

Submission
Productivity Commission
Draft Report
Better Way to Support Veterans
18 December 2018

On the 18th December 2018 the Productivity Commission released its Draft Report on Better Way to Support Veterans. The Draft particularly focused on fixing perceived failings of the Department of Veterans' Affairs (DVA) performance particularly in veterans claim processing, and with reference to culture and governance.

While the efforts of the Productivity Commission should not go unnoticed as well as the efforts of the team that undertook the review, several of the recommendations, especially around personal accountability by veterans' submitting claims and the clarity of DVA management responsibilities focusing on corporate culture should be given further consideration.

It would also have been beneficial if there was more highlighting of the important role of leadership embedding an ethical culture that includes not only DVA but also the veteran community, developing the right tools to achieve better practices with additional training and recruitment programmes to encourage such inclusiveness.

For reasons both financially substantial and functionally practical, the recommended disgorgement of DVA to the Department of Defence (DoD) with the appointment of a new Minister is highly questionable. Justification for the recommendation may have attracted some support had the Draft identified evidence of serious errors of judgment in the administration of the various complex Acts, Regulations and numerous Statement of Principles (SoP) related to the processing of veterans claims and entitlements, incidents of fraud, dishonesty, serious misconduct or staff impropriety that impugned the whole system. There was no justification: not one incident was identified.

In addition to these major oversights, there are marked absences of any capital, operational and sustainment cost structures to support the allied recommendations associated with disgorgement.

Finally, the role of DoD, clearly defined in the Defence Act 1903, is to defend Australia against armed attack. The agency is not and has never been a service delivery agency. Its functions and mission strategies particularly its governance, closely aligned to the Australian Public Sector Governance and Good Conduct Principles, prevent any likelihood of conflict of interest. In so doing it becomes mandatory that processing veterans' claims and entitlements are kept at arms-length and completely divorced from DoD operations. To ignore this ambit would be contrary to conventional wisdom and the due diligence process. Denial could be viewed by some as derelictions of government responsibility, and for the propagation of an ideology about the removal of controls and checks and balances.

Reinforcing a good operational culture and advancing existing inclusiveness relationships with the veteran community must be based around ethical conduct and accountability as part of the governance frameworks, and not an attitude of the tasks being a 'box-ticking' exercise for compliance purposes. The governance framework must strengthen the complement of DVA processing staff as well as ensure staff and veterans work together better throughout the process. If any perceived lost in trust between staff

and veterans is to be restored, then it is essential that those guilty of wrongdoing be brought to account: albeit staff and veteran.

The Draft should be a positive opportunity for both agency and the veteran to fundamentally rethink and reshape their governance, especially around how both parties conduct themselves including their individual responsibility and accountability.

I look forward to seeing how the DVA-veteran community respond to the challenge, as the value and stability of the DVA-Veteran relationship depend ultimately on public confidence.

Dr Anthony P. Ablong

10 February 2019