this context to state that Defence and DVA have very different and often competing objectives. Their objectives are more properly described as complementary.

- Defence has responsibility for training and equipping current serving members to maintain the capability to defend Australia's interests around the world. Defence also has responsibility for medical treatment and rehabilitation for serving members so that where possible they are restored to full capacity to carry out their designated tasks.
- DVA has responsibility for supporting those members who have an accepted liability for a service related condition accepted who are/have been discharged. This includes providing them with rehabilitation, treatment and compensation (consistent with the veterans' legislation). An additional responsibility is to widows/widowers and families of deceased veterans.

This does not prevent the adoption of a shared purpose with coordinated action across these responsibilities promoting the long-term wellbeing of veterans. Defence and DVA have for some time been improving coordination in this area which is having flow on benefits for both serving and former ADF personnel. It is somewhat simplistic (from the point of view of the serving and ex-serving members) to describe the situation as a set of somewhat arbitrary functional splits and institutional separation between Defence and DVA. This in our opinion has led to misconceptions, flawed conclusions and solutions that will in the medium to long term prove costly not only in dollar terms but in inadequate support to veterans particularly as has been pointed out Defence and DVA having the differing but complementary responsibilities of each department.

It is agreed that the overarching objective of the veteran support system should be to improve the lives or wellbeing of veterans and their families, be wellness focused and be administratively efficient. However above all it needs to be responsive and effect in its application.

The fact that there are some aspects of the veteran support system that need streamlining and modernising is not a reason to impose community standards in veteran support nor is it a reason to wind back existing support arrangements. The illustration that the Gold Card is an example of poorly targeted support is plain wrong. It particularly acknowledges that veterans with significant health/medical conditions and that those who have been deployed to operational areas (i.e. have qualifying service) require the level of support that can be

accessed using the Gold Card entitlements. Furthermore it can be argued that the recognition of the need for this level of support should be extended to all those who have qualifying service when they are discharged. The comments concerning the Gold Card show desire to minimise government expenditure at the expense of the veteran rather than a serious discourse of the need for this level of health support for veterans.

Support is poorly targeted in the transition area, particularly for junior ranks including many younger veterans who served in lower, and have skills that are not easily transferable to the civilian labour market. The main cause of this is Defence's unwillingness to systematically embrace the provisions of the national vocational training structure and award nationally accepted certificates/diplomas etc and to "cherry pick" modules from nationally accredited training courses rather than conducting the full course as specified. This is further exacerbated by the restricted entitlement for discharging ADF members to make them employment ready at discharge. This results in most discharging ADF members either moving into the community with partial qualifications or having to personally fund training modules to fill the gaps in their qualifications.

### **Complexity of legislative framework**

We challenge the statement that the "governance arrangements required to run an effective veteran support system need to incorporate the best features of contemporary workers' compensation and social insurance schemes". It is now accepted that service in the ADF is unique. It follows then that that the "employment" and support arrangements need to be specifically tailored toward this uniqueness. It is correct to say that a department structure is not suited to operating a contemporary workers' compensation scheme but a contemporary workers compensation scheme is not a suitable model for ADF members. Further the Defence Department is most definitely not the agency in which veteran support should be embedded. To do so would institutionalise conflict between the requirement to produce a defence capability the Nation needs and the wellbeing and support for veterans post service. To try to introduce a "price signal" about the real costs (lifetime not short-term costs) of service related harm for ADF members' welfare in an attempt to change the focus of Defence is a very dangerous concept. It is up to Governments to evaluate and cater for the full costs of military service and one responsibility that should not be delegated by statute.

We cannot see the veteran community countenancing such a concept or the dissolution of a separate department responsible for veteran affairs. To go down this pathway would be viewed (properly in our minds) as a betrayal of trust.

The issue of complexity relates directly to the legislation governing veteran support. Three separate acts all with varying provisions results in the situation veterans face today. This is the area to be addressed. A fair singular, simple to administer and access by veterans and their families is what is required. However the warning here is that this has been tried in the past and resulted in more convoluted arrangements that in many respects reduced

entitlements which have harmed many veterans and their families. This must be avoided in any future legislative changes and the veteran community with expert adviser support needs to be fully engaged in any proposal to amend the legislative framework.

## **In Conclusion**

It is true the veteran support can tend to be characterised as a suite of programs, (some highly centralised government sponsored and others started by well-motivated individuals) that in an overall sense are uncoordinated. This does not mean that the structure is not fit for purpose. It does mean that there needs to be a more coordinated approach both legislatively and in their operation. Government and Ex Service Organisations have a legitimate role to address this situation and to some degree recognise this. We support the recent and ongoing reforms initiated by DVA and believe the efforts to better coordinate the work of Ex Service Organisations at the DVA sponsored EX Service Round Table and the developing Alliance of Defence Service Organisations (ADSO) are positive initiatives that should be fully supported by the Federal Government.

The report contains many assertions that are not supported. We believe that no recommendations flowing from this report should be adopted unless the veteran community is fully consulted and is in full agreement. The overall aim should be to reduce the complexity of the legislative framework that leads to a singular compensation and rehabilitation system that is fair, simple to administer and access by veterans and their families with no diminution, but sensible widening of the level of current support to recognise the impacts of service in operations.